

Diana Lynn Afable – Lorenzo

Social entrepreneurship and the pursuit of legitimacy: Ethical perspectives in primary stakeholder engagement

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**School of Business, Economics, and Law
Department of Management**

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Abstract

Social entrepreneurship has been the subject of considerable interest over the past years due to its capacity to address social problems whilst utilising economically viable business models. Despite the growth in literature, however, social entrepreneurship remains an emerging and fragmented construct with unclear boundaries. The study responds to calls for research on the interface between social entrepreneurship and ethics. It aims to sharpen and enrich the definition of social entrepreneurship by shedding light on the ethical dimension of the “social” through an empirical examination of social value creation as it manifests in primary stakeholder engagement. It undertakes an inductive, theory-building case study methodology to draw on twelve individual cases of engagement within a developing country context. The study surfaces four patterns of primary stakeholder engagement that: (1) suggest a characterisation of primary stakeholder engagement that is based on what matters to the primary stakeholder, (2) delineate a two-directional flow of care between the primary stakeholder and the social enterprise organisation, (3) establish a link between social value creation and primary stakeholder engagement, and (4) introduce the concept of primary stakeholder altruism. These four patterns raise two issues that lead to social entrepreneurship legitimisation deficits. The first legitimisation issue suggests that avenues through which the primary stakeholder may pursue what matters to them must be available in their work engagement, whilst the second issue points to the dark side of primary stakeholder altruism. The study makes significant contributions to social entrepreneurship literature by giving a voice to the previously silent primary stakeholder and by offering insights drawn from the context of a developing country in Asia.

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Attestation of Authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma of a university or other institution of higher learning.

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a smaller 'L' and a horizontal line.

Diana Lynn Afable – Lorenzo

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Ethics Approval

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Chapter 1 – Introduction

Social entrepreneurship (SE) has been the subject of considerable interest over the past years due to its innovative capacity to address complex social problems (Bacq & Janssen, 2011; Zahra, Neubaum, & Shulman, 2009) and achieve social change (Alvord, Brown, & Letts, 2004; J Mair & Martí, 2006) whilst utilising economically viable business models (Martin & Osberg, 2007; Zahra et al., 2009). This interest is due to SE's ability to engage in *double value creation* (Alter, 2004 cited by Bacq & Janssen, 2011) or *shared value creation* (Porter & Driver, 2012) -- the simultaneous creation of social value and economic value (Bacq & Janssen, 2011; Martin & Osberg, 2007; Zahra et al., 2009). Scholars have thus considered social entrepreneurship an important field of research; as such, there have been substantive contributions to its concept and its definition (Bacq & Janssen, 2011; Weerawardena & Mort, 2006; Zahra et al., 2009). Social entrepreneurship has been described as a broad and inclusive domain which includes a variety of socially beneficial organisations, business models, and activities such as charity institutions and not-for-profit organisations (Dees, 1998; J Mair & Martí, 2006; Martin & Osberg, 2007). Meanwhile, other scholars argue that social entrepreneurship should be integrated within the broader entrepreneurship domain because commercial entrepreneurship inevitably creates social value as well as economic value (Acs, Boardman, & McNeely, 2013; Chell, 2007; J Mair & Martí, 2006). The emergence of SE definitions from varying perspectives and domains have resulted in literature that is fragmented and a theory that lacks a coherent framework (Weerawardena & Mort, 2006). The development of the social entrepreneurship construct thus requires “a clear definition of the key concepts” (Christie and Honig, 2006 cited by Bacq & Janssen, 2011, p. 374) and a “unifying paradigm” (Bacq & Janssen, 2011, p. 374).

Scholars suggest that the “social” in social entrepreneurship is a key concept that is vital to its definition (Kroegeer & Weber, 2014; Lautermann, 2013; J Mair & Martí, 2006; Tan, Williams, & Tan, 2005). This attribute may thus offer a unifying paradigm to conceptualise social entrepreneurship. Mair and Marti (2006) delineate the “social” as a conceptual boundary of social entrepreneurship that is epitomised by the social change achieved when social needs are met. Kroegeer and Weber (2014) characterise the “social” in social entrepreneurship as activities that address the needs of people who live below the life satisfaction (LS) threshold of a particular region or country. Tan, Williams, and Tan (2005) advance the notion of *altruism* as the “social” in social entrepreneurship. In particular, the “social” in social entrepreneurship is embodied by the social entrepreneur, a “legal person engaged in the process of entrepreneurship that involves a segment of society with the

altruistic objective that benefits accrue to that segment of society” (Tan et al., 2005, p. 360). Conceptualising social entrepreneurship as a form of altruism underscores the difference between commercial entrepreneurship and social entrepreneurship -- whilst commercial entrepreneurship is motivated by economic gain, SE is driven by its social mission. Mair & Marti (2006) however argue against this dichotomous view of social entrepreneurship and state that, initially, “social entrepreneurship might be thought to differ from entrepreneurship in the business sector in that the latter is associated with the profit motive, whereas social entrepreneurship is an expression of altruism” (p. 38). They contend that , although SE social mission may have an ethical and moral basis, the motivations of social entrepreneurs may “include less altruistic reasons such as personal fulfilment” (J Mair & Martí, 2006p. 38). Zahra, Nebaum, and Schulman (2009) recognise the possibility of these motivations and develop a typology of social entrepreneurs. They raise some ethical issues that might occur with each type: the pursuit of personal objectives over the social mission, the behavioural propensity to create tensions and conflicts within the organisation (Zahra et al., 2009), and egoism (Diochon & Anderson, 2011; Zahra et al., 2009). Lautermann (2013) also does not subscribe to this notion of the altruistic entrepreneur. He emphasises the “basic paradox in human beings of simultaneously seeking individual and collective interests” (Lautermann, 2013, p. 189) and postulates the fundamental significance of an ethical dimension to the “social” in SE (Lautermann, 2013).

The “social” in social entrepreneurship is fundamentally linked with social value creation (SVC), the process through which social entrepreneurship meets social needs (Auerswald, 2009; J Mair & Martí, 2006; Sinkovics, Sinkovics, & Yamin, 2014) and through which social change is realised (Kroegeer & Weber, 2014; Lautermann, 2013; J Mair & Martí, 2006). Social value creation manifests at the interface between social entrepreneurship and society (Altinay, Sigala, & Waligo, 2016; Korsgaard & Anderson, 2011; Sinkovics et al., 2014); in particular, it occurs within the space in which the social enterprise organisation engages with the beneficiary groups and communities it serves. According to Acs, Boardman, & McNeely (2013), “the role of social entrepreneurship in society is that of social value creation through innovation and mutually beneficial exchanges to solve problems” (p. 788). The space in which these exchanges occur is the same space in which social value is created. It is in this space of engagement that the beneficiary groups and communities receive and experience the benefits promised by the social enterprise organisation’s social mission. It is the vital space in which the “social” is situated in SE; and as a consequence, it is the space from which we may draw insights on social entrepreneurship legitimacy.

