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Social entrepreneurship

– a survey of current research

Pontus Braunerhjelm and Ulrika Stuart Hamilton

Working Papers Series from Swedish Entrepreneurship Forum

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- to serve as a bridge between the small business research community and all agents active in development of new and small enterprises.
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W O R K I N G P A P E R

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Socialt entrepreneurship – a survey of current research*

ABSTRACT

The phenomenon of social entrepreneurship, sometimes denoted societal entrepreneurship, receives increased attention and popularity by policy makers, opinion leaders, as well as by researchers. The concept lacks a rigorous definition and in this survey we list a number of alternative definitions and classifications made in recent research. These are based on comparisons between social entrepreneurship and other forms of organization, the core elements supposed to accrue to social entrepreneurship and on identification of environmental factors in which social entrepreneurs operate. In addition, despite the strong recent increase in research interest comprising several schools of thought, there is a lack of reliable data.

One of the few comprehensive attempts to collect comparable data is the 2009 GEM study, measuring levels of social entrepreneurship activity in 45 countries. In this working paper we contribute an intrapolated figure for Sweden using cubic splines, which shows that Sweden ranks in the middle of the European countries. At the political decision level both the European Union and individual member states begin to adopt or suggest special legal framework conditions, including beneficial treatment, for so called social enterprises. The paper concludes that there are a limited number of studies using quantitative methods, a lack of rigorous hypothesis testing, little variety in research design, a need for an unambiguous definition that can serve as a foundation for future research and a thorough analysis of the contributions to society that can be attributed social entrepreneurship.

** Chapter 3 included with permission by Brigitte Hoogendorn, Enrico Pennings and Roy Thurik (see Hoogendorn et al (2010)). A briefer version of Hoogendorn et al appears in the Routledge publication The Community Development Reader, Second Edition, and a longer version in International Review of Entrepreneurship 8(2): 71-112, 2010.*

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Social entrepreneurship

– a survey

As the phenomenon *social entrepreneurship* receives increased attention and popularity, so does research into the field. The number of papers, special issues of academic journals, workshops and conferences is constantly augmenting and a recent count found over 350 professors teaching and researching social entrepreneurship in more than 35 countries, and a 750% increase in publication during the period 1991-2009. ¹

In this survey, conducted exclusively for the Ministry of Enterprise, we summarize the state of the art knowledge of the concept of social entrepreneurship, contribute abundant suggestions for further reading for a more in depth view and point at some tentative policy conclusions.

As will be seen there are many possible answers to questions like “what is social entrepreneurship?”, “how does it differ from ‘ordinary’ entrepreneurship?” as well as what kind of policy conclusions and measures that so far have been drawn.

1. Concepts about social entrepreneurship

Entrepreneurship has been a well-defined area within economic theory since Schumpeter published his seminal work in 1911 (Swedberg 2000), but *social* entrepreneurship was not a core element in such general entrepreneurship theory, and was hardly dealt with or even mentioned in textbooks or review articles on entrepreneurship. Steyart and Hjorth (2006) stress that research on and development of social entrepreneurship was undertaken, until recent years, by scholars and experts who typically did not belong to the field of entrepreneurship.

Lepoutre et al (2011) point to the fact that research in the field is characterized by case studies and success stories, and lacks a theoretical base and therefore generalizability.

Although there are differences between the concepts of “social enterprise”, “social entrepreneurship” and “social entrepreneur” (Defourny and Nyssens 2008), the growth of interest in this area is closely related to the fact that social enterprises constitute the fastest growing category of organisations in the USA (Austin *et al.* 2003), and to the fact that universities and business schools around the globe are currently involved in various education programmes in social entrepreneurship and social enterprise. Thus, there is a fast growing interest for this field among both academics and practitioners in the area (Hulgård 2010).

In a recent overview, Hulgård (2010) points at background and driving forces: Research on social entrepreneurship was, in its initial phase, driven in the USA and Europe by practitioners

¹ Lepoutre et al (2011).

and researchers partly with common approaches and understandings and partly with some major distinctions. As such, the field is composed of a mixture of common trends and backgrounds, on the one hand, and of a considerable amount of variation in the ways social entrepreneurship is emerging, on the other hand; this variation is the result of changing balances and relations between state, market and civil society in the provision of welfare services and work integration in the USA and Europe.

Social entrepreneurship – early forms and current growing interest

While the label “social entrepreneur” has only a short history, the practice of social entrepreneurship (SE) is far from new. Florence Nightingale, who revolutionized the theory of hospital conditions in the late 1800s (Bornstein, 2007), and John Durand, who started working with mentally retarded people in the early 1960s (Alter, 2007), are just two examples of exceptional persons bringing about social change whom we may label today as social entrepreneurs. According to Nicholls (2006), the term “social entrepreneur” was first introduced in 1972 by Banks, who noted that social problems could also be deployed by managerial practices.

Even though social entrepreneurship, albeit under different headings, gained practical relevance during the 1970s and 1980s, it was not until the 1990s that the subject attracted attention from both governments and academia. The Italian government created the first social firm model by adopting a specific legal form for social co-operatives in 1991. The UK government followed in 2004 by introducing the Community Interest Company, a second juridical form for social enterprise within Europe (Nyssens, 2006). In that same period, a stream of research on the subject slowly appeared in academic work (Boschee, 1995; Dees, 1998; Leadbeater, 1997). From the turn of the century onwards, the stream of publications became more substantial. At the same time, some highly successful social entrepreneurs attracted considerable media attention, amongst them: Muhammad Yunus, founder of the Grameen Bank for microfinance and recipient of the Nobel Peace Prize in 2006, and Jeffrey Skoll of eBay, who founded the Skoll Foundation supporting social entrepreneurship and was included among Time Magazine's 100 People of the Year in 2006.

Hence, SE has been acknowledged as a new type of entrepreneurship emerging around the world, based on a social wealth creation rather than the generation of economic wealth as its main objective (Dees, 2001; Drayton, 2002; Leadbeater, 1997). Some researchers claim that SE activities have far reaching economic effects enhancing growth, reducing poverty and improving large-scale social development (Yunus and Weber, 2008; Zahra, Gedajlovic, Neubaum and Shulman, 2009).

As a result of the intensity and complexity of social and environmental problems, SE has become increasingly prominent. In the *commercial market sector*, SE is closely related to - and yet different from - corporate strategies such as Corporate Social Responsibility (CSR), Corporate Social Innovation (CSI) and the Triple Bottom Line. In the *public sector*, social

entrepreneurship is related to an experimental turn in social policy and planning that has been taking place in European countries and the EU since the 1980s. (Dees 2001).

Three decisive macro-dynamics have been identified in the emergence of social entrepreneurial activities around the world. The first of these is the slowdown of the public offering of products and social services, which has contributed to an increase in needs not fulfilled (Light, 2008). This is especially true for social welfare, with regards to which public sector involvement is rather limited (Sharir and Lerner, 2006).

Second, the existing disequilibrium in the distribution of income level in both developing and developed countries has increased the need for a new paradigm and new business strategies (Bornstein, 2004). Over the past two decades, social entrepreneurs have also increasingly employed business strategies to address problems and generate revenues.

Finally, the increased competition within the non-profit sector to achieve donations and grants has led to the need to professionalize the activities undertaken with the objective of reducing financial dependence and thus ensure their economic stability for the development of their social mission (Perrini, 2006). Social movements that over the last couple of decades have begun promoting social entrepreneurship comprise e.g. Ashoka Foundation (Bill Drayton), the Skoll Foundation (Jeff Skoll), and Schwab Foundation (Hilde and Klaus Schwab).

STRUCTURE OF THE SURVEY

The rest of this survey is organized in the following way: The next section gives an account of the definitions associated with SE, followed by a brief presentation of its theoretical underpinning. Section 3 describes the main empirical research undertaken in this vein of the literature, while section 4 discusses recent trends and the differences in the view on SE in Europe and the US, including a new assessment of the prevalence of social entrepreneurship in Sweden in comparison to other countries. Finally, section 5 concludes.

2. Definitions and contexts

As it can be seen, in Table 2.1, SE is an interdisciplinary concept, and although the use of the term is widespread, its meaning often varies. There are at least two major contexts in which the notion takes different meanings: the Anglo-Saxon and European traditions (Friedman & Desivilya, 2010). The differences between the two could be due to the different conceptions of capitalism and the role of government (Bacq & Janssen, 2011). In the Anglo Saxon tradition (particularly in the US), SE usually refers to a wide array of experiences in both the non-profit and for-profit sectors, and even in the public sector (given a certain number of conditions) in which market strategies are used to generate own incomes. In the European tradition, SE is very often seen as a different way of doing business.

TABLE 2.1 DEFINITIONS OF SOCIAL ENTREPRENEURSHIP

Year	Author	Definition
2001	Dees	"Play the role of change agents in the social sector, by: 1) Adopting a mission to create and sustain social value (not just private value), 2) Recognizing and relentlessly pursuing new opportunities to serve that mission, 3) Engaging in a process of continuous innovation, adaptation, and learning, 4) Acting boldly without being limited by resources currently in hand, and 5) Exhibiting heightened accountability to the constituencies served and for the outcomes created." (p.4)
2000	Fowler	"Social entrepreneurship is the creation of viable (socio-) economic structures, relations, institutions, organisations and practices that yield and sustain social benefits." (p.649)
2004	Alvord, Brown and Letts	"Social entrepreneurship that creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations." (p.262)
2006	Austin, Stevenson and Wei-Skillern	"We define social entrepreneurship as innovative, social value creating activity that can occur within or across the non-profit, business, or government sectors." (p.2)
	Mair and Marti	"We view social entrepreneurship broadly, as a process involving the innovative use and combination of resources to pursue opportunities to catalyze social change and/or address social needs." (p.37)
	Peredo and McLean	"Social entrepreneurship is exercised where some person or group: (1) aim(s) at creating social value, either exclusively or at least in some prominent way; (2) show(s) a capacity to recognize and take advantage of opportunities to create that value ("envision"); (3) employ(s) innovation, ranging from outright invention to adapting someone else's novelty, in creating and/or distributing social value; (4) is/are willing to accept an above-average degree of risk in creating and disseminating social value; and (5) is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture." (p.64)
	Weerawardena and Mort	"We define social entrepreneurship as a behavioral phenomenon expressed in a NFP organization context aimed at delivering social value through the exploitation of perceived opportunities." (p.25)
	Sharir and Lerner	"To apply business strategies for the purpose of more effective confrontation with complex social problems." (p.16)
2009	Zahra, Gedajlovic, Neubaum and Shulman	"Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner." (p.522)

SOURCE: FERRI AND URBANO (2011)

Social entrepreneurial activities mean different things to people in different places because the geographical and cultural contexts in which they appear is different (Mair & Martí, 2006). Under the "umbrella construct" of SE, other types of social entrepreneurial activities are discussed, such as: social venturing, non-profit organisations adopting business tools, hybrid organisations or social cooperative enterprises (Smallbone, Evans, Ekanem, & Butters, 2001).

Despite the different meanings, a key distinction that can be found in all definitions is social mission as the central driving force of social entrepreneurs (Leadbeater, 1997).

As outlined in Table 2.2, a considerable amount of scholarly effort is devoted to defining the key concepts of the field: Social entrepreneur, social entrepreneurship and social enterprise. In another stream of research, a number of studies have been dedicated to describing the similarities and distinctions between commercial and business entrepreneurs (Austin et al., 2006; Spear, 2006), non-profit enterprises (Fowler, 2000) and corporate social responsibility (Seelos & Mair, 2005; Sharir & Lerner, 2006). As Austin et al. (2006) noted, the main difference between social and other types of entrepreneurship has to do with purpose, or what the enterprise is trying to maximise.

The main findings suggest that, for social entrepreneurs, the bottom line is to maximise some form of social impact, usually addressing a social need that is being mishandled or ignored by other institutions (McMullen, 2011). In contrast, for business entrepreneurs, the bottom line may be to maximise profits or shareholder wealth (Shaw & Carter, 2007). Hence, the world needs both types of entrepreneurs, due to the fact that there are often overlaps between different types of entrepreneurs.

TABLE 2.2 RESEARCH AREAS IN THE DOMAIN OF SOCIAL ENTREPRENEURSHIP

Domains	Research questions
Defining the phenomenon	What is social entrepreneurship?
	What does a social entrepreneur do?
	What are social enterprises like?
Comparison between SE and others forms of organization	What are the differences between social and business entrepreneurship?
	What are the differences between social entrepreneurship and government, NGO's, activism?
	How is different social entrepreneurs forms business entrepreneur?
Study the core elements of social entrepreneurial process	How is the social entrepreneurial process?
	What are social opportunities?
	How do social entrepreneurs evaluate their impact?
Identify environmental factors	What are the main financial constraints?
	Can the field attract and cultivate talented workers?
	How social entrepreneurs interplay with their environment?