At this point, I refer to the theory-building case study conducted by Dacanay (2012) on social entrepreneurship and stakeholder engagement in which she defined the SE beneficiary groups and communities as primary stakeholders (PS) in social entrepreneurship. Her findings yielded “patterns within and between the social enterprise cases in terms of how they engaged the poor over time” (p. 62) which she labelled *primary stakeholder engagement* (L.M Dacanay, 2012). I identify the space in which social value creation occurs, in which social change is realised, and in which the “social” is situated in social entrepreneurship as primary stakeholder engagement (PSE). Following this reasoning, I contend that social entrepreneurship legitimacy is achieved (or not achieved) in this space.

Scholars have underscored the need to elucidate and define the “social” as a conceptual boundary in order to further develop the social entrepreneurship construct. (Lautermann, 2013; J Mair & Martí, 2006). The legitimacy of social entrepreneurship as a process that addresses social needs and implements social change hinges on this “social” aspect. Despite being a fundamental attribute of social entrepreneurship, however, current conceptualisations of the “social” remain “fuzzy” (p. 184) as they refer to a broad statement of outcomes such as “solving social problems” and “meeting social needs” of disadvantaged groups (Lautermann, 2013). Lautermann (2013) suggests that defining the “social” requires an examination of its “normative core” (p. 186), which is founded on ethics. The “social” may therefore be defined by shedding light on its ethical dimension in order to reinforce its capacity to bind, enrich, and strengthen the social entrepreneurship construct.

The purpose of this study is to sharpen and enrich the definition of social entrepreneurship through an empirical examination of social value creation (SVC) as it manifests in primary stakeholder engagement (PSE). I use the lens of care ethics in order to reveal the “social” aspect of primary stakeholder engagement and surface issues that lead to social entrepreneurship (SE) legitimization deficits. In particular, I ask the following question: How may we consider social entrepreneurship to be truly social? By answering this question, I respond to calls for a definition of the “social” in social entrepreneurship (Kroegeer & Weber, 2014; Lautermann, 2013; J Mair & Martí, 2006) as well as for research on the interface between ethics and social entrepreneurship that is prevalent in SE literature (André & Pache, 2016; Chell, Spence, Perrini, & Harris, 2016; Dey & Steyaert, 2014; Diochon & Anderson, 2011; Lautermann, 2013; J Mair & Martí, 2006; B. R Smith, Kistruck, & Cannatelli, 2016; B.R Smith & Stevens, 2010). The intersection between these two domains is an under-explored region in SE literature (André & Pache, 2016; Dey & Steyaert, 2014; Harris, Sapienza, & Bowie, 2009; B. R Smith et al., 2016; Zahra et al., 2009).

This study makes significant contributions to the literature on social entrepreneurship. First, it gives a voice to the primary stakeholder, who has been silent in extant literature. Despite Smith & Steven's (2010) call for research on moral embeddedness from the perspective of SE key beneficiaries, literature has been silent on primary stakeholder experience of social entrepreneurship. Whilst current studies focus on the social entrepreneur, the entrepreneurial process and behaviour, and the social enterprise organisation (Bacq & Janssen, 2011; J Mair & Martí, 2006; Nicholls, 2008; Weerawardena & Mort, 2006; Zahra et al., 2009), I examine social entrepreneurship from the perspective of the inherently vulnerable and marginalised primary stakeholder, whose voice may perhaps be characterised as the softest in social entrepreneurship. Second, the study contributes insights drawn from the context of a developing country in Southeast Asia. Current SE literature has mostly emanated from Western experience, in particular, European and North American (Chell et al., 2016; L.M Dacanay, 2012; Defourny & Nyssens, 2008, 2010a, 2010b). There is a gap in the literature on the role of the geographic aspect in the social discourse on social entrepreneurship (B.R Smith & Stevens, 2010). There is therefore a need to augment SE literature with research from Asia in order to develop a broader picture of SE in internationally and locally embedded contexts (Chell et al., 2016).

I begin this thesis with a review of the literature on social entrepreneurship and social value creation. I then review the literature on care ethics and present it as an appropriate lens through which I may interrogate social value creation as experienced by the primary stakeholder. The literature review chapter ends with a brief review of the literature on primary stakeholder engagement as it pertains to the study in order to define the space in which the primary stakeholder experience of social value creation occurs in social entrepreneurship. The conceptual framework which follows is crafted in order to lay the groundwork for the study by situating social value creation within primary stakeholder engagement and explaining how the lens of care ethics applies to an examination of social value creation.

I implement an inductive, qualitative, case-based theory-building methodology (Eisenhardt, 2002; Eisenhardt & Graebner, 2007) to explore primary stakeholder engagement as experienced by the primary stakeholder. Research on social entrepreneurship is predominantly qualitative and exploratory (Chell et al., 2016) and employs case study methodologies (Pärenson, 2011). Building theory from case studies is an appropriate methodology to explore PSE as it places focus on the rich, real-life context in which the experience of engagement exists and allows the emergence of theory from patterns of relationships among constructs across cases and their underlying logic (Eisenhardt, 2002;

Eisenhardt & Graebner, 2007). It is an appropriate methodology used to investigate unexplored domains (Eisenhardt, 2002; Eisenhardt & Graebner, 2007).

Chapter 2 - Literature Review

2. 1. Social Entrepreneurship

Social entrepreneurship (SE) has been characterised by literature as a “messy” (Dees, 2007 cited by Corner & Ho, 2010, p. 656) , “fuzzy” (J Mair & Martí, 2006, p. 36), “untidy” (A. Peredo & M. McLean, 2006,p. 64) concept. It is a complex multi-dimensional construct (Weerawardena & Mort, 2006) that manifests in widely varied organisational forms (Townsend & Hart, 2008) and contexts (Bacq & Janssen, 2011). Whilst various scholars have presented definitions (Bacq & Janssen, 2011; Weerawardena & Mort, 2006), a consensus has yet to be achieved on SE definition. Current definitions of social entrepreneurship are based on conceptualisations of social entrepreneurship, the social entrepreneur, and the social enterprise organisation (Bacq & Janssen, 2011; J Mair & Martí, 2006). Extant literature defines social entrepreneurship as a process (Bacq & Janssen, 2011; J Mair & Martí, 2006; A. Peredo & M. McLean, 2006) that aims to achieve the organisation’s social mission which manifests as *societal transformation* (Alvord et al., 2004), *social change* (J Mair & Martí, 2006), and social value creation (Austin, Stevenson, & Wei-Skillern, 2006; Weerawardena & Mort, 2006) . Definitions of social entrepreneurship based on the notion of the social entrepreneur characterise the individual entrepreneur as an innovative visionary and change agent who has the capability to perceive opportunities, is not constrained by the resources available, and possesses a “strong ethical fibre” (Bacq & Janssen, 2011p. 382). The conceptualisation of social entrepreneurship as an organisation focuses on the social, economic, entrepreneurial, and legal aspects of the organisational entity (Bacq & Janssen, 2011). It concerns organisational form, business model, and profit distribution in relation to the social mission (Bacq & Janssen, 2011).