SOURCE: FERRI AND URBANO (2011)

In another survey of recent research into the field, Pierre et al (2011) divide the researched issues in publications, articles from journals and papers on SE into no less than 13 different categories. This bibliographical survey shows that discussing the clarification of social entrepreneurship is the number one most common area, followed by discussions on characteristics of the social entrepreneur.

According to Lepoutre et al (2011) scholarly inquiry is hampered by a predominant focus on case studies and success stories, and a lack of studies that test the scope and generalizability of theoretical propositions. This in part is caused by lack of data and a common definition. Based on data from the Global Entrepreneurship Monitor, Lepoutre et al (2011) compare the prevalence of social entrepreneurship across countries and suggest a comprehensive method of measuring the phenomenon.

THEORY AND CONTEXT

Increasingly the framework of institutional economics (North, 1990, 2005) has been adopted to analyse factors that affect SE. According to this framework, institutions include any form of constraint that human beings devise to shape their interaction. In general terms, North (1990) distinguishes between formal institutions, such as political and economic rules and contracts, and informal institutions, such as codes of conduct, attitudes, values, and norms of behaviour. In the case of social entrepreneurial activity, recent studies have pointed to a relation between SE and institutions, where the institutional approach is considered an appropriate theoretical framework for the analysis of the environmental factors that affect the creation of new social enterprises (Nicholls, 2010; Mair & Martí 2006, 2009; McMullen, 2011; Townsend & Hart, 2008; Urbano et al., 2010). Yet, there are very few studies that make use of the institutional approach in the specific area of SE and factors that affect social entrepreneurial activities.

In the same line of research, some note that social enterprises are distinctive from many non-profit organisations in their entrepreneurial approach to strategy, their innovation in the pursuit of social goals and their engagement in training (Thompson & Doherty, 2006).

Moreover, social venturing is best understood more broadly. In this sense, Fowler (2000) has produced the most complex SE typology to date, highlighting three broad categories of socially entrepreneurial activities. In discussing these three models of SE, the author highlights the difference between economic activities that simultaneously provide social benefits and those that do not, and then notes that the former make more complex and stringent demands on an organisation than the latter.

As in the entrepreneurship area, another stream of research is concerned with building knowledge about how social opportunities are discovered, created and exploited (e.g. Corner & Ho, 2010; Zahra, Rawhouser, Bhawe, Neubaum, & Hayton, 2008). Weerawardena and Mort (2006) define the process of social opportunities identification and evaluation as a

separate activity in which social entrepreneurs seek opportunities to create social value. Moreover, the authors conclude that this process is simultaneously influenced by different elements: social mission, organisational sustainability and context. In the same line, Dees (2001) suggests that the entrepreneurship components of social entrepreneurial activities include the recognition and pursuit of social opportunities to create social value. Furthermore, according to Mort, Weerawardena, and Carnegie (p.82, 2003) social entrepreneurs have the “ability to recognise opportunities to create better social value for their clients”. Hence, social entrepreneurs are motivated to address the issue that markets ineffectively value social improvements and public goods (Austin et al., 2006).

Finally, another key area of interest in SE research is focused on the environmental sustainability (e.g. Di Domenico, Haugh, & Tracey, 2010). As presented in the entrepreneurship field, new (social) organisations are impacted by specific factors often associated with cultural, economic or market factors (Gnyawali & Fogel, 1994). This issue, in SE inquiry, is raised by Neck, Brush and Allen (2009) in a discussion of the complex, shifting and often unpredictable environment that social entrepreneurs face in trying to simultaneously fulfil social and economic goals. Moreover, Amin, Cameron and Hudson (2002) stressed the idea that cross-country differences in social entrepreneurial activities reflect differences in welfare systems and in political and institutional contexts. Research in this domain focuses on the context in which social ventures operate, and has direct bearing on their ability to meet the dual mission of creating social value while also creating a business model that is financially stable.

In this way, several researchers suggest that environmental factors are very important to the emergence and implementation of social actions (e. g Mair & Martí, 2009; Nicholls, 2010). For example, social entrepreneurs typically address areas of unsatisfied social needs or the creation of new social opportunities that the public or private sectors have failed to address (Corner and Ho, 2010). Thereby, social opportunities and institutional factors are related (Zahra et al., 2008). Furthermore, the lack of finance for the development of social capital is one of the main constraints that social entrepreneurs encounter in fulfilling their social mission (Sharir & Lerner, 2006).

The label SE can also be classified according to different dimensions of the phenomenon to which they relate, including the individual, the organization, the process and the environment (Bacq & Janssen, 2011). Departing from such classifications, analyses of SE zeroes in on

- (1) a process of entrepreneurial activities which includes discovering, evaluating and pursuing opportunities that does not necessarily involve new venture creation;
- (2) organizational (formal and informal) aspects and activities;
- (3) activities to pursue a social goal.

Hence, as lined out in Bacq et al (2011) this approach captures an extensive range of different issues: it encompasses non-profit, for-profit and hybrid forms of organizations and activities, originating from the private, the public or the third sectors without any restriction on their legal form, earning income strategies, scope of activities, or sector in which they operate. At the

individual level, social entrepreneurs have been seen as a 'sub-species' of the entrepreneurs' family (Dees, 1998a). A recent review of social entrepreneurship literature (Bacq & Janssen, 2011) showed that social entrepreneurs share a series of behavioural characteristics with the commercial entrepreneurs, such as: the ability to detect opportunities (Catford, 1998; Dearlove, 2004; Dees, 1998b; Johnson, 2003; Nicholls, 2006b; Peredo & McLean, 2006; Roberts & Woods, 2005; Thompson et al. 2000; Tracey & Phillips, 2007); the drive to innovate (Austin et al. 2006; Dees, 1998b; Mair & Martí, 2004; Roberts & Woods, 2005); the willingness to bear risk (Peredo & McLean, 2006; Zahra, Gedajlovic, Neubaum, & Shulman, 2009) and the display of proactive behaviour towards survival, growth and serving the market (Prabhu, 1999; Sullivan Mort, Weerawardena, & Carnegie, 2003; Weerawardena & Sullivan Mort, 2006). However, they show a key difference in terms of motivation to engage in social activities: social entrepreneurs demonstrate a socio-moral motivation in their entrepreneurial initiatives (Nicholls, 2006b; Shaw & Carter, 2007). Shaw and Carter (2007), for example, based on 80 in-depth interviews with social entrepreneurs in the UK, found that they are more likely to be motivated by social aims, such as to affect change and make a difference, to meet local needs or to tackle a social issue. What remains empirically unexplored though, is what determinants are related to the choice of individuals to engage in social entrepreneurial activities versus commercial ones.

One could remark, after this overview of definitions and concepts, that a blank spot in the literature is the simple fact that the most "social" and valuable contribution to the community that an entrepreneur can make, is to create jobs. It would be wrong to claim that this aspect is neglected, but we would like to remind the reader that "ordinary" entrepreneurship is doing just this and ought not to be forgotten when fascination for social entrepreneurship is peaking.

In microeconomic models of conventional entrepreneurial behaviour, a wide variety of factors have been subject to empirical studies related to the choice made by individuals to start a business or not. These factors include both personal characteristics such as psychological traits, demographics, attitudes towards risk, and variables measuring social and human capital as well as environmental factors such as industry characteristics and macroeconomic factors (Parker, 2009). With respect to personal characteristics, both objectively measurable variables (e.g. age, gender, formal education) and subjective preferences and perceptions have been acknowledged as important determinants of entrepreneurial behaviour (Busenitz & Barney, 1997; Cooper, Woo William, & Carolyn, 1988; Koellinger, Minniti, & Schade, 2007).

At the organizational level, different elements of social entrepreneurship organizations have been discussed in the extant literature. The issue of their legal organizational form has been debated among scholars as whether the social mission implies that the organization cannot exist under any other legal organizational form than the non-profit form and, therefore, cannot distribute any profit to its investors. This issue has notably been widely discussed within the European boundaries, where a variety of new legal forms have appeared (e.g. 'social co-operatives' in Italy, the 'Community Interest Company' in the UK, the 'social purpose company' in Belgium) (Defourny & Nyssens, 2006).

The main divergence among scholars, according to Bacq et al (2011), lies in whether the creation of a social value proposition (i.e. non-financial goals) is the primary objective (Austin et al. 2006; Dees, 1998b; Haugh & Rubery, 2005; Sharir & Lerner, 2006; Sullivan Mort et al., 2003) and, as such, the economic value creation represents a necessary but not sufficient condition (Mair & Schoen, 2007) or whether it rather consists of a blended value creation (Emerson, 2003; Nicholls, 2010). Empirically, any findings on social organizations' objectives are scarce. Exceptions include Nyssens (2006) and Seelos and Mair (2005) who confirm the long held belief that social enterprises serve multiple goals simultaneously, including at least three different kinds of goals: economic, social and socio-political. However, Nyssens (2006) adds that the social goals are clearly at the core of the mission and that economic goals are in support of the social goals, thereby reinforcing the primacy argument.

When it comes to human resources and size of the organization, social entrepreneurs are working with a wide variety of employees in terms of formal and informal relations and types of contracts (Nyssens, 2006; Turner & Martin, 2005; Vidal, 2005).

This trait in itself does perhaps not distinguish social entrepreneurs from "ordinary" entrepreneurs, who also make use of a number of organizational forms.

The innovation dimension of social entrepreneurship organizations has, according to Bacq et al (2011) been put forward by all the partisans of the so called "Social Innovation School" (Austin et al. 2006; Catford, 1998; Dearlove, 2004; Dees, 1998a; Roberts & Woods, 2005; Schuyler, 1998), according to which social entrepreneurs are primarily driven by vision and innovation, see further in the next section.

However, this characteristic has been taken for granted as one of social entrepreneurship's defining elements, rather than being empirically-grounded.

3. Empirical Findings¹

Four distinct approaches to social entrepreneurship

In the next sub-section we will explore two American schools of thought and two European approaches. Although the approaches are often mixed in popular discourse, they reveal different perspectives and research preferences. In order to compare the schools of thought, the main distinctions and commonalities are summarized in the final part of this section.

The Innovation School of thought

The Innovation School of thought focuses on the social entrepreneurs as individuals who tackle social problems and meet social needs in an innovative manner. According to one recent examination, "[t]he school is focused on establishing new and better ways to address social

¹ With permission by Brigitte Hoogendorn, Enrico Pennings and Roy Thurik (see Hoogendorn et al (2010)). A briefer version of this text appears in the Routledge publication *The Community Development Reader*, Second Edition, and a longer version in *International Review of Entrepreneurship* 8(2): 71-112, 2010

problems or meet social needs” (Dees & Battle Anderson, 2006:41). Social entrepreneurs do so by either establishing a non-profit enterprise or a for-profit enterprise. For both schools of thought within the American tradition, the private foundations that promote the strategic development of the sector and their founders have contributed significantly to the fundamentals of the schools. For the Social Innovation School of thought, Bill Drayton, founder of Ashoka, is considered the leading figure. This school of thought on social entrepreneurship is rooted in the body of knowledge of commercial entrepreneurship on the discovery, evaluation, and exploitation of opportunities. In the case of social entrepreneurship, these opportunities are found in social needs exploited by innovative means to satisfy those needs.

The Social Enterprise School of thought

Within the Social Enterprise School of thought, the main subject of study is the enterprise, described as an entrepreneurial, non-profit venture that generates “earned-income” while serving a social mission. In order to guarantee continuity of service provision, this school focuses on generating income streams independent from subsidies and grants. In addition to the theme of funding, this school also promotes the idea that adopting business methods is a successful way to improve the effectiveness of non-profit organisations and make them more entrepreneurial. Edward Skloot is one of the pioneers of this school of thought. He founded New Business Ventures for Non-profit Organisations in 1980, the first consultancy firm working exclusively for non-market companies, thus acknowledging a new niche and a relevant topic of interest for the third sector. The National Gathering of Social Entrepreneurs, led by Jerr Boschee and Jed Emerson, amongst others, became an influential private initiative promoting the development of a more effective and independent non-profit sector.¹ Like the Social Innovation School, the Social Enterprise School of thought also has a commercial knowledgebase equivalent. The Social Enterprise School is embedded in the commercial entrepreneurship tradition that defines entrepreneurship as the process of creating and managing (new) organisations.