For the purpose of this study, I define social entrepreneurship as “innovative and effective activities that focus strategically on resolving market failures and on creating opportunities to add social value systemically by using a range of organisational formats to maximise social impact and bring about change” (Nicholls, 2008, p. 23). I have chosen this definition for three reasons: First, it covers the broad and complex character of social entrepreneurship that is prevalent in the literature, whilst capturing the “significant landmarks in the complex geography of the concept” (A. Peredo & M. McLean, 2006, p. 64). These significant *landmarks* or aspects of social entrepreneurship are: (1) social value creation (SVC) as the social mission, (2) opportunity recognition and exploitation towards social value creation, (3) innovation in the creation and distribution of social value, (4) acceptance of risk in the creation and dissemination of social value, and (5) resourcefulness in pursuing the social

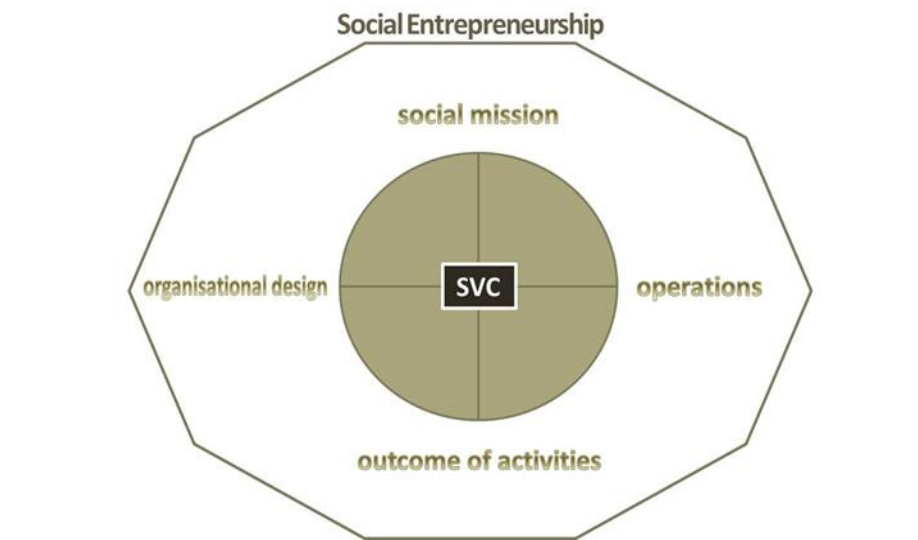
enterprise despite limited assets (A. Peredo & M. McLean, 2006). The predominant theme across these various SE aspects is social value creation. Second, this definition identifies social change as the ultimate outcome of SE and considers the relevance of context in defining the concept. It highlights the human development dimension of SE (Martin & Osberg, 2007; Seelos & Mair, 2005) – an appropriate focus considering the impoverished and marginalised situation of the primary stakeholder and the developing country context in which the research is set. Lastly, this definition is consistent with the various SE definitions that emphasise the fundamental significance of social value creation (Acs et al., 2013; Austin et al., 2006; Chell, 2007; Dacin, Dacin, & Tracey, 2011; Dees, 1998; J Mair & Martí, 2006; Martin & Osberg, 2007; Ormiston & Seymour, 2011; A. Peredo & M. McLean, 2006). Social value creation as embodied by the social mission defines social entrepreneurship and distinguishes it from other entrepreneurial forms and, in particular, commercial entrepreneurship (A. Peredo & M. McLean, 2006). Scholars have argued that the social dimension is SE's fundamental differentiation from its commercial counterpart (J Mair & Martí, 2006; Martin & Osberg, 2007; Santos, 2012; Zahra et al., 2009). Whilst commercial entrepreneurship is driven to pursue economic gains, the prime focus of social entrepreneurship is to achieve its social mission through the creation of social value (J Mair & Martí, 2006; Tan et al., 2005; Weerawardena & Mort, 2006). In their review of SE definitions, Dacin, Dacin, and Tracey (2011) suggest that the social entrepreneurship definition that "holds the most promise for the field" (p. 1204) is one that focuses on social value creation as the primary mission of social entrepreneurship.

2. 2. Social Value Creation

Social Value Creation (SVC) is a fundamental, defining aspect of social entrepreneurship (SE) (Bacq & Janssen, 2011; Chell, 2007; Chell et al., 2016; Di Domenico, Haugh, & Tracey, 2010; Lautermann, 2013; A. Peredo & M. McLean, 2006; Weerawardena & Mort, 2006). Current literature places SVC at the centre of SE (Austin et al., 2006; Bacq & Janssen, 2011; A. Peredo & M. McLean, 2006; Weerawardena & Mort, 2006; Wilson & Post, 2013), depicting it as the central *integrating driver* (Austin et al., 2006) upon which the very mission (Austin et al., 2006; Bacq & Janssen, 2011; A. Peredo & M. McLean, 2006; Weerawardena & Mort, 2006), organisational design (Austin et al., 2006; Ormiston & Seymour, 2011; Townsend & Hart, 2008), operations (B.R Smith & Stevens, 2010; Townsend & Hart, 2008; Wilson & Post, 2013), and outcome of activities (Chell, 2007; Ormiston & Seymour, 2011; Weerawardena & Mort, 2006; Wilson & Post, 2013) in SE are based. (Figure 1 illustrates social value creation as the central integrating driver of social entrepreneurship.) It informs opportunities in SE (Austin et al., 2006; Corner & Ho, 2010; A. Peredo & M. McLean, 2006) and embodies the primary point of differentiation from commercial entrepreneurship (Acs et al.,

2013; Austin et al., 2006; A. Peredo & M. McLean, 2006). Social value creation is thus not only intrinsic to SE, but is what defines it, drives it, and differentiates it from other forms of entrepreneurship (Austin et al., 2006; Bacq & Janssen, 2011; Ormiston & Seymour, 2011; Seelos & Mair, 2005; Weerawardena & Mort, 2006; Zahra et al., 2009).

Figure 1 - Social value creation as the central integrating driver of social entrepreneurship



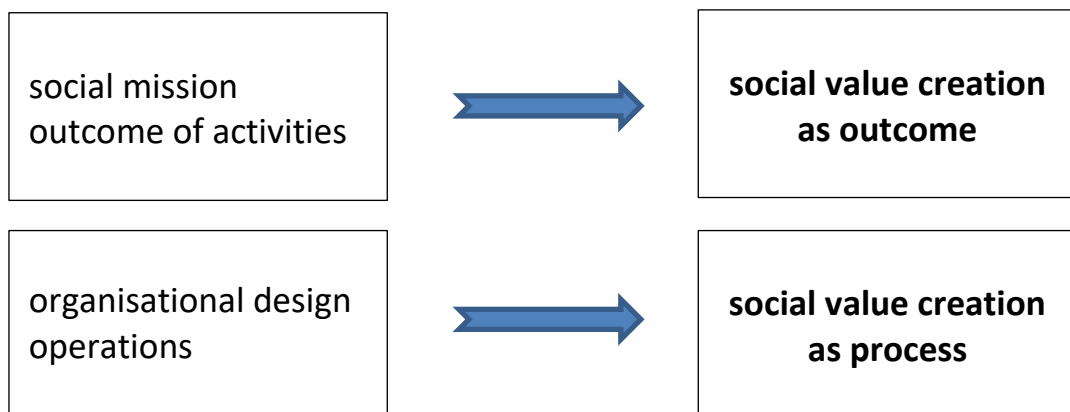
Though some scholars argue that social value creation is what differs social entrepreneurship from its commercial counterpart (Austin et al., 2006; Bacq & Janssen, 2011; Ormiston & Seymour, 2011; Seelos & Mair, 2005; Weerawardena & Mort, 2006; Zahra et al., 2009), there are those who do not agree with this dichotomous view and consider both social entrepreneurship and commercial entrepreneurship as generators of social value (Acs et al., 2013; Chell, 2007), Acs, Boardman, & McNeely (2013). Lautermann (2013), however, in his conceptual paper on social value creation suggests that social entrepreneurship is “best defined by social value creation (p. 197)”.

Despite the vital function that social value creation has in social entrepreneurship, current SE literature has yet to provide a clear depiction of the social value creation construct (Kroeger & Weber, 2014; Lautermann, 2013). Present conceptualisations fail to sufficiently capture the essence of the social value creation construct (Sinkovics et al., 2014). Some scholars contend that the “ambiguity” (Lautermann, 2013) of social value creation is due to the vagueness of the “social” which mostly refers to “desirable outcomes or changes without explaining their ethical dimension” (Lautermann, 2013, p. 184). For the purpose of substantiating and providing clarity to the conceptualisation of the social value creation construct, I conduct this review of SE literature in order to determine extant

conceptualisations, identify linkages, and propose a coherent depiction of social value creation within the social entrepreneurship domain.

The few academic articles that primarily focus on defining the construct agree that social value creation is a broad, complex, multidimensional construct (Kroegeer & Weber, 2014; Lautermann, 2013; Sinkovics et al., 2014) which, as discussed earlier in this section, is the central *integrating driver* of social entrepreneurship (Austin et al., 2006). Given this fundamental role, social value creation informs the social mission, organisational design, operations, and outcome of activities. (Refer to Figure 1 above.) I therefore examine the literature on social value creation whilst using this role as a framework to apprehend the construct's ambiguous character. Social value creation is thus framed as an outcome and as a process of social entrepreneurship. Figure 2 illustrates this framework.

Figure 2 – Framing the literature on social value creation



The social mission and outcome of activities in social entrepreneurship are manifested in SVC as an outcome, whilst the SE organisational design and operations are reflected in social value creation as a process. In this literature review, I therefore frame social value creation as a phenomenon that manifests as an outcome (discussed in Chapter 2.2.1) and occurs as a process of social entrepreneurship (discussed in Chapter 2.2.2). Using this framework, I develop a definition of social value creation by apprehending its substance and quality based on characteristics and conceptualisations found in extant SE literature. The definition of a phenomenon may be developed by describing its substance and quality (Lautermann, 2013). Such a method allows us to apprehend the phenomenon “as a conceptual account of a certain aspect of reality” (Lautermann, 2013, p. 186).

2. 2. 1. Social value creation as outcome

a. Social change as an outcome of social value creation

The literature on social value creation (SVC) as an outcome of social entrepreneurship surfaces an overarching theme of social change. In their effort to develop a conceptual framework of SVC, Kroeger & Weber (2014) define social value creation as *positive change* that results from a *social intervention* which targets the specific needs of disadvantaged individuals in order to achieve their *wellbeing*. Lautermann (2013) also refers to social change as the final result of social value creation. The theme of social change as the ultimate objective of social entrepreneurship resonates with extant SE literature (Bornstein, 2007; J Mair & Marti, 2004; Martin & Osberg, 2007; Seelos & Mair, 2005). Situating social change as the ultimate objective of social entrepreneurship aligns with my earlier postulation that social value creation is indeed situated at the core of social entrepreneurship.

Social change, however, is in itself a vague notion. Utilising such an equally hazy concept to describe and substantiate social value creation does not advance our understanding of the construct. Lautermann (2013) highlights the “*social*” as an obscure but critical aspect of SVC conceptualisation within the social entrepreneurship domain. He proposes a normative dimension to the attribute “*social*” and calls for a clarification of its ethical foundation (Lautermann, 2013). According to Lautermann (2013), the “*social*” in social value creation goes beyond mere reference to a “*human collective*” (p. 186) but rather focuses on improving the group’s disadvantaged or problematic state. Lautermann (2013) further underscores the obscurity pertaining to what the common SE parlance of “*changing society for the better*” (Bornstein, 2007) means. He characterises this view of social change as “*the virtually imperialistic effort of applying traditional economic thinking to societal issues*” (p. 187) that gives no consideration to the local, cultural, and historical aspects of the issue (Lautermann, 2013). He argues against this utilitarian view, stating that realising social change cannot be construed as simply “*solving social problems*” by treating them as “*economic problems in need of better management*” (Hjorth and Bjerke, 2006 cited in Lautermann, 2013, p. 187).

The various social value creation outcomes that are akin to the theme of social change featured in extant literature serve to substantiate and crystallise this vague notion. Lautermann (2013) suggests that *social progress* is manifested in “*... human and societal flourishing through creating “positive” services, organisations, and institutions...*” (p.199). Auerswald (2009) takes a similar track by referring to the work of Amartya Sen and posits the enhancement of human lives as the ultimate outcome of SVC. Auerswald (2009) proposes that

the wellbeing of individuals is founded upon the development of their capabilities and their willingness to live.