The EMES approach

The Emergence of Social Enterprise in Europe (EMES) Research Network began in 1996 and consists of scholars cooperating in order to investigate the social enterprise phenomenon and establish a broad definition that allows for the national differences within the European Union. The main objective of the research of the EMES network is the emergence and growth of social enterprises within the European Union. The ‘ideal typical’ definition used by the EMES Network defines the characteristics of the social enterprise within this approach. As in the Social Enterprise School, the unit of observation is the enterprise. In the case of the EMES approach, the social enterprise has an explicit aim to benefit the community, is launched by a group of citizens, enjoys a high degree of autonomy, is participatory in nature, and does not base decision-making power on capital ownership. In general, the organisations within this approach consist of the following types: associations, co-operatives, mutual organisations, and foundations. In contrast to the Social Enterprise School, which applies a non-distribution

¹ In 2002, The National Gathering of Social Entrepreneurs was renamed Social Enterprise Alliance after merger with SeaChange, a foundation with comparable aims.

constraint to profits, the EMES approach allows for some profit distribution due to the inclusion of co-operatives. Although such co-operatives exist within the United States, they are not subject to the social enterprise discourse.

UK approach

Despite the broadness of the definition applied by the EMES Research Network, the UK approach to social entrepreneurship is distinct from the EMES approach and the American tradition and therefore allows for a separate approach. When the Labour Party came to power in the UK in the late 1990s, it proactively tried to stimulate partnerships between civil society, the public sector, and the private sector. In order to promote the establishment of social enterprises throughout the country, the Blair government launched the Social Enterprise Coalition and created the Social Enterprise Unit within the Department of Trade and Industry (DTI). The DTI defined social enterprise as being comprised of “businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximize profits for shareholders and owners”.¹ In 2004, a new legal form was introduced, the Community Interest Company. Since 2006, all social enterprise affairs have been the responsibility of a newly established ministry of the Third Sector dedicated to improving the professionalism of the sector, ameliorating access to financial sources, and refining the legal framework in favour of sector growth. UK social enterprises are subject to a limited distribution of profits and can be initiated by individuals, groups of citizens, or by legal entities. In contrast to the EMES approach, the goods and services provided can be related, unrelated, or central to the venture’s mission. In addition, the social enterprises in the UK are trading within the market.

Although the different schools of thought and approaches are distinct from each other, there are no strict boundaries between them, and any attempt to classify articles along the different approaches is partly arbitrary. In fact, the different approaches are still evolving, a point well illustrated by a recent argument proposing to converge the two American schools of thought into a single concept called “Enterprising Social Innovation” (Dees & Battle Anderson, 2006). Despite this blurring of boundaries, exploring the distinctions and commonalities contributes to an understanding of conceptual differences, to an interpretation of the emphasis on or the absence of certain research topics, and to the translation of research findings into recommendations. The approaches, as described above, share one main commonality: their emphasis on the creation of social value. Their distinctions are described along seven lines and are summarised in Table 3.1. Taken together, the ideas behind these distinctions and the creation of social value reveal a broad overview of the main research subjects within the field.

¹ See www.socialenterprise.org.uk.

TABLE 3.1 DISTINCTIONS BETWEEN SCHOOLS OF THOUGHT ON SOCIAL ENTREPRENEURSHIP. AMERICAN TRADITION

Distinctions	Social Innovation School	Social Enterprise School	European Tradition	
			EMES approach	UK Approach
Unit of observation	Individual	Enterprise	Enterprise	Enterprise
Link mission – services	Direct	Direct / indirect	Direct	Direct / indirect
Legal structure	No constraints	Non-profit	Some constraints	No constraints
Innovation	Prerequisite	Not emphasised	Not emphasised	Not emphasised
Profit distribution	No constraint	Constraint	Limited constraint	Limited constraint
Earned income	Not emphasised	Prerequisite	Not emphasised	Important
Governance	Not emphasised	Not emphasised	Multiple stakeholder involvement emphasised	Multiple stakeholder involvement recommended

Unit of observation

The Social Innovation School assigns the social entrepreneur an important role. Illustrative is the following quotation from Bill Drayton: “People understand this field by anecdote rather than theory, so a fellow we decide to elect becomes a walking anecdote of what we mean by a social entrepreneur.” (Bornstein, 2007:120). For the other approaches, the enterprise is the central unit of observation, and attention shifts from the individual to teams of entrepreneurs. In addition, the initiator of the social enterprise differs between the various approaches. Within the Innovation School, the initiation of a social venture is mainly associated with a single individual, whereas within the EMES approach the initiator is by definition a group of citizens. The remaining two approaches are less explicit in this respect, and individuals, groups of citizens, or legal entities can initiate the establishment of a social enterprise.

Relationship between mission and services

A second dissimilarity is the connection between the mission and the products and services provided. Within the Social Enterprise School and the UK approach, a direct link between mission and activities is not a necessity. Goods and services provided can be related, unrelated, or central to the venture’s mission. This allows for more flexibility in running for-profit ventures aiming to generate an independent income stream. In both of the other approaches, the connection is either central or related.

Legal structure

The Social Innovation School and the UK approach put no limitation on legal structure. The Social Enterprise School exclusively considers non-profits. Within the EMES approach, it is the degree of autonomy of the venture that is important, a focus that allows for certain restrictions

on the juridical form. Social enterprises are not to be managed directly or indirectly by public authorities or other organisations.

Innovation

Innovation is clearly one of the defining features of the Innovation School. The level of innovativeness is one of the main criteria for Ashoka in the decision process of supporting a social entrepreneur. “Ashoka cannot elect someone to the Fellowship unless he or she is possessed by a new idea—a new solution or approach to a social problem—that will change the pattern in a field, be it human rights, the environment, or any other.”¹ For those involved in this school of thought, fundamental change or Schumpeterian change is considered a prerequisite. The other approaches acknowledge the importance of creativity and innovativeness, but neither principle is fundamental to the basis of any of these approaches.

Profit distribution

The Social Innovation School leaves the entrepreneur free to choose whatever is necessary to achieve her goals; this means no constraints on the distribution of profits. In contrast, for the Social Enterprise School, a non-distribution constraint on profits is one of the fundamental principles and is inherent to the non-profit status of the enterprises within this particular school. Social enterprises within the EMES and the UK approaches encompass enterprise types that are subject to a total non-distribution constraint as well as those, such as co-operatives, that may distribute profits to a limited extent as long as profit maximizing behaviour is avoided (Nyssens, 2006).

Earned income

The Social Enterprise School, and to a lesser extent the UK approach, emphasise the importance of raising commercial income independent of grants and subsidies to secure sustainability and financial viability. Within the EMES approach, “financial viability depends on the effort of its members to secure adequate resources to support the enterprise’s mission” (Nyssens, 2006:12). The viability is irrespective of the amount of income generated by the enterprise. Hence, income generation is not an important issue within this approach.

Governance

Governance is an important subject within the EMES approach. Multiple stakeholder involvement, democratic management, and the participative nature of the ventures are all fundamental to this approach. Within the UK approach, governance is considered an important topic, but direct or indirect involvement of stakeholders can vary in accordance with the legal structure of the enterprise. It is by no means as fundamental for the UK approach as for the EMES approach. The Social Innovation School is in favour of involving stakeholders by creating partnership and networks through which ideas, knowledge, and expertise can flow between organisations aiming to achieve the same social objective. Democratic management is not considered an issue. The Social Enterprise School is in favour of leaving the founders of the

¹ See www.ashoka.org.

enterprise complete freedom to achieve their goals. From this perspective, multiple stakeholder involvement is to be discouraged if it hinders the effective management of both economic and social goals.

It should be clear from the preceding examination that the various approaches are distinct from each other and that when these distinctions are not made explicit, discussion can drift into conceptual fuzziness. Therefore, in our consideration of the empirical research on social entrepreneurship in the remaining of this paper, we will repeatedly refer to the various schools of thought as presented above. Section 2 explains our sample selection process and describes the characteristics of the selected empirical studies from a general and methodological perspective. Section 3 consists of the review of the content of the articles and summarizes the insights gleaned from the articles in our sample.

Research on social entrepreneurship

For the selection of articles used in our analysis, we reviewed the academic peer-reviewed journals incorporated in the Social Science Citation Index (SSCI)¹, an interdisciplinary database that covers about 1.950 leading journals of social sciences. We selected articles from this database in October 2009 and included all papers published in SSCI journals until 1 October 2009. Our selection includes articles that make explicit use of one or more of the following terms: “social entrepreneurship”, “social entrepreneur”, “social enterprise”, and “social venture”.² This resulted in 67 conceptual and empirical articles. Subsequently, conceptual articles and articles based on experience and illustrations were omitted, leaving us with 31 empirical articles for further analysis. A list of these articles is included in the appendix. All empirical articles in our selection were codified to detect the type of research, research method, data collection, sample size, and school of thought. These characteristics are summarized in Table 3.2 and are briefly described below.

¹Available via <http://apps.isiknowledge.com>]. Using the SSCI database has two shortcomings: it includes only English language journals and does not include journals that have been recently launched in the database

² Using these explicit terms as selection criteria entails that research not using these terms but employing closely related terms (such as sustainable enterprise, indigenous enterprise, community-based entrepreneurship, and the fair trade movement) are omitted.

TABLE 3.2. CHARACTERISTICS OF THE EMPIRICAL ARTICLES ON SOCIAL ENTREPRENEURSHIP. NUMBER OF EMPIRICAL ARTICLES (N=31)

Characteristic		Count
Type of research	Qualitative	27
	Quantitative	4
Proposition generating Hypotheses testing		3
		2
Methods of qualitative articles (N=27) *	Case study	23
	Grounded theory	3
	Discourse analysis	2
	Not specified	2
Methods of quantitative articles (N=4) *	Correlations	3
	Descriptive statistics	1
	Factor analysis	1
	Structural equation modelling	1
	T-tests	1
Data collection (N=31) *	Interviews	22
	Secondary data	11
	Observation	9
	Not specified	6
	Survey	5
Case study sample size (N=23)	Single case	9
	2 - 5 cases	5
	6 - 10 cases	4
	11 – 20 cases	3
	more than 21 cases	1
	not specified	1
School of thought	Innovation School of thought	6
	Enterprise School of thought	9
	EMES approach	2
	UK approach	9
	Unknown	5

Conceptual papers aiming to describe and explain social entrepreneurship as a phenomenon appeared from the early nineties onwards, with a strong increase at the end of the decade. The first empirical studies appeared just before the turn of the century, with a strong increase in the second half of the first decade. In all, less than 50% of the articles in our initial selection of 67 are empirical. This proportion is comparable to the one found by Short, Moss, and Lumpkin (2009) in their literature review. The limited number of empirical studies on this subject in general and scarcity of studies that apply a quantitative research approach in particular, are two indicators of social entrepreneurship being a young or even embryonic field of scientific inquiry. Despite the increase in the number of empirical studies, hypothesis testing and proposition generation are still very scarce, revealing a current lack of scientific rigour and another indication of a scientific field in its relative infancy (Short et al., 2009).

As for the research methods of the qualitative studies, a case study approach is by far the most common and was applied by 23 out of 27 studies. The case study approach is apparently perceived as a suitable method for describing and explaining this rather new phenomenon.

Other methods found in our review are a grounded theory methodology (3 out of 27) and discourse analysis (2 out of 27). The quantitative papers used basic statistical methods such as correlations (3 out of 4), descriptive statistics (1 out of 4), and factor analysis (1 out of 4). More advanced statistical methods such as regression analysis for predictive purposes were not found among the methods used.

As far as the data collection methods are concerned, it turns out that the use of primary data prevails, and secondary data, although applied by 11 out of 31 cases, are used only in addition to primary sources. Observation and, in some cases, participant observation proved to be common ways to gather data. All quantitative studies used surveys as their data collection strategy.

In terms of the samples used for these studies, some remarks are worth making. In the first place, the sample size of the qualitative studies is small, with a large proportion of single case studies (9 out of 27) and a very small proportion of studies having a sample size of more than ten cases (4 out of 27). The studies are characterized by rich descriptions and are suitable for, once again, descriptive, and explanatory purposes. Second, the samples used are very diverse in terms of scope. Some of the samples are comprised of broadly defined social enterprises, while others, such as community enterprises and work-integration social enterprises, are more narrowly defined. Some focus on social enterprises in the early stage of development; others focus more on established and successful enterprises. Some are located in developing countries, while others originate in developed countries. Therefore, the articles lack generalizability, and comparing the results of these studies is a risky pursuit. Each similarity should be interpreted with great caution.

Finally, we classified the articles within the different schools of thought based on the definition of social enterprise used and the purpose of the article. In five cases, the fundamental characteristics of the different schools were not clearly identifiable, and therefore these articles were assigned to a residual category. For the other papers, our review shows that the EMES approach is underrepresented in the list, despite some extensive empirical research conducted by the EMES research network since the turn of the century (Borzaga & Defourny, 2001; Nyssens, 2006). The Enterprise School of thought and the UK approach account for the lion's share of the perspectives used.