Wellbeing is also identified by Kroeger and Weber (2014) as an outcome of SVC. In their conceptual paper on the development of a framework for comparing SVC, Kroeger & Weber (2014) argue that SVC is the effectiveness of social interventions that directly address the needs of disadvantaged social groups and that the success of these interventions results in an improvement of the wellbeing of these groups. Similar to Auerswald (2009), they base their conceptualisation of wellbeing on the capability development and empowerment perspective of Amartya Sen. They build on the concept of SVC as human wellbeing that stems from capability development and empowerment by adopting the notion of subjective wellbeing (SWB), which is “primarily concerned with the respondents’ own internal (perceptual) judgement of wellbeing, rather than what policymakers, academics, or others consider important” (Diener & Suh, 1997, p. 201 as cited in Kroeger & Weber, 2014) .

This perspective of human wellbeing as capability development relates to the research undertaken by Altinay, Waligo, and Sigala (Altinay et al., 2016) on social value creation through tourism enterprise in social entrepreneurship. The case study they conducted within the context of a developing country yielded insights on the key resources required for social value creation in tourism: natural, political and institutional, financial, and human capital (Altinay et al., 2016). Based on their findings on human capital, Altinay et al. (2016) suggest that stakeholder involvement and collaboration as well as relationship development and local community empowerment are critical strategies for resource mobilisation and the consequent social value generation in SE. Their research highlights the importance of empowerment through skills development and education, collaboration within the community and with the social enterprise, mutual trust, and the realisation of shared meaning and commitment in the development of a mutually beneficial resource exchange between social enterprises and the communities they serve in order to effect social change that they characterise as long-term (Altinay et al., 2016).

Altinay et al.’s findings are consistent with the work of other scholars on social value creation (SVC) in some aspects, but contrast in some others. The significance of empowerment through skills development and education is also reflected in the case study conducted Korsgaard and Anderson (2011) in which they present social value creation as the enactment of entrepreneurship. Their findings, which will be discussed at length in the succeeding section, reveal that social value creation is manifested in growth at multiple levels: individual, community, and society. Meanwhile, the need for mutually beneficial relationship

and exchange between disadvantaged individuals and the social enterprise in order to achieve social change is also underscored by Acs, Boardman, and McNeely (2013) in their conceptual paper on the social value of productive entrepreneurship. However, in contrast with Altinay et al. (2016), Acs et al. (2013) suggest that productive entrepreneurship results in the creation of social value, not just in the long-term as suggested by Altinay et al. (2016), but also in the short and medium terms. According to them, the role of social entrepreneurship in society is to “create(s) social value directly through addressing problems that are identified and able to be addressed in the short-to medium-term” (Acs et al., 2013, p. 788).

Kroeger and Weber (2014) relate the “freedom-generative capabilities approach” (p. 519) developed by Amartya Sen to the notion of subjective wellbeing. This is further detailed by Sinkovics, Sinkovics, Hoque, and Czaban (2014) in their conceptual paper on social value creation. Sinkovics et al. (2014) operationalise the common SE phraseology of “meeting social needs” by positing the concept of social constraint as the root cause of social issues that deter “a group of individuals from making use of their human right to sustenance, self-esteem, and freedom from servitude” (p. 355). Sustenance refers to the basic human needs of food, shelter, protection, and health; human dignity and a sense of self-respect underpin self-esteem; freedom from servitude is characterised by the ability to live life in dignity (Sinkovics et al., 2014). Due to the universality, inalienability, and indivisibility of these rights, they argue that the reconceptualization of social value creation as social constraint alleviation allows comparability across various contexts and paves the way for further operationalisation and definition of the concept.

b. Growth as an outcome of social value creation

From the broader perspective of entrepreneurship, Korsgaard and Anderson (2011) suggest that the social value created as a result of the enactment of an opportunity in entrepreneurship is manifested through growth. Their single case study examines the entrepreneurial processes involved in the development of Friland, a sustainable settlement established in rural Denmark in 2002. They viewed growth as the development of the Friland community itself and the individuals within the community as well as those who were external to the community but had dealings with it and were thus affected by its development. They found that growth must be considered beyond economic terms and regarded as an indicator of value creation in multiple dimensions: cultural, economic, and social (Korsgaard & Anderson, 2011). Their case study reveals how social value is generated “in multiple forms at different centres and on different levels: from individual self-realisation over community development to broad societal impact” (Korsgaard & Anderson, 2011, p. 1). Their findings

show that the opportunity to develop Friland emerged from the social context, whilst its development was also implemented socially. They consider the “social” as “enabler, as context, and as outcome” (p. 2) in the enactment of entrepreneurship (Korsgaard & Anderson, 2011), which is reflected in the growth of the enterprise, the community, and the individuals who comprise the enterprise and the community. They also advance the notion that the enterprise itself is both a means and a medium for value creation (Korsgaard & Anderson, 2011).

Korsgaard and Anderson’s argument that the “social” is an outcome of entrepreneurial enactment and manifests as growth complements my earlier postulation that social value creation may be framed as an outcome of social entrepreneurship in order to apprehend its essence. According to Korsgaard and Anderson (2011), growth stems from “the *social* as enabler, as context, and as outcome” (p. 2). In this sense, growth as an outcome of social value creation may also be construed as “social” change. First, the view of the “social” as enabler resonates with the capability-building (Altinay et al., 2016; Auerswald, 2009; Di Domenico et al., 2010), empowering (Altinay et al., 2016; Auerswald, 2009), freedom-generating qualities (Kroeger & Weber, 2014; Sinkovics et al., 2014) of social value creation previously discussed. Second, the conception of the “social” as context complements Altinay et al.’s (Altinay et al., 2016) argument that the catalyst for social value creation is embedded in the *social system*. It further resonates with Sinkovics et al.’s (Sinkovics et al., 2014) notion of the *social system* which is composed of individuals adversely affected by a social issue within a particular context. Lastly, the “social” as context underscores Lautermann’s (2013) critique of the predominant SE discourse of “changing society for the better” (p. 187), “solving social problems” (p. 187), and “maximising social value” (p. 187) which he views as being “overly economic and individualistic in orientation” and “insensitive to local historical-cultural specificities” (Hjorth & Bjerke, 2006, p. 119 as cited by Lautermann, 2013). Consequently, Lautermann (2013) argues that due to the complex and plural nature of societies, “what is new and what is good and valuable” (p. 199) cannot be based solely on objective fact but must be subject to cultural interpretation.

In summary, the literature on social value creation (SVC) as an outcome of social entrepreneurship (SE) suggests that the creation of “social” value manifests as growth of communities and individuals as well as in change that is embedded in specific societal contexts. It offers an understanding of “social” change that enhances human capabilities, empowers individuals and communities to be self-sufficient and autonomous, and reinforces their wellbeing -- not just in the long-term but also in the short and medium terms. This quality of change engenders self-esteem and human dignity.

2. 2. 2. Social value creation as process

Korsgaard and Anderson (2011) characterise social value creation (SVC) as a “processual phenomenon” (p. 13). Framing the conceptualisation of social value creation as a process implies identifying how the literature operationalises the creation of social value. In other words, how does the creation of social value occur? A review of the literature suggests three themes which address this question. The literature on opportunities in social entrepreneurship (SE) depicts social value creation as impetus; the literature on resources in social entrepreneurship delineates social value creation in terms of input; and the literature on social entrepreneurship as a process describes the social value creation activity. The process of social value creation begins with an impetus. It then requires input to progress. Lastly, social value creation process connotes action towards a specific goal.

a. Opportunity as impetus

Similar to commercial entrepreneurship, the recognition of opportunities in social entrepreneurship to create value in order to address social problems is situated at its inception (Austin et al., 2006; Corner & Ho, 2010; J. Thompson, Alvy, & Lees, 2000). SE researchers have postulated that it is the recognition of an opportunity to solve social problems and meet social needs that motivate entrepreneurs to establish social enterprises (Bornstein, 2007; Dees, 1998; J. Thompson et al., 2000). In this regard, opportunity may be considered the impetus that initiates the social value creation.

Korsgaard and Anderson (2011) further contend that entrepreneurs realise and act on an opportunity within their social environment on the basis of their social reality. Subsequently, they produce social outcomes that may be as valuable as economic outcomes (Korsgaard & Anderson, 2011). Their case study also showed that opportunity in entrepreneurship emerged socially (Korsgaard & Anderson, 2011). This reiterates their notion of the social “as enabler” and “as context” (Korsgaard & Anderson, 2011, p. 2).

Whilst Korsgaard and Anderson’s (2011) study is on entrepreneurship in general, other scholars maintain that opportunity recognition and development in the broader entrepreneurship domain and social entrepreneurship overlap (Acs et al., 2013; Austin et al., 2006; Corner & Ho, 2010; J Mair & Martí, 2006) but are distinct in certain aspects (Austin et al., 2006; Corner & Ho, 2010; J Mair & Martí, 2006). One distinction is the primary focus that opportunities in social entrepreneurship have on social value creation (Corner & Ho, 2010; J. L. Thompson, 2002). As I have earlier suggested, social value creation is at the centre of opportunity recognition in social entrepreneurship. Another point of difference is the social

context in which opportunities emerge, develop, and acted upon (Corner & Ho, 2010). In social entrepreneurship, opportunities are specifically embedded in the “social”.

In their study on how entrepreneurs identify and exploit opportunities, Corner and Ho (2010) found that the opportunity to create social value is developed and not simply identified and exploited as in the classic commercial entrepreneurship model. Opportunity development occurs in “a substantively more complex and recursive” (p. 654) manner than the traditional framework of opportunity identification and exploitation (Corner & Ho, 2010). Moreover, they contend that, contrary to the common supposition in SE literature that focuses on the single entrepreneur as the social value creator, the development of opportunities to create social value involves multiple actors (Corner & Ho, 2010). This aspect of *collective action* (Corner & Ho, 2010) in social value creation is consistent with Altinay et al.’s (2016) findings that collaboration and co-creation are fundamental aspects of social value creation.

b. Resource as input

Altinay et al.’s (2016) case study on tourism social enterprise highlights the vital need of resource and resource mobilisation strategies in order to create social value. In this sense, resource is regarded as input in social value creation (SVC). Within the context of the tourism industry in a developing country, they identify financial, political, institutional, natural, and human capital as key resources required to generate social value. The strategies that correspond to the mobilisation of these resources are stakeholder involvement, collaboration among stakeholders, relationship development among community members and between the community and the enterprise, and community empowerment (Altinay et al., 2016). These resource mobilisation strategies result in social value creation “at three levels with interconnected value creation processes: at individual level by influencing mind-sets and meaning-making mechanisms; at meso level by networking and developing relations with various stakeholders for mobilising the accessibility, integration and fitting of resources with the ecosystem context and supporting meaning-making processes that can lead to collective and shared meaning and commitment (macro-level)” (Altinay et al., 2016 p. 415). These findings suggest that social value creation is the result of involvement and collaborative relations among community members and between community members and the social enterprise organisation. Altinay et al. (Altinay et al., 2016) emphasise that *shared meaning and commitment* underpin this involvement and collaborative relationship.

Another conceptualisation of resource as input in the creation of social value is the reflected in Di Domenico, Haugh, and Tracey’s (2010) research which extends the notion of entrepreneurial bricolage to *social bricolage*. They define social bricolage as a process of

resource acquisition in which social enterprises leverage whatever available resources and means they have in order to create social value. The characteristically resource-constrained environment in which social enterprises commonly operate contributes to the motivation of social enterprises to find innovative ways of utilising available resources and acquiring new ones (Di Domenico et al., 2010). They contend that the process of creating social value in social entrepreneurship is exemplified not only by the constructs of “making do, refusal to be constrained by limitations, improvisation” (p. 699) which have underpinnings in entrepreneurial literature, but also of “social value creation, stakeholder participation, and persuasion”(p. 699), constructs which distinctively epitomise social entrepreneurship (Di Domenico et al., 2010).

c. Creation as activity

The literature on social value creation (SVC) as an activity yielded three conceptualisations.

The first conceptualisation is offered by Kroeger and Weber (2014) as *organisational effectiveness* in creating social value (also discussed in Chapter 2.2.1.a). Kroeger and Weber (2014) argue that social interventions create social value if society benefits from the output of the organisation’s activities. The notion of organisational effectiveness focuses on the organisation’s social mission within its socio-economic and institutional context. The degree at which the social intervention undertaken by the enterprise is aligned with its social objectives is the basis for organisational effectiveness. The degree at which the organisation’s output mitigates the social problem epitomises social value creation. This assessment of the organisation’s output is based on the perception of the organisation, the beneficiary community, and society in general.

The second conceptualisation depicts social value creation as social constraint alleviation (Sinkovics et al., 2014). As discussed in Chapter 2.2.1.a, Sinkovics et al. (2014) maintain that social constraints are root causes that “prevent a group of individuals from making use of their human right to sustenance, self-esteem, and freedom from servitude.”(p. 355). Social value creation is the process that eases the negative effects of these constraints.