What we know from research on social entrepreneurship

We will now shift our focus to the content of the articles and provide an overview of the main findings of the selected articles in our sample. We will present these findings along two lines: (1) along the four perspectives of the framework for new venture creation by Gartner (1985) and (2) along the four schools of thought from our conceptual review.

Studies classified

For the presentation of the main findings of the empirical studies in our review, we first classified the articles along the four components of Gartner's framework for new venture

creation: individual, process, organisation, and environment (Gartner, 1985). We used this particular framework because it is widely accepted in entrepreneurship, it is parsimonious, and it subscribes the multidisciplinary character of entrepreneurship. “The four dimensional conceptual framework can be seen as a kaleidoscope, as an instrument through which to view the enormous varying patterns of new venture creation” (Gartner, 1985:701). The framework utilizes contributions from several fields of research such as economics, personality psychology, and strategy (Mitchell et al., 2002:94). Here, the framework offers a comprehensive and appropriate structure for our purpose of grouping the findings of the reviewed articles. The classification of the articles through the Gartner framework is based on the research questions and main themes of each article. Studies that are substantially focused on several components of the framework are classified under more than one heading.

Second, we classified the articles along the above mentioned schools of thought based on the definition and the purpose of the articles. Table 3.3 summarizes our classification. Before turning to the overview of the findings, we would like to make two additional remarks. First, the classification of the articles and themes is for analytical purposes only, and it is not absolute. Second, the overview comprises of those findings that are addressed as such by the authors. We did not analyse the articles to arrive at additional conclusions ourselves.

TABLE 3.3. RESEARCH ON SOCIAL ENTREPRENEURSHIP CLASSIFIED WITH RESPECT TO THE COMPONENTS OF GARTNER'S FRAMEWORK ON NEW VENTURE CREATION AND SCHOOL OF THOUGHT.

	Individual (N=8)	Process (N=11)	Organisation (N=12)	Environment (N=11)
Innovation School (N=6)	Alvord et al., 2004 Purdue, 2001 Thompson et al., 2000	Alvord et al., 2004 Mair & Martí, 2009 Raufflet, 2007	Alvord et al., 2004	Pastakia, 1998
Enterprise School (N=9)	Dart, 2004 Van der Scheer, 2007 Sharir & Lerner, 2006	McDonald, 2007 Sharir & Lerner, 2006 Weerawardena & Mort, 2006	Dart, 2004 Sharir & Lerner, 2006	Anderson et al., 2006 Korosec&Berman, 2006 Ndemo, 2006 Phillips, 2005 Sharir & Lerner, 2006 Weerawardena&Mort, 2006
UK approach (N=9)	Turner & Martin, 2005	Dixon & Clifford, 2007 Haugh, 2007 Tracey & Jarvis, 2007 Turner and Martin, 2005	Darby & Jenkins, 2006 Dixon & Clifford, 2007 Leeming, 2002 Thompson & Doherty, 2006 Turner & Martin, 2005	Haugh & Rubery, 2005
EMES approach (N=2)	Spear, 2006 Vidal, 2005			
? (N=5)	Parkinson & Howorth, 2008	Nel & McQuaid, 2002	Luke & Verreynne, 2006 Memberetti, 2007	Leeming, 2002 Nwanko et al., 2007 Biggs, 2008

Individual: social entrepreneur

The idea that entrepreneurs are different from non-entrepreneurs is commonly held¹ and justifies the body of literature that evolved from exploring and explaining abilities, personality traits, and preferences at the level of the individual entrepreneur (Birley & Westhead, 1994; Blanchflower & Meyer, 1994; Evans & Jovanovic, 1989). Compared to the amount of research within conventional entrepreneurship concerning this perspective, the empirical evidence of the social entrepreneur being different from its commercial counterpart or non-entrepreneurs is scarce. As may be expected from our conceptual review in the first section of this paper, a number of studies within the tradition of the Social Innovation School are dedicated to the individual perspective.

More precisely, all three contributions from this school of thought with regard to the individual perspective address the skills of the social entrepreneur and in particular networking skills. The Social Enterprise tradition represented by three contributions within this perspective, takes more individual characteristics into account. Besides skills these three contributions also consider background and experience, motives, and discourse. With the exception of Turner and Martin (2005), the contributions of the EMES approach and the UK approach in our sample did

¹ Although this view is commonly held, not mean everybody agrees, see for example Koppl and Minniti (2008).

not provide any empirical insights with regard to the individual characteristics of the social entrepreneur.

In the remaining of this subsection, we cluster the empirical findings along five themes, irrespective of the social entrepreneurship tradition of the studies. A further elaboration on the combination of empirical findings and conceptual traditions is subject of the discussion section. The five themes that are subject to the individual perspective are skills, background, discourse, demographics, and motives.

Skills: The study by Turner and Martin (2005), which focuses on the capacities that community-based projects need in order to cope with a changing policy environment, makes a distinction between managerial and entrepreneurial skills. Managerial skills are comprised of skills such as managing budgets, monitoring outcomes, and administrating a funded program, while entrepreneurial skills incorporate skills such as taking risks, raising funds, partnership and networking, and delivering innovative work. For the success of the community-based projects in the sample used by Turner and Martin, it seemed important for their managers to have both managerial and entrepreneurial skills, although not necessarily all manifest in one individual. Other individuals could equally provide the necessary skills, drawing on networking abilities. In the same vein, Thompson, Alvy, and Lees (2000) conclude that it is recommendable to foster more social entrepreneurship by bringing people who have the necessary leadership skills and confidence together with people who possess innovative ideas.

Three studies explored networking skills as necessary skills needed to run a social venture. Alvord, Brown, and Letts (2004) stress the importance of strong networking abilities for social entrepreneurs given the wide variety of stakeholders with whom they have to cope. In most of the cases in their study of successful social entrepreneurs, it was the background and experience of these entrepreneurs that enabled them to build effective links with their stakeholders. Similarly, Sharir and Lerner (2006) emphasise the importance of networking skills. They conclude from their research that, out of eight variables identified as being central in contributing to the success of a social venture, only two can be defined as necessary conditions: total dedication and networking skills. They envisage two situations with regard to the networking skills. In the first, the entrepreneur starts out depending on the resources of the network to which he belongs. In the second situation, the entrepreneur proactively creates a network and has to invest time and effort in its construction. Therefore, both using and building networks are of significance to a social entrepreneur. From a slightly different angle, Purdue (2001) investigates whether community leaders as social entrepreneurs can play an effective role in their neighbourhoods and in regeneration partnerships. The effective development of their role requires the accumulation of social capital, defined as “networks of mutual obligations for outstanding favours, flows of information and enforceable shared norms” (Purdue, 2001:2214). Effective community leadership requires internal communal social capital (i.e., networking with a wide range of community groups) and external collaborative social capital (i.e., networking with partners from private and public sectors).

Background / experience: Two of the examined enquiries investigate the roles of background and experience for the social entrepreneur. Sharir and Lerner (2006) examine previous experience in management, former project initiation, and expertise in the venture area of each of the 33 social entrepreneurs in their sample. They conclude that having experience in managing a venture is one of the success-related variables for social ventures. Van der Scheer (2007) also examines the role of background and experience as Dutch health-care executives are confronted with a new sort of public management that is less governmental and more market-oriented. It is hypothesized that the quality of being entrepreneurial, defined as a combination of role perception and managerial practice, is shaped by the managerial background. The results of this study show that “to have attended several managerial courses” and “to have acquired experience in a range of management positions” are indicators for an entrepreneurial mind. Entrepreneurial-minded executives are more likely to behave in an entrepreneurial way that is described by Van der Scheer as an active management style, an external orientation, and a greater attention to strategic issues. The outcomes support the hypothesis that entrepreneurship is likely to be shaped by the managerial background.

Discourse: The ways in which concepts like “social entrepreneurship” and “being entrepreneurial” are used in spoken or written communication are explored by three studies. According to Parkinson and Howorth (2008), the collective logic that dominates the discourse on social entrepreneurship is that business and entrepreneurship are the way forward for social enterprises. Their study investigates whether or not this dominant logic is reflected in the actual discourse of people ‘doing’ social entrepreneurship. They find that the use of key words and concepts underlines an emphasis of social entrepreneurs on collective agency. Moreover, they draw their legitimacy from social and moral sources rather than the entrepreneurship discourse. At odds with conventional entrepreneurship, social entrepreneurs seem to be driven by obligations and need rather than opportunity. Their attention is directed towards collective need-driven action for local change, with little emphasis on outcomes and more on the process of doing something. The collective logic that dominates the discourse on social entrepreneurship, as discussed by Parkinson and Howorth, seems to be reflected in the studies by Van der Scheer (2007) and Dart (2004). Both studies explore in more detail what it means to be business-like in a non-profit setting (Dart) and for health-care executives in the transition from a public to a private setting (Van der Scheer). Dart concludes that being business-like can be understood in at least four distinct manners, with rhetoric being one of them. He found in his single case study that when business language was used, it was organisationally neutral; business language was used without consequences for decision making or behaviour. In contrast, Van der Scheer concludes that, although the ideal of entrepreneurship remains vague, executives understand that the discourse is not meant to exist without engagement, and they try to prepare for their new role. She adds that the discourse has an important function as a “catalyst by making executives rethink their role, their function, their personal qualifications, which position to take, and which actions to make” (Scheer, 2007: 62).

Demographics: Due to the small sample sizes of most of the studies in this examination, demographic exploration of individual characteristics such as age, education, and gender is

practically absent. Only Alvord, Brown, and Letts (2004) remark that within their sample, which is comprised of seven highly successful social entrepreneurs, no immediately obvious and highly visible characteristics distinguish the leaders of social enterprises (Alvord et al., 2004).

Motives: Although the motives of social entrepreneurs to engage in a social venture are described for several individual cases, conclusions are drawn by only one study. This particular study investigates the existence of common and unique motives between commercial and social entrepreneurs. Like commercial entrepreneurs, social entrepreneurs are driven by combinations of different motives. Some of these motives are comparable to those of their commercial counterparts (i.e., self-fulfilment, achievement, and occupational independence), while other motives are specific to the case of the social entrepreneur (i.e., personal rehabilitation, search for solutions to individual distress, and fulfilment of obligations to one's community by meeting local needs or addressing social issues) (Sharir & Lerner, 2006).

Process: social entrepreneurship

The process dimension describes how entrepreneurship is undertaken. In the original framework of Gartner, this dimension entails the process by which a new venture is created (Gartner, 1985). For the purpose of our review, we adopt a broader view of this dimension and include a second perspective that examines how opportunities to create future goods and services are discovered, evaluated, and exploited (Shane & Venkataraman, 2000). The distinctions between the four schools of thought as described in Table 1//justeras//, reveal that five out of seven distinctions are related to the organisational characteristics of the social ventures (i.e. the link between the mission and services, legal structure, profit distribution, earned income strategies, and governance). The level of innovativeness is the only distinction that draws on the process dimension of the Gartner framework, a subject of importance within the Social Innovation School of thought. From this point of view we may expect innovation to be a well researched subject attracting considerable attention from the Social Innovation tradition. In fact only four of the studies in our sample address innovation, of which a single study represents the Social Innovation School. Overall, our analysis of empirical findings within this perspective reveals that, with the exception of the EMES approach, all three social entrepreneurship traditions are equally contributing to the process perspective without any theme being explored in more depth by a single tradition.

Within the process perspective seven themes emerged; stages, opportunity identification, innovation, scaling, networking, process traits, and risk. The empirical findings of these are summarised below.

Stages: Within our sample, one study that considers the entrepreneurial process as the process of venture creation is that of Haugh (2007). She adopts a stage model approach to venture creation, and although this is a widespread approach in conventional entrepreneurship, it is an exception within our sample. Haugh observes the process of five non-profit, community-led social ventures and identified six stages: (1) opportunity identification, (2) idea articulation, (3) idea ownership, (4) stakeholder mobilization, (5) opportunity exploitation, and (6) stakeholder reflection. Even though social venture creation may appear similar to that of a commercial

venture, Haugh identifies several dissimilarities, i.e., the use of resources not available for for-profits, the longer timescale, the greater number of stakeholders involved, the absence of financial loss for stakeholders, the management of volunteer labour, and a nondistribution constraint inherent to non-profits (Haugh, 2007).

Opportunity identification: Of the six stages identified by Haugh, other authors explicitly mention opportunity identification. Weerawardena and Mort (2006) describe opportunity identification as a separate activity in which social entrepreneurs actively seek opportunities to create social value. According to their study, the process of opportunity identification and evaluation is simultaneously influenced by the social mission of the venture, organisational sustainability, and environmental dynamics. Concerning sources of opportunity identification, Thompson, Alvy, and Lees (2000) find that opportunities could arise from an individual's vision or out of necessity. Mair and Marti (2009) identify institutional voids, defined as "situations where institutional arrangements that support markets are absent, weak, or fail to accomplish the role expected of them", as opportunities for social entrepreneurs (Mair & Martí, 2009:419).