The third conceptualisation delineates social value creation as “the creation of something positive” (Lautermann, 2013, p. 199). As I discussed earlier in this chapter, Lautermann (2013) depicts social value creation as a complex, multi-dimensional construct and offers dual sets of ambiguities as a conceptualisation. Lautermann (2013) contends that this positive quality of value creation across all its dimensions “means to foster human and societal

flourishing through creating “positive” services, organisations, and institutions instead of merely targeting or maintaining a state of normality by meeting needs and solving problems” (p. 199). This conceptualisation of social value creation stands in contrast with the concept of SVC as organisational effectiveness and as social constraint alleviation. Indeed, the focus of the social value creation process is not simply to cushion the ill effects of social problems but is to create solutions.

In summary, social value creation (SVC) as a process is depicted in literature in terms of impetus, input, and activity. Social value creation is initiated when entrepreneurial individuals recognise and develop opportunities in collaboration with relevant actors to address social needs and problems within the context of their social reality. Resources must be acquired and mobilised through collaborative action in order to alleviate the negative effects of social problems. This is possible through an alignment between the social enterprise organisation’s social mission and the outcome of the organisation’s activities. Ultimately, the social value creation process must not simply end in cushioning the negative effects of social problems; it must create “positive services, organisations, and institutions” (Lautermann, 2013, p. 15) that provide solutions to these problems.

2. 2. 3. Defining social value creation: Substance and quality

The framing of social value creation (SVC) as an outcome and as a process of social entrepreneurship (SE) has surfaced an array of characteristics from SE literature that provides substance and clarity to the construct. As social change, social value creation must have a normative dimension that is founded on ethics (Lautermann, 2013) and *embeddedness in the local, cultural, and historical contexts* (Lautermann, 2013; B.R Smith & Stevens, 2010). It is *positive change* that is an outcome of *social interventions* aimed at improving individual and societal *wellbeing* (Kroeger & Weber, 2014). Social value creation manifests as social change on the level of the individual, social groups and communities, and society in general (Altinay et al., 2016; Korsgaard & Anderson, 2011). It is enabling (Altinay et al., 2016; Korsgaard & Anderson, 2011; Sinkovics et al., 2014), empowering, emancipating, and dignifying (Auerswald, 2009; Korsgaard & Anderson, 2011; Kroeger & Weber, 2014; Lautermann, 2013; Sinkovics et al., 2014). Social value creation is further evident in social, economic, and cultural growth (Korsgaard & Anderson, 2011), not just in the long-term (Altinay et al., 2016), but also in the short and medium terms (Acs et al., 2013).

Social value creation is a dynamic process of *growth* (Korsgaard & Anderson, 2011) and *co-creation of value* (Lautermann, 2013) that finds its impetus in *opportunity development* (Corner & Ho, 2010). The process requires the innovative acquisition and mobilisation of

resources (Altinay et al., 2016; Di Domenico et al., 2010). As a process, social value creation manifests in the development of *shared meaning* which leads to *shared commitment* (Altinay et al., 2016) and *collective action* (Corner & Ho, 2010). The resultant qualities of social value creation therefore are *collaboration* (Altinay et al., 2016), “mutual betterment” (Altinay et al., 2016p. 415), *participation* (Di Domenico et al., 2010) which result in harmony and solidarity among stakeholders.

Social value creation is indeed a complex and multi-dimensional construct that is vital to the capacity of social entrepreneurship to meet social needs and address social problems. However, despite its fundamental role in social entrepreneurship, the literature on social value creation substance and quality is inadequate to date (Korsgaard & Anderson, 2011; Kroeger & Weber, 2014; Lautermann, 2013; Sinkovics et al., 2014). The review of literature has surfaced common and disparate social value creation construct characteristics and conceptualisations. I have established linkages among these and synthesised a coherent notion of social value creation that reinforces its significance in social entrepreneurship and provides a measure of substance and conceptual clarity. Table 1 summarises the aspects and characteristics from literature that define social value creation.

Table 1 – Summary of social value creation aspects from literature

Author	Focus or objective of the paper	Frame	How was SVC conceptualised	Social value creation aspects and characteristics
Kroeger and Weber (2014)	Development of a conceptual framework for comparing SVC	outcome	Social value creation is positive change that results from a social intervention aimed at achieving the wellbeing of disadvantaged individuals.	wellbeing
Lautermann (2013)	Development of a multidimensional approach to conceptualise SVC	outcome	Social value creation is characterised by <i>ambiguities</i> that underpin the “social” and result in the creation of “positive services, organisations, and institutions” (p. 199) that “foster human and societal flourishing” (p. 199).	wellbeing; embeddedness in local, cultural, and historical contexts; empowering; emancipating; dignifying; co-creation of value
Auerswald (2009)	Development of a definition of social value creation	outcome	Social value creation is the result of the work of entrepreneurial individuals and organisations that aim to the <i>enhancement of human lives</i> through capability development.	wellbeing; enabling, empowering; emancipating; dignifying
Altinay et al. (2016)	Identification and evaluation of the resource requirements to create social value in tourism social enterprises	outcome and process	Social value creation requires the acquisition and mobilisation of resources in order to achieve social change in the long-term.	collective and shared meaning; shared commitment; collaboration; participation; mutual benefit
Sinkovics et al. (2014)	Reconceptualisation of social value creation as <i>social constraint alleviation</i> and development of “synergies between bodies of literature exploring the development impact of businesses” (p. 340)	outcome and process	Social value creation is <i>social constraint alleviation</i> in which the <i>root causes</i> of social issues that deter a group of individuals from realising their basic human rights are targeted through entrepreneurial action.	enabling; empowering, emancipating, dignifying
Korsgaard and Anderson (2011)	Conceptualisation of social value creation in order to examine the enactment of opportunity and the process of entrepreneurial growth	outcome and process	Social value creation is a <i>processual phenomenon</i> that is a relevant outcome of the <i>entrepreneurial enactment</i> of opportunity that manifests as growth on individual, community, and societal levels.	growth at multiple levels – individual, community, society; enabling; empowering, emancipating, dignifying; growth - social, economic, cultural
Acis et al. (2013)	Development of the social entrepreneurship concept as a source of social value creation	outcome	Social value creation is achieved by addressing social problems in the <i>short-to-medium</i> terms through “innovation and mutually beneficial exchanges” (p. 788).	reciprocity; short-to-medium term
Corner and Ho (2010)	Examination of opportunity identification in social entrepreneurship	process	Social value creation underpins opportunity development in social entrepreneurship.	collective action
(Di Domenico et al., 2010)	Development of the concept of social bricolage by examining resource acquisition in social enterprises	process	Social value creation in <i>resource-scarce environments</i> requires <i>social bricolage</i> in which entrepreneurs <i>make do</i> with available resources, refuse to be constrained by resource <i>limitations</i> . Entrepreneurs engage in <i>improvisation, persuasion, and stakeholder participation</i> in order to create social value.	participation