Innovation: Innovation is acknowledged as an important topic and has been the subject of several empirical inquiries in our sample. Weerawardena and Mort (2006) present an empirically derived framework of social entrepreneurship, with innovativeness featuring as one of three core behavioural dimensions (along with proactiveness and risk management). These core behavioural dimensions are bounded by the organisation's social mission, its drive for sustainability, and by environmental dynamics. According to Weerawardena and Mort, not-for-profit ventures are forced to be innovative in all their social value-creating activities due to increasing competitiveness. In addition, they find that the majority of interviewees perceived their organisations as innovative.

A similar result is obtained by McDonald (McDonald, 2007), who subsequently shows that self-reported innovativeness is related to the actual number of innovations developed and adopted. This finding indicates that the respondents had a reasonably good idea of how innovative their institutions were in comparison with competitors. Where Weerawardena and Mort discuss social entrepreneurship from a broad spectrum, the focus of McDonald's study is smaller and considers the relation between innovation and the (non-profit) organisation's mission. The main finding of the research is that the mission influences the development and adaptation of innovations. Mission-driven non-profit organisations are more likely to develop and adopt innovations faster than competitors.

Turner and Martin (2005) focus on different levels of orientation towards innovation: (1) pioneers, i.e., cases that had developed new ways of working with disaffected young people; (2) early adopters, i.e., cases that tended to be highly receptive to innovative approaches developed by others; (3) risk adverse projects, i.e., cases that were slow to adopt new ways of working and tended to minimize efforts; and (4) resistors, i.e., cases that actively opposed innovations being imposed on them. A final study arrives at a categorization of three types of innovations from a comparative analysis of established and successful social entrepreneurs. The

types of innovation include (1) increasing the capacities of local actors in solving their own problems; (2) disseminating a package of innovations to serve a widely distributed need; and (3) building a movement to challenge the structural causes of social problems (Alvord et al., 2004).

Scaling: Alvord, Brown, and Letts (2004) find three scaling patterns—describing the increasing impact of a social venture—that correlate with the above-mentioned innovation types. Organisations that apply the first type of innovation (i.e., capacity building) are increasing social value creation by expanding coverage to provide services and benefits to more people. The second type of innovation, package-disseminating programs, is concerned with expanding functions and services to their initial target groups. Finally, movement-building initiatives tend to scale impact indirectly by initiating activities that change the behaviour of other actors with wide impact (Alvord et al., 2004).

Another scaling strategy is franchising, which is the subject of a study by Tracey and Jarvis (2007). According to this study, social venture franchising, like business format franchising, is mainly driven by a shortage of resources for expansion. Franchising allows for increased access to resources including capital, managerial expertise, and local knowledge. Like their business counterparts, social venture franchisors are unlikely to repurchase outlets over time due to a preference for local ownership. Finally, the study's findings suggest that the cost of selecting franchisees and the cost for dual goal alignment will be higher for social venture franchising than those of business format franchising (Tracey & Jarvis, 2007). The case study of Dixon and Clifford (2007) considers social franchising as a social venture strategy to create an economically viable business whilst retaining environmental and social values. The model facilitates rapid dissemination of the vision at relatively low risk and minimizes the acquisition of expensive assets at the same time (Dixon & Clifford, 2007).

Networking: The importance of networking was already addressed at the individual level and re-occurs as a theme at the process level. Several studies pay significant attention to this subject. The Sharir and Lerner study identifies long-term co-operation as one of the variables that contribute to a venture's success. In the same vein, Nel and McQuaid (2002) stress the importance of overall levels of social capital required to sustain and develop local economic development initiatives. Dixon and Clifford (2007) recognize in their single case study the formation of symbiotic relationships with a range of organisations as an integral part of the business model. Similarly, Spear (2006) acknowledges in his analysis of six UK cases that external stakeholders (including customers) are closely and essentially involved. Whereas the former three studies primarily highlight the importance of networks and social capital, Haugh (2007) highlights in her stage model approach that both resource acquisition and network creation precede formal venture creation. She distinguishes between two networks that both contribute resources to the new community-led social venture and assist progression through the stages: a formal support network and a tailor-made support network. The formal network consists of organisations with economic development responsibilities such as central government, local authority, and community development workers in other communities. The tailor-made support network operates as a network filter and refines the network to members

that are useful in terms of their contributions to furthering the organisation's purpose. This latter network consists of those involved in the community enterprise who contribute something of value, such as resources, knowledge, information, or expertise (Haugh, 2007).

Process traits: Three studies conclude that the entrepreneurial process is not a predetermined or fixed one and use expressions like "bricolage", "make do" (Mair & Martí, 2009), and "learn as you go" (Raufflet & Gurgel do Amaral, 2007). In particular, Mair and Martí address the exploitation of opportunities as "the continuous combination, re-combination and re-deployment of different practices, organisational forms, physical resources, and institutions." (Mair & Martí, 2009:431). This process of "making do" or "bricolage" consists of three under-explored aspects. First, the work of the social entrepreneur continuously requires one to make sense of the "contradictions, ambiguities and gaps". Second, the work of social entrepreneurs is seldom accepted without resistance from various actors at different stages of the process. Mair and Martí conclude that the process is inherently political in nature. Third, they draw attention to the existing (and often overlooked) unintended and potentially negative consequences of the process of opportunity exploitation. According to Raufflet and Gurgel do Amaral (2007), the flexibility and the "learn as you go" approach are key elements in the success of the investigated case study. "From the beginning, adopting a 'learn as you go' approach, coupled with a truly entrepreneurial culture – business people, experts on children's issues, and artists, all linked by the desire to change the status quo – made it possible for the Foundation to achieve and implement a modern approach to social programs. The Foundation's strategic orientation and its roles emerged, one by one, along the way." (Raufflet & Gurgel do Amaral, 2007:127).

Finally, Nel and McQuaid (2002) consider the process of a local economic development initiative as one that evolves and alters as contextual and localized factors change and the initiative matures. In addition, a key lesson these latter authors discern is that the process of the creation of local development initiatives is to be considered as a long-term, drawn-out, and time-consuming one. This lesson is in line with one of the findings of Leeming (2002), who states that the development of a community-based enterprise is not a quick fix and that it can take ten years to become properly established and produce tangible results (Leeming, 2002).

Risk: Although risk and bearing risk rank among the key defining features of entrepreneurship, they are hardly subject to investigation in the selection of articles analysed herein. Only Weerawardena and Mort (2006) and Vidal (2005) explicitly address the subject of risk. Both studies find that social entrepreneurs' behaviour towards risk has a clear focus on the sustainability of the organisation. According to Weerawardena and Mort, this focus involves both attracting resources and resource commitments to employees and customers. The focus on the viability of the venture distinguishes not-for-profit entrepreneurs from their for-profit counterparts. While for-profit entrepreneurs have access to multiple sources of funding, social entrepreneurs are constrained in generating funds, which makes managing risk to sustain the organisation a crucial operational activity (Weerawardena & Mort, 2006). In the same vein, Vidal (2005) finds that work-integration social entrepreneurs are aware that the sustainability of the company depends greatly on their own efforts, as banks are reluctant to lend to them.

Organisation: social enterprise

The social enterprise can be considered as the outcome of entrepreneurial behaviour; it encompasses what is being created. This component of Gartner's framework entails characteristics of social enterprises or social ventures such as internal organisation, structure, strategy elements, and governance. The findings of the studies in our sample that have the organisation component as one of their major research themes are presented along two lines: (1) strategy elements (i.e., mission, goals, and impact) and (2) internal organisational characteristics (i.e., governance, resources, legal form, learning, and monitoring). As remarked in our conceptual review, the main commonality between the different schools of thought is that they all stress the importance of the creation of social value and impact. The empirical findings concerning social value creation and social impact are described below and labelled 'strategy elements'. It seems that studies from the Social Enterprise tradition dominate empirical research under this label. Although this may not be that surprising taking the origins of this tradition (i.e. trying to guarantee continuity of operations) into account, it is surprising to observe that studies exploring the availability of resources and resource strategies are not dominated by the Social Enterprise tradition for which this theme is one of the defining features. With regard to organisational characteristics, some of the themes that emerged from our analysis of empirical findings are closely related to the distinguishing features of the different traditions such as governance, legal structure and resources. Despite the limited number of studies from the EMES tradition within our sample, it is in line with our expectations that they consider governance.

The empirical findings regarding strategy elements and internal organisational characteristics are summarised below.

Strategy elements

Mission: Despite the differences between the various schools of thought within the field of social entrepreneurship, there is agreement on the emphasis on the social mission as the *raison d'être* of a social enterprise. The case study by Dixon and Clifford (2007) illustrates this and gives a role of great significance to the organisation's mission, which "acts a lodestar for determining the company's overall direction and its culture" (Dixon & Clifford, 2007:341). This equally holds for the relation between the role of the non-profit organisation's mission and innovation, as discussed earlier. In contrast with the long held view that the social mission is sacred, the role of the mission must be understood within the competitive environment within which the organisations operate. The entrepreneurial process is indeed responsive to and bounded by the social mission, but the mission must simultaneously be understood within its competitive environment and the drive for a sustainable enterprise (Weerawardena & Mort, 2006).

Goals: In turning our focus from mission to goals, it is remarkable to see that within this theme, the aim to sustain the enterprise receives the most attention and that any findings on social goals are lacking. The theme of sustainability and viability emerged earlier with regard to the

social entrepreneurs' behaviour towards risk (Vidal, 2005; Weerawardena & Mort, 2006). Apparently, this theme is of significance to social enterprises and may be explained by a high number of non-profits and publicly owned enterprises in the samples of the reviewed articles. Being dependant on funding arrangements that subsidize the venture entails the risk of failure once funding stops and the need to avoid the loss of funding develops.

Sharir and Lerner (2006) identified "standing the market test", i.e., reducing the dependence on government as well as on other single stakeholders by generating independent revenue streams, as one of the success factors of a social enterprise. Being more "business-like" or entrepreneurial seems, once again, to be the ultimate aim.

Understanding what business-like behaviour comprises in a non-profit organisation is the purpose of a study by Dart (2004). The study concludes that being business-like is broader than pursuing business-like goals such as generating revenues, profit, or financial surpluses to guarantee an independent revenue stream. Other business-like behaviour may come in terms of (1) service delivery, i.e., how service delivery was (re)structured in order to become more effective and efficient; (2) organisational-level management, i.e., how managers manage their agendas and are fully accountable for the results; and (3) rhetoric, i.e., how business terminology is used. Luke and Vereynne (2006) explored a government's approach to fostering entrepreneurship within the public sector and identified six themes that have contributed to the success of establishing and sustaining the aim of being entrepreneurial. These themes are operational excellence, cost minimization, transfer and application of knowledge, confidence, people, and branding. Except for the last one, all of these themes involve organisational elements.

Impact: Even though the impact of social enterprises has attracted attention within research on social entrepreneurship, this is not reflected in the empirical studies of our sample. Only the study by Alvord, Brown, and Letts (2004) explores the primary areas of impact of the social enterprises under study. They distinguish between three areas of social impact: economic, cultural and political. The most common areas of social impact for the target groups are the economic and cultural arenas, while impact in the political arena is less common.

Internal organisational characteristics

The internal organisational characteristics explored in the different articles are clustered around five themes: governance, resources, legal form, learning and monitoring.

Governance: The governance of the fifteen work-integration social enterprises in a study by Vidal (2005) is mainly based on the "one person, one vote" principle and, to a lesser extent, on consensus. She discovered that ownership of capital is important but that other stakeholders such as collectives and interest groups participate in the decision-making process. The governance differs between different types of work-integration social enterprises. In type A enterprises, ventures that act as an intermediary between disadvantaged workers and the normal labour market, it is common for their professionals and managers not to form part of

their governing bodies. In contrast, in type B enterprises, ventures that carry on productive activities themselves and thereby provide stable jobs for disadvantaged people, it is common for workers to form part of an enterprise's governing body.

Sharir and Lerner (2006) measure governance by the involvement of board members in planning, decision-making, personal financial investment, and expanding the social network. They conclude that the lion's share of enterprises in their sample suffered from poor governance board performance and suggest that this was caused by the attempts of the social entrepreneur to retain implementative power (Sharir & Lerner, 2006).

Resources: Conventional entrepreneurs are said to not be confined by obstacles in regards to their aims. They will not limit their options because of insufficient resources, but rather they will creatively combine multiple sources. This seems to hold equally true for social entrepreneurs regarding resource scarcity. As expressed by Peredo, "social entrepreneurs decline to accept limitations in available resource" (Peredo & McLean, 2006:56). Dees concurs, finding that "social entrepreneurs act boldly without being limited by resources currently in hand" (Dees, 1998:4). Several studies in our analysis confirm the resource scarcity circumstances facing social entrepreneurs. Part of the discussion on risk and the orientation of goals towards the sustainability and viability of social ventures is explained by resource scarcity. The study by Sharir and Lerner (2006) confirms the belief that social enterprises are hindered during their start-up stage by lack of access to capital. According to Purdue (2001), lack of resources hampered community leaders seeking to engage actively in connections with an extensive range of local community networks, which made it difficult for them to accumulate communal and social capital. Where some authors mainly stress the lack of resources, two studies look at resources from a different angle.

First, Alvord, Brown, and Letts (2004) discover creative resource strategies applied by social entrepreneurs, probably in reaction to perceived resource scarcity. Instead of using outside resources, social entrepreneurs tend to mobilize local, existing assets of their clients, often marginalized groups, to improve their situation. Second, Haugh (2007) acknowledges that (non-profit) social enterprises are able to draw on resources that are unavailable to for-profit enterprises such as volunteers and assets received by donation. Only one study in our selection considered the type of resources at hand for social entrepreneurs, making a distinction between human resources and financial resources. Vidal (2006) observes a variety of formal and informal relations and types of contracts amongst her cases of work-integration social enterprises. First, from a human resource perspective, the study finds a direct relationship between the type of work-integration social enterprise and the need for voluntary resources. The more market-oriented social enterprises (type B) have greater professional resources and fewer volunteers in terms of both time and money. Social enterprises providing care-based and training services (type A) turned out to have a greater presence of volunteers in the workforce. In the latter type of enterprises, the user normally has a temporary relationship with the social enterprise, and a part-time working week is the norm. In contrast, in type B enterprises, indefinite full-time employment contracts are the norm. Second, from a financial resource perspective, the same

study finds that 80% of the income from the fifteen examined cases comes from the sale of goods and services, the remainder deriving from grants, subsidies, and fixed asset disposals. In addition, two thirds of the revenue stream generated by selling goods and services comes from the private sector with the remaining revenues coming from the public sector. These proportions vary with the type of social enterprise. The more market-oriented social enterprises mainly serve the conventional private sector, and the more care-based and training social enterprises supply local and regional authorities.

Legal form: Both Spear (2006) and Vidal (2005) found that social enterprises choose diverse legal forms. According to Vidal, who investigated Spanish social enterprises, the choice depends on local legislation. In addition, Vidal found that the legal form of the enterprise is not an indicator of single or multiple stakeholder structure. Spear determined that the choice for a legal form is not always rational and mediated through professionals, advisers, or support organisations. In the case of enterprises in transition from public to private forms, the choice for a legal form can even be an involuntary one.

Learning: Both Spear (2006) and Alvord, Brown, and Letts (2004) anticipated finding learning milieus in their respective samples of enterprises. All the initiatives investigated by the latter authors did indeed emphasise learning by their staff and clients. Organisations with the largest staff also turned out to have strong commitments to staff development in terms of resources devoted to organisational arrangements such as management systems, staff development, and performance evaluation systems (Alvord et al., 2004). In contrast, Spear found that the learning networks were less well developed than expected and depended more on social capital within normal trading relations as well as on sympathetic stakeholders (Spear, 2006).

Monitoring: The social enterprise sector is increasingly subject to the need for greater professionalization and is expected to submit to intensive performance monitoring. According to the Sharir and Lerner study, monitoring and evaluation (e.g., the quality of planning and business plan formulation) are poorly developed in social enterprises. The lack of monitoring and evaluation even constrains the development of the sector (Sharir & Lerner, 2006). Turner and Martin (2005) conclude that the social enterprises in their sample face a significant challenge in relation to a fast-changing policy environment in improving their performance monitoring, which requires managerial skills that have not traditionally been seen as one of their strengths. It is interesting to note, in this respect, the article by Darby and Jenkins (2006), which is devoted to the process of developing and applying indicators to improve monitoring. Although the process entails both positive and negative aspects, their main findings concern problems with organisational capacity affecting adaptability to change. Two capacity limitations mentioned by the authors are (1) internal communication between management and other staff members and (2) the need for new methods of record keeping and extraction. Opportunities are likely to arise from the development of monitoring indicators in the form of new and improved information to be used for purposes such as strategic decision making.

Environment

The fourth and last component of the Gartner framework is the environment in which a social enterprise is embedded and in which potential social entrepreneurs are attempting to establish new ventures. In strategy literature, two perspectives on the relationship between environment and organisation exist: environmental determinism and strategic choice. Given the emphasis of the Social Innovation School on structural social change, questioning and changing the patterns and structures that caused social problems in the first place, one might expect that the strategic choice perspective would prevail. From our analysis, however, it shows that none of the analysed studies that are classified under the heading “environment” takes a strategic choice perspective. The article by Mair and Marti might have been a potential exception since it addresses institutional arrangements as a source of opportunity identification and, simultaneously, as an object of change. As the focus of the article is on the process dimension, we did not classify this along the environmental dimension (Mair & Martí, 2009). All of the studies in this sub-section employ a more deterministic view that is clearly illustrated by Weerawardena and Mort (2006), who consider social entrepreneurship as highly responsive to and constrained by environmental dynamics. Our analysis of this perspective revealed two themes: environmental dynamics and support structures. The Social Enterprise tradition dominates the former theme. The latter theme is represented by a combination of the Social Enterprise tradition and the UK tradition. The remainder of this section is summarising the findings from these two themes.

Environmental dynamics: Four studies address the interaction between social entrepreneurship and its environment. The first one mentioned herein is the study by Sharir and Lerner (2006) that argues that the acceptance of the idea of the social venture in the public discourse is one of the vocal variables that influence the success of a social entrepreneur. Lack of acceptance would imply a serious hurdle for a social enterprise to overcome. A second study is the one by Anderson, Dana, and Dana (2006) that explores business development activities of the indigenous people of Canada in their attempt to reassert their nationhood by claiming their traditional lands and the right to use the resources of those lands. The authors state that a shift in the policy of the Canadian federal government from contesting to negotiating indigenous claims to land, resources, and some form of “nationhood” opened opportunities for business development by indigenous people. The authors conclude that social entrepreneurship may be “an effective way for states to address the socioeconomic circumstances of its indigenous people while at the same time addressing their ‘national aspirations’” (Anderson et al., 2006:54). A third study within this theme is that of Phillips (2005), which explores the benefits and risks of applying social entrepreneurship as a strategy for NGO’s in the Ukraine. One of the main conclusions is that “replicating” programs that have proven to be successful in Western countries need not be successful in a transforming an economy like Ukraine’s. “Without the local discourse of citizen entitlement and gender stereotypes, or the hostile business climate it is difficult to apply this strategy in the Ukraine environment.” (Phillips, 2005:260) Although the study concludes that training NGO leaders in developing business enterprises may benefit individual activists and NGOs in significant ways, social business is not a realistic option for certain types of organisations serving citizens that have already been marginalized in a liberal

economy. A fourth protection of intellectual property rights, which results in a disincentive for innovators. Strategies applied by the entrepreneurs to overcome these barriers varied depending on the intensity of the barriers (Pastakia, 1998).

Support structures: Five studies pay attention, albeit from different angles, to the support of social enterprises and social entrepreneurs. Korosec and Berman (2006) focus on municipal support, Ndemo (2006) on support from church networks, Leeming (2002) on the necessity of advice structures (public or private), Sharir and Lerner (2006) on the need for a supportive network for access to capital, and Haugh and Rubery (2005) on support from the academic sector. In a quantitative study, Korosec and Berman find that cities vary greatly in their level of support for community social enterprises. Of the cities included in this study, one-third of them are classified as actively supporting private organisations (through activities such as information and community awareness building, coordination and support program implementation, and assistance in resource acquisition). One-fifth of the cases are classified as providing very little support. The authors find two problems that cities or jurisdictions that intend to increase their support face: (1) lack of data on the current support for social enterprises and (2) legal questions (e.g., is it appropriate to support faith-based enterprises with public funds?) and propriety questions (e.g., would support of this organisation give the appearance of favouritism?) (Korosec & Berman, 2006). Ndemo explored the support structures provided by church networks or faith-based enterprises in Kenya and found two different strategic incubator models. Faith-based enterprises that support profit-making enterprises as alternatives to providing relief efforts either give rise to satellite centres or build individual subsistence centres. The faith-based enterprises provide support structures to both models through marketing (local and international), micro-finance, and training through church networks (Ndemo, 2006). One of the main lessons Leeming draws from her examination of business development experiences of two deprived communities in the UK is that social entrepreneurs suffer from a lack of a support infrastructure. More specifically, social entrepreneurs lack the support of skilled advisors who disseminate information about best practice models and are able to tailor such models for local conditions. Like the lack of resources addressed in the previous section, this lack of infrastructure hinders entrepreneurs in their development and makes them “reinvent the wheel” time and again (Leeming, 2002). Although the cases of Sharir and Lerner are drawn from a different context, the authors arrive at a seemingly similar conclusion: there is a need for the establishment of a supportive environment. This incubator environment may “fulfil an intermediary function by providing training, technical advice, networking or financial planning to compensate for the social entrepreneur’s limited knowledge and expertise” (Sharir & Lerner, 2006:16). Finally, Haugh and Rubery (2005) identify the types of support available from the academic sector to help social entrepreneurs make the most of their community-based enterprises. They find that there is a need for targeted courses for the sector, given that community enterprises employ a combination of business skills, self-help, and community involvement methods to tackle problems of poverty, social exclusion, and deprivation and that such skills are not necessarily included in standard management and leadership courses. The authors review a wide range of courses available for community enterprise leaders in the UK and identify a gap in the provision of rigorous evidence-based learning. According to Haugh and

Rubery “[t]here is virtually nothing on assessment of effectiveness or on the theoretical framework that might underpin entrepreneurial activity in the sector.” (Haugh & Rubery, 2005:891). Although this type of education and learning program can be developed, as the authors illustrate, a funding mechanism for higher education in the sector is still required.

DISCUSSION AND IMPLICATIONS FOR FUTURE RESEARCH

Gauging the state of empirical research on a methodological level

Social entrepreneurship is a young field of study (Dees & Battle Anderson, 2006; Dorado, 2006; Short et al., 2009), and our review confirms its current stage of infancy. Having reviewed the extant empirical research, we discuss our findings that confirm this formative stage from a methodological perspective.

We observe a strong increase in the number of articles on social entrepreneurship that is both conceptual and empirical since the turn of the century, although the absolute and relative number of empirical studies remains limited. Two decades of conceptual exploration resulted in valuable contributions and gave rise to the emergence of different schools of thought, but this exploration did not provide unity in concept definition and boundary setting. Although the lack of unity may be considered a hindrance for the development of social entrepreneurship as a field of scientific inquiry, it is debatable whether a single unified construct may ever be attained. As long as agreement on the concept is lacking, it is worth paying considerable attention to the explication of what social entrepreneurship entails when applying the concept. Surprisingly, this is not the case in all of the studies in this review. An inventory of the definitions used throughout the articles left us with several gaps, articles that did not provide a description of what was meant by social entrepreneurship, social entrepreneur, or social enterprise. Even though the lack of unity in concept formation is a hindrance for rigorous theory testing and theory building, the formulation of a systematized concept suitable for empirical research can be improved by explicating the defining characteristics, such as the ones used to describe the different schools of thought (Adock & Collier, 2001).

Concerning the type of research applied in our sample, a qualitative research approach is evidently dominant. New insights might be gained by applying a quantitative research approach more frequently. Doing this calls for at least two requirements. The first requirement (continuing our previous argument) is the formulation of a systematized concept. Although both qualitative and quantitative research requires unambiguous formulation of key concepts, operationalisation of these concepts into measurable indicators is a necessity for quantitative research. A second requirement is the availability of data and, this is still rather problematic, a difficulty we have experienced ourselves. Not surprisingly, all four quantitative studies in our sample are based on primary data. The perceived absence of secondary data can be considered another indicator for the current stage of development of social entrepreneurship, and this might change when policymakers and researchers start to collect and disseminate data. Until that time, a data availability bias may be unavoidable.

In addition to the type of research, inquiries suffer from a uniformity of methods, and a case study design reigns. Consider as an illustration the limited number of studies that applied a grounded theory methodology. It is surprising to see that in a relatively new research field, only three of the studies apply a grounded theory methodology. Applying more grounded theory could divulge unique aspects of social entrepreneurship. Instead, most of the studies emphasise strategic management and entrepreneurship as their knowledge foundation (Short et al., 2009). Approaching social entrepreneurship from these perspectives may restrict the research domain and limit what we observe to what we already know. Overall, applying more diversity in research design may stimulate the field of social entrepreneurship to move forward.