2. 3. Tensions in value creation

A review of social entrepreneurship (SE) literature on social value creation (SVC) also yielded another notable theme. Some scholars consider social value creation a source of tension between the social mission of social entrepreneurship and economic value creation, which is a fundamental aspect of entrepreneurship (Bacq & Janssen, 2011; Dacin et al., 2011; Townsend & Hart, 2008; Weerawardena & Mort, 2006; Wilson & Post, 2013). The social entrepreneur must ensure that the outcome of the operations and activities of the social enterprise organisation is beneficial to the communities the organisation serves, whilst at the same time employing an economically viable business model (J Mair & Martí, 2006; Martin & Osberg, 2007; Porter & Driver, 2012). Wilson and Post (2013) describe this tension in social entrepreneurship as the inevitable result of “a marriage of antithetical ideas” (p. 730) in which the foremost importance of the social mission is situated on one end, whilst the practical necessity of an efficient, profitable business model lies on the other.

This paradoxical role of social value creation in social entrepreneurship, however, is a fundamental aspect of social entrepreneurship. Bacq and Janssen (2011) argue that the tension between social value creation and economic value creation embodies the central element of SE definition. Meanwhile, Wilson and Post (2013) suggest that the conflict between these two types of value creation underpins the power of social entrepreneurship. Townsend and Hart (2008) refer to this tension as the “central normative conflict” (p. 695) in social entrepreneurship that shapes the SE organisation, its survival and its impact. Dey and Staeyert (2014) also recognise this conflict and situate ethics at its centre.

Lautermann (2013), however, does not subscribe to the “dichotomy of social vs business” as a proper conceptualisation of social value creation and considers this perspective of conceptualising social value creation as “misleading” (p. 186). He underscores the inherently normative aspect of social value creation and its vital relevance to SE legitimacy, arguing that social value creation must have “an explicit ethical foundation” (Lautermann, 2013, p. 192). Based on this argument, I seek to utilise the lens of ethics to explore this conflict, which I contend is situated in the space of primary stakeholder engagement (PSE) in social entrepreneurship, in order to discover issues and perspectives that reinforce or threaten social entrepreneurship legitimacy.

2. 4. The ethics of care

2. 4. 1. The concept of care

The concept of care as the foundation of ethics and morality finds its inception in the argument between psychologist Carol Gilligan and fellow psychologist Lawrence Kohlberg on the nature of morality (Robinson, 1997, 2011; Tronto, 1987). Kohlberg's notion of moral maturity is founded upon the Kantian concept of justice as defined by equality, fairness, and reciprocity. In Kohlberg's view, morality and moral motivation are "defined in terms of notions of autonomy and impartiality of moral judgement, rationality, and adherence to rules and principles, and an image of morality in terms of the rules of justice – equality, reciprocity, and fairness" (Robinson, 1997p. 120 ; 2011). In contrast, Gilligan's empirical research, which focused on the responses of girls and women to various moral dilemmas, yields a view of morality that is based on responsibility derived from an individual's attachment to others (Held, 2006; Robinson, 1997, 2011; Tronto, 1987). Gilligan's argument is founded upon a relational ontology that advances a conception of morality beyond the self-interest and responsibility divide that has traditionally been refereed through rules and moral precepts to a deeper, more complex understanding of the relationship between the self and the other (Held, 2006; Robinson, 1997, 2011). Such a perspective of human connectedness and inter-dependence engenders an "adequate guide to the resolution of conflicts in human relationships" (Robinson, 1997p. 120) and offers a significant theoretical framework through which we may consider moral issues and dilemmas. This perspective seems culturally appropriate to use in a study undertaken within the context of a country with a collectivist orientation such as the Philippines.

This literature review on the ethics of care is in no way meant to be exhaustive or comprehensive or critical. As my objective in undertaking this review is to provide a framework for interrogating social value creation within the space of primary stakeholder engagement in social entrepreneurship, the review is limited to a discussion of the fundamental character, features, and dimensions of care ethics. I shall not elaborate on the metaethical theory of care as this an inherently deep, broad, and complex discussion which may distract us from the focus of this research. I therefore draw on the works of Tronto (1987), Tronto (1995), Robinson (2011), and Held (2006) for a discourse on the theoretical underpinnings of care as a moral theory, but focus my review on the defining features and aspects of care in order to craft an ethical lens that may apply to an examination of social value creation in social entrepreneurship.

2. 4. 2. Aspects of care

The ethics of care is a relational theory of morality (Held, 2006; Robinson, 1997, 2011; Tronto, 1987, 1995). A fundamental precept of care ethics is that morality is rooted in our attachment to others; subsequently, our responsibility to others stems from this attachment (Held, 2006; Robinson, 2011; Tronto, 1987, 2001). Robinson (1997) explains that an ethic of care emanates from a “position of a self, delineated through connection and understands life as dependent on this connection...(p.120)”. As such, it is a concept of morality that is based on inter-dependent relations with others rather than a set of universal principles or rules of conduct which primarily focus on a Kantian worldview of morality as upholding the rights of independent, autonomous individuals (Held, 2006; Robinson, 1997, 2011; Tronto, 1987, 1995, 2001). The ethics of care is premised on the notion that *caring relations* and *caring responsibilities* are life-sustaining and are necessary in human development and well-being. Therefore, these relations and responsibilities are fundamentally ethical and are inseparable from social, economic, and political arrangements and contexts (Robinson, 2011).

According to Robinson (2011) in her work on the ethics of care as a feminist approach to human security, *practicality* is a defining feature of care. Care ethics is a practical rather than a theoretical, principle-based morality (Robinson, 1997, 2011). As a moral practice based on a relational ontology, it is deeply embedded in the context in which “close, personal relationships (p. 120)” with others exist (Robinson, 1997). Consequently, care ethics is concerned with the particular – contexts, relations, and individuals (Held, 2006; Robinson, 1997, 2011; Tronto, 1987, 2010). Care is not simply an individual disposition or a state of being. Care as manifested in practice is characterised by the development of *trust*, *mutual concern*, and *connectedness* (Held, 2006). Values of caring are exemplified in *caring relations* cultivated between persons, on an individual level, and among members of a community, on a societal level (Held, 2006). The ethics of care builds relations of care, concern, and *mutual responsiveness* to need (Held, 2006).

Tronto (1995) postulates care as “a kind of human activity” (Tronto, 2010, p. 