Gauging the content of empirical research and implications for future research

At this point, we will reflect on our analysis of the content of the 31 empirical studies in our sample and use each of the schools of thought and its corresponding key distinctions as a point of departure for our discussion. In addition, future research topics are identified and summarized in Table 3.4.

The defining characteristics of the Innovation School of thought are twofold: (1) the individual social entrepreneur who is assigned a series of exceptional qualities and (2) innovation in order to bring about structural social change. The empirical results on the individual level neither confirm nor deny the presence of exceptional qualities that the Social Innovation School tends to assign to social entrepreneurs. Apart from some specific motives and use of language, social entrepreneurs do not seem to be very different from their commercial counterparts. In fact, current research provides little insight on the individual entrepreneur compared with the findings obtained for popular themes in research on conventional entrepreneurship such as demographics, personality characteristics, attitudes towards risk and financial rewards, and educational experiences. The typology of social entrepreneurs as suggested by Zahra et al. (2009) can serve as a means to further distinguish between different types of social entrepreneurs. An additional research opportunity is the exploration of the specific motives of social entrepreneurs (i.e., meeting collective needs and obligations to the community) in more detail. These motives seem to be at odds with the rational self-interest paradigm that dominates conventional entrepreneurship literature. The knowledge that true altruism (i.e. acting with the goal of benefiting another), exists as a part of human nature has not yet altered entrepreneurship theories (Van de Ven, Sapienza, & Villanueva, 2007). Examining the behaviour and motives of social entrepreneurs offers an opportunity to test and enrich such theories as rational choice and explore the simultaneous pursuit of self- and collective interests. Furthermore, a closer look at the samples of the studies in our review reveals that they all use active social entrepreneurs as their subject of inquiry. None of the studies explore potential social entrepreneurs, entrepreneurs who tried to start a social enterprise but gave up, or former social entrepreneurs. Including these categories in empirical research would enrich our knowledge of the individual and could be beneficial to policymakers attempting to stimulate social entrepreneurship.

With regard to innovation (the second defining characteristic of the Social Innovation School), some studies captured this topic, but extensive empirical research remains scarce. Especially within this particular school, the absence of research on disruptive change, addressing and changing the structures that caused social and environmental problems in the first place, is a glaring omission. Addressing this void is of considerable practical relevance. More than ever, we are confronted with persistent problems—such as widespread disparity of income, extreme poverty, and environmental problems—in need of the alternative approaches that social entrepreneurs are said to provide but of which we know very few. Studying successful cases of entrepreneurs who have been able to affect disruptive and incremental innovations, create the factors promoting change, or stimulate the diffusion of innovations are just a few of the topics at hand.

When it comes to the SE school of thought, our analysis reveals that this school is well represented in our sample (9 out of 31 studies) and covers all four perspectives of the framework of Gartner. Two defining characteristics of this research tradition are again interesting to compare to our research findings: (1) earned income strategies and (2) the non-distribution constraint. Earning a commercial income in the market and becoming or staying independent from grants and subsidies is one of the fundamentals of the Social Enterprise school of thought. Surprisingly, earned income and income strategies seem to be completely absent from the reviewed articles irrespective of their research tradition. Vidal (2005) is the exception and presents some statistics on the proportions of earned incomes as compared to grants and subsidies. Reflecting on this subject from a broader perspective leads to an additional under-examined subject concerning funding and revenue streams. Several authors in our sample mentioned the lack of access to start-up capital, but examination of institutional forces at play and alternative financial resources for social entrepreneurs is left aside. In this respect, it is worth mentioning the recently introduced “social stock exchanges”, capital markets that connect donors and investors with non-profit and for-profit businesses with a social mission. Brazil’s Social and Environmental Stock Exchange, for example, is connected with the Bovespa Index, the traditional São Paulo market, and has raised more than \$5 million for dozens of social initiatives (Elkington and Hartigan, 2008; Paskin, 2009). Similar initiatives are in place in Europe, North America, and South Africa. The emergence of this new type of capital market raises questions about the malfunctioning of traditional markets for both investors and entrepreneurs, in general, and for social entrepreneurs and social investors, in particular, and suggests a direction for future research.

We encounter another gap when considering the second key characteristic of the SE School, namely, limited or complete profit distribution. None of the empirical studies pay attention to this subject, despite the fact that the effects of the constraints on otherwise presumed profit-maximizing behaviours are interesting, especially in light of the current discussions on misconduct in profit maximizing behaviour by commercial enterprises. Theoretical work on a profit non-distribution constraint and the survival and competitive edge of social enterprises, such as the contributions of Francois (2003) and Glaeser and Shleifer (2001), could serve as a basis for empirical assessment.

As for the EMES approach, governance is a distinction of great importance as is reflected in their definition of social enterprise: an initiative launched by a group of people; characterized by a high degree of autonomy or independence from public subsidies or other organisations; decision-making power not based on capital ownership; and involving various parties affected by the activities of the enterprise. We foresee in this particular topic an interesting opportunity for non-social enterprises to learn from their social counterparts. Commercial enterprises are increasingly confronted with stakeholder issues and stakeholder influence on decision making, for example, from a corporate social responsibility perspective. The interrelatedness of simultaneously serving multiple stakeholders and multiple goals offers great challenges for both conventional and social entrepreneurs. These issues are by definition incorporated in social enterprises as far as the EMES approach is concerned and can serve as fruitful sources for theory building and theory testing purposes (examining, for example, the agency theory and goal setting theory).

The defining distinction of the UK approach is not a single characteristic that sets it apart from the other schools of thought. The wide scope of the construct and, hence, the flexibility of the approach is what makes it distinct from other traditions. The discussion so far in this final section has focussed on an individual and on an organisational level of analysis. With regard to the UK approach, we would like to switch to a macro or aggregate level of analysis. Research on a national, regional, and even a sectoral level is completely lacking in our inventory of research findings, and the achievement of the UK in putting “social entrepreneurship” successfully on top of the agenda offers a chance to address this void. Evaluation of current UK policies, the factors obstructing and promoting policy implementation, and possibilities for replication are particularly relevant for policymakers. Even on a more basic level, it is worthwhile to explore the actual degree of social entrepreneurial activity in a country, as well as potential differences and determinants that might explain these differences. Although some insights regarding the level of social entrepreneurial activity are available for the UK (Harding & Cowling, 2006), this is not the case for other countries. Actually, the macro level of analysis opens a new field of unexplored research opportunities concerning subjects such as employment, investments, policy formation, and service provision.

In all, it is an understatement to say that the emerging field of social entrepreneurship offers a fertile source for future research opportunities. In our discussion, we have provided structure for some of these opportunities by concentrating on the key characteristics of the various schools of thought and emphasising potential topics that are appropriate for empirical assessment.

TABLE 3.4 RESEARCH OPPORTUNITIES ORGANISED BY DEFINING CHARACTERISTICS OF THE VARIOUS SCHOOLS OF THOUGHT.

	Key distinction	Potential topics
Social Innovation School of thought	Level of observation; individual	Basic demographics including educational experiences Attitudes versus risk and financial rewards Self vs. collective interests
Innovation	Sources of innovation Factors stimulating the diffusion of innovation Disruptive vs. incremental innovation	
Social Enterprise school of thought	Earned income strategies	Types of income strategies and effectiveness Institutional and cultural forces at play that cause a lack of access to capital Emergence and functioning of social stock exchanges
Non-distribution constraint	Effectiveness of the non-distribution constraint on (profit - maximizing) behavior Workability of constraints Use of surplus income	
EMES approach	Multiple stakeholder involvement	(Team-based) leadership in social enterprises Decision-making dynamics not based on capital ownership Multiple stakeholder- multiple goals Involving clients or beneficiaries in the primary organisational processes
UK approach	<i>Macro level</i>	Evaluation of current UK policies Replicable and unique elements of UK policies Cross-country comparison of level of social entrepreneurial activity and determinants

4. Trends in social entrepreneurship

In his Discourses of social entrepreneurship, Danish sociologist Lars Hulgård (Hulgård 2010) defines two major trends; the first one being that public responsibility for public welfare is being privatised and the other that civil society, community and social capital have entered high politics.

As for the first trend, Hulgård (2010) leans heavily on American professor of social policy, Neil Gilbert from Berkeley who is a harsh critic of the privatisation of public responsibility which he claims can be observed in global developments in the provision of welfare since the 1970s. In his book *Transformation of the Welfare State* (2002), Gilbert analyses what he considers to be a trend occurring simultaneously in all modern welfare states across the globe, irrespective of their previous welfare strategies - a trend he has labelled "The Silent Surrender of Public Responsibility".

This consists in a fundamental shift in the institutional framework of social protection that is taking place in all advanced industrialised countries, but, according to Gilbert, with the USA and the United Kingdom as front runners. Gilbert (2002) is witnessing a change from the ideal-type Scandinavian model of social welfare to a market-oriented version, which is identified with the Anglo-American approach and that we term the enabling state. The important lesson of Gilbert's analysis, according to Hulgård (2010), is that the vision of a universal orientation of an institutional, redistributive and intrinsic welfare state was not restricted to Scandinavian or other European countries (Skocpol 2003 and Gilbert 2002).

If the "alteration thesis" posed by authors such as Skocpol and Gilbert is plausible, Hulgård writes, we can expect two types of changes related to social enterprise and social economy. We can also expect the emergence of a model of social enterprise unable to balance between advocacy, active citizenship, empowerment and deliberation, on the one hand, and social service delivery, on the other. This is already now a reality that many social enterprises and social entrepreneurs are experiencing in their daily lives (Hulgård 2010).

His second trend, that civil society issues have entered high politics, is about the re-orientation of welfare states in the direction of privatisation and membership which he claims is not only favouring private and individual responsibility, but also generating a new role for civil society and creating a new and improved room for collective and solidarity movements to influence the future evolution of the welfare state. "The paradox is that social enterprise and social entrepreneurship can be seen not only as elements in a process of privatisation but also as a manifestation of the power of civil society" (Hulgård 2010).

This trend towards the emergence of new forms of solidarity and collectivism is almost as fundamental as the first trend to understand the background for the current enthusiasm for social enterprise and social entrepreneurship. In 2000 already, World Bank researcher and Harvard affiliate Michael Woolcock welcomed the current interest in social capital and civil

society because it facilitates the re-entry of sociology into high-level policy discussions on the impact of local civic engagement on the efficiency of state institutions (Woolcock 2000).

During the last two decades, more precisely since the velvet revolutions that swept through Central and Eastern Europe in 1989, we have witnessed an increase in the expectations regarding the role of the "community" and civil society as a cornerstone for the development of democratic governance and, even more importantly, for the provision of welfare services. (Hulgård 2010).

Taylor (2003) referred to this as a turn from pure market supremacy to a readiness to invest in social capital and local community. Despite a considerable amount of scepticism about how profound this readiness is, she welcomes it and states that it is "encouraging to see the attention being paid by policy makers and academics across the world to the need to invest in social capital" (Taylor 2003). How is this increase in policy expectations regarding the role of the third sector to be understood? Is it a sign indicating that the actual impact of civil society as a sphere where social solidarity expresses is increasing? Or is it a sign that the private market economy is gradually becoming more interested in a third sector that can generate profits? Or - phrased with inspiration from Habermas - is it a sign of simple colonisation (Habermas 1981)? Or a new ground for deliberation (Habermas 1996)? There are no simple answers but the way civil society is framed on the policy agenda as a sphere where social entrepreneurship can develop is different in the USA and Europe.

The importance of the non-profit sector as a service provider in the USA has been increasing rapidly since the end of the 1980s. This evolution goes in parallel with a general expanding interest in enhancing the impact of the "community", the "civil society", and the "third sector" that can be observed not only in the USA but also in Europe. A British study has shown that social entrepreneurial activities are more frequent than commercial entrepreneurial activities (Steyart and Hjorth 2006), and in the USA "non-profit organisations are the fastest-growing category of organisations".

According to a group of Swedish researchers in an anthology published in 2009 as part of the Knowledge Foundation project on SE, there is also a division between Swedish views and "international" research regarding the role of the individual. "Swedish research concerning societal entrepreneurship as reported here includes understandings of entrepreneurship which seldom appear at the international research frontier. One distinctive feature of societal entrepreneurship in Sweden is its orientation towards the collective. The international discourse on societal entrepreneurship, like that on conventional entrepreneurship, focuses on the individual." (Gawell et al 2009, p 81).

With the establishment of advanced economic and political integration and cooperation at EU level, discussions within Europe about the potential of social enterprise and social economy have intensified. Promoting social enterprise has been highlighted as a goal in policy documents and initiatives from the European Commission, both as a contribution to the market

economy and as a way to improve and sustain forms of active citizenship.

Thus the European Commission has taken active part in the identification of a European social economy – a sector which, historically, has had an immense impact on European societies for more than a decade. In his message to the First European Social Economy Conference in Central and Eastern Europe, in October 2004, Erkki Liikanen, who was then EU-Commissioner for Enterprise and the Information Society, stressed that the social economy in Europe represented 10% of the total GDP of the EU, and as such had to be considered to "play a full part in our market economy, and [had] done so for over a century". And the then president of the European Commission, Romano Prodi, spoke about the role of co-operatives, which form an important part of the European social economy.¹

In a recent communication from the European Commission on a social business initiative, the term "social enterprise" is defined as covering the following types of businesses: "those for which the social or societal objective of the common good is the reason for the commercial activity, often in the form of a high level of social innovation; those where profits are mainly reinvested with a view to achieving this social objective, and where the method of organisation or ownership system reflects their mission, using democratic or participatory principles or focusing on social justice." ²

Defined in this way the "social economy" employs over 11 million people and encompasses bodies with a specific legal status (cooperatives, foundations, associations, mutual societies), as well as social enterprises in the form of an ordinary private or public limited company.³

¹ Hulgard (2010) refers for these quotes by Liikanen and Prodi to an address on the EU web site which no longer is active.

² European Commission (2011)

³ European Commission (2011)

AT THE LEVEL OF EU MEMBER STATES

The way the governments of European countries support SE varies from a focus on competencies and capacity-building initiatives to the adoption of policy frameworks and legal initiatives both aimed at improving the conditions for the development of "another economy".

Denmark was one of the slowest European countries to engage in large-scale initiatives; however, this situation gradually began to change from 2007 onward when three major initiatives were launched in this country to support competence- and capacity-building as well as policy making within the field of social enterprise, i.e. the opening in 2007 of the Centre for Social Entrepreneurship at Roskilde University, a "greenhouse" for learning and building competences in social entrepreneurship; a grant made by the Danish Parliament in 2008 which allowed the creation of the Centre for Social Economy; and the initiative in 2009 by magazine and think tank Monday Morning of a collaboration among many public organisations, private enterprises and associations.

A number of countries such as the UK, Italy and Finland have adopted special policy frameworks and legislation that improve the possibilities for social entrepreneurs and social enterprises to generate workplaces and new initiatives aimed at improving the situation for socially marginalised people.

One example hereof is the developed legal framework for Community Interest Companies (CICs) in the UK. In order to register as a CIC, an organisation must comply with certain criteria:

- It must "satisfy a community interest test, confirming that the enterprise will pursue purposes beneficial to the community;
- [It must have an] asset lock – CICs are prohibited from distributing profits they make to their members; a CIC's residual assets, when it winds up, will not be distributed to its members, rather they will pass to another similar organisation with restrictions on profits distribution, like another CIC or a charity;
- CICs are required to provide an annual community interest company report to the registrar of companies" (Spear 2008: 81).

TABLE 4.1 DIFFERENCES BETWEEN EUROPE AND THE US

USA + Associations + Private enterprises + Business community & Business management - Public sector involvement + Individual responsibility + Innovation + Social purpose enterprise	Europe + Associations + Public organisations + Public sector involvement - Private enterprises + Shared responsibility + Social economy / Solidarity economy
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Table 4.1 summerises some traits and trends in the US and Europe discourses on social entrepreneurship.

In the US the relation between associations/communities and the corporate world is often emphasised as the engine driving social enterprise. Initiatives launched both by the European Union and by individual European countries can be considered as important strategic contributions, laying out the premises for a third way between "the triumph of capitalism" (Gilbert 2002) and the "old" institutional-redistributive model of welfare, with state dominance.

In Europe there is a historical tradition of linking social entrepreneurship and social enterprises to the issue of democracy and participation. Social entrepreneurship is taking place at the intersection between the "old" sectors – i.e. the public, the traditional private for-profit and the civil society sectors. But although social enterprises can be located at the cross section of state, market and civil society, specific organisations are often more closely affiliated to one sector.

Defourny and Nyssens have shown how social enterprise in the USA is viewed as "market-oriented economic activities serving a social goal" (Defourny and Nyssens 2008). In this perspective, there are some basic distinctions between the American and the European traditions of social enterprises and social entrepreneurship. In the USA, "social entrepreneurship" is first of all a metaphor for addressing the funding problems of the non-profit world through market activities and relations to the corporate world, and a metaphor

used to highlight the innovative aspects of social projects (Defourny and Nyssens 2008). In Europe, social entrepreneurship is part of the tradition of the social economy, which links all three spheres in modern liberal democracies in innovative approaches to solving social problems.

SYSTEMATIC INTERNATIONAL COMPARISONS

In a pioneering effort of cross-country measurements of social entrepreneurship, the Global Entrepreneurship Monitor (GEM) in 2009 included a number special theme questions in its worldwide adult population survey. A summary of the results are published in Global Entrepreneurship Monitor 2009 Global Report (Bosma and Levie, 2009). These have been further explored and analysed in Lepoutre et al (2011).

TABLE 4.2 GEM MEASURES OF SOCIAL ENTREPRENEURSHIP

Region	SE nascent	SE new	SE established	SEA
USA	2.90	1.69	0.84	4.15
Caribbean				
Dominican Republic	0.76	1.84	0.98	2.59
Jamaica	1.15	2.41	3.27	3.50
<i>Average</i>	<i>0.95</i>	<i>2.12</i>	<i>2.13</i>	<i>3.05</i>
Latin America				
Argentina	2.21	2.30	3.31	4.32
Brazil	0.21	0.16	0.03	0.37
Chile	1.77	0.85	0.41	2.60
Colombia	2.60	1.31	1.18	3.83
Ecuador	0.39	0.12	0.21	0.50
Guatemala	0.17	0.32	0.05	0.43
Panama	0.86	0.43	0.38	1.29
Peru	3.45	0.49	0.13	3.94
Uruguay	1.89	0.75	0.64	2.57
Venezuela	3.77	0.32	0.30	4.09
<i>Average</i>	<i>1.73</i>	<i>0.70</i>	<i>0.66</i>	<i>2.39</i>
Africa				
South Africa	1.32	0.74	0,31	2,01
Uganda	0,98	1,94	1,41	2,70
<i>Average</i>	<i>1,15</i>	<i>1,34</i>	<i>0,86</i>	<i>2,35</i>

				<i>Contd.</i>
Western countries				
Belgium	1,03	0,82	1,24	1,78
Finland	1,17	1,58	2,42	2,71
France	1,63	0,87	0,32	2,31
Germany	0,54	0,32	0,88	0,72
Greece	1,30	0,65	0,92	1,95
Iceland	2,34	2,07	1,86	4,24
Italy	0,86	0,42	1,26	1,22
Netherlands	0,60	0,45	0,51	1,02
Norway	0,64	1,00	0,57	1,58
Spain	0,37	0,19	0,36	0,55
Sweden	0,53	1,49	1,04	1,82
Switzerland	2,39	0,46	1,48	2,84
UK	0,79	1,48	2,05	2,18
Average¹	1,09 (1,14)	0,91 (0,86)	1,15 (1,16)	1,92 (1,93)
Eastern Europe				
Bosnia and Herzegovina	0,60	0,24	0,09	0,83
Croatia	1,32	1,56	1,56	2,85
Hungary	2,15	1,27	0,59	3,31
Latvia	1,49	0,56	0,83	1,99
Romania	1,39	0,34	0,82	1,73
Russia	0,39	0,46	0,38	0,86
Serbia	0,40	0,74	0,62	1,14
Slovenia	1,34	0,90	1,40	2,19
Average	1,13	0,76	0,79	1,86
Middle East & North Africa				
Algeria	1,23	0,53	0,11	1,77
Iran	1,07	0,34	0,58	1,41
Israel	0,95	1,35	1,80	2,24
Jordan	0,39	0,40	0,19	0,70
Lebanon	0,49	0,45	0,55	0,95
Morocco	0,26	0,27	0,40	0,39
Saudi Arabia	0,07	0,18	0,00	0,24
Syria	0,69	0,25	0,04	0,94
United Arab Emirates	2,46	2,70	1,35	4,93
West Bank & Gaza Strip	0,19	0,19	0,09	0,38
Average	0,78	0,67	0,51	1,39

South-East Asia				
China	1,53	1,36	1,12	2,89
Hong Kong	0,20	0,37	0,46	0,51
Korea	0,40	0,41	0,56	0,81
Malaysia	0,20	0,00	0,02	0,20
Average	0,58	0,53	0,54	1,10

Note: Due to lack of data, values for Sweden have been estimated using the following procedure. In the first step, values for overall nascent, new and established entrepreneurship, as well as GEM's TEA index, was intra-polated using cubic splines based on data from 2001-2007 and 2010. Data for Sweden was then calculated under the assumption that the share of entrepreneurs classified as social entrepreneurs was the same in Sweden as in the weighted average of the rest of the Nordic countries – Finland, Iceland and Norway.

¹ Numbers in parentheses refer to the average value excluding Sweden.

SOURCE: LEPOUTRE ET AL 2011 AND OWN CALCULATIONS (REGARDING SWEDEN).

The highest level of social entrepreneurship among larger regions can be found in the US, where 4.15 percent of the adult population is classified as social entrepreneurs. The European area has a considerably lower level of social entrepreneurship even though there is considerable variation across the individual countries. The highest levels can be found in Iceland, Switzerland and Finland while Netherlands, Germany and Spain have the lowest levels of social entrepreneurship in Europe. Sweden ranks in the middle of the European countries. When looking at social entrepreneurship distributed on nascent and new, we see that Sweden ranks relatively strong in newly formed firms whereas the opposite seems to be the case for nascent social entrepreneurship. Note, however, that caution must be made when interpreting Sweden's figures since these had to be estimated due to lack of data (see footnote in conjunction with Table 4.2 for details).

5. Concluding remarks

The primary objective of this survey is to gauge the current state of empirical research on social entrepreneurship and to highlight potential areas for future theory building and theory testing. We review a number of articles and summarize their analyses on a general methodological level and on a content level. In addition, we explore the most important schools of thought on social entrepreneurship to unveil definitional ambiguities and to provide a background against which to interpret the articles.

The summary confirms the stage of infancy of social entrepreneurship research as a field of scientific inquiry. The findings at this level can be summarized as follows: there are a limited number of empirical studies with a limited quantitative research approach mainly of an exploratory type; rigorous hypothesis testing is lacking; little variety in research design is applied; the use of primary data prevails; and research is based on relatively small sample sizes.

In an attempt at using the only generalized measurement of social entrepreneurship across countries that we know of, i.e. the Global Entrepreneurship Monitor, we show an indicative level of activity in Sweden. Estimated in this way the level of social entrepreneurship activity in Sweden is reasonably high.

In section 3 above, the samples are classified along two lines, four dimensions (i.e. individual, process, organisation, and environment) and four schools of thought (i.e.: Social Innovation School of thought, Social Enterprise School of thought, EMES approach, and the UK approach). Within each dimension, the empirical insights from the articles are clustered along emerging themes. The results indicate that the present body of empirical knowledge on social entrepreneurship covers a broad spectrum of subjects. At the same time, most of the themes are addressed by only a few studies that use very different samples. This implies that the current state of empirical research offers a modest basis for further theory building and testing purposes.

We agree with Hoogendorn et al (2010) that a young field of study such as social entrepreneurship needs rigorous empirical assessments to evolve, while this necessity suggests an abundance of research opportunities. After two decades of conceptual exploration that has resulted in valuable contributions and distinguishable schools of thought, time is ripe to construct an unambiguous definition that can serve as a foundation for future empirical research.

An undeveloped domain that has the potential for this research field to advance is quantitative research, as is also concluded by Lepoutre et al (2011).

Since “conceptualization stands prior to quantification” (Sartori, 1970), the time seems ripe for a next step in the lifecycle of social entrepreneurship as a research field.

Finally we would like to conclude with a brief policy reflection pertaining to the rather strong interest in social entrepreneurship in Sweden and at EU level: as has been shown in this survey SE comes in many shapes and forms and in recent years there has not only emerged special legal arrangements, but also considerable project funding for social entrepreneurs and initiatives in the field.¹ A relatively new field that obtains special treatment and attracts support from government funding, constitutes a risk both of unintended effects influencing other entrepreneurs negatively, and of sub optimal use of tax payers’ money. Our hope is that this survey will stimulate a thorough, critical and comprehensive evaluation of on-going projects.

¹ E.g. in the Knowledge Foundation anthology (Gawell et al 2009) a nine year support programme of 120 MSEK in Sweden is described, as well as considerable EU funding from the cohesion funds to support local projects in the northern part of Sweden.

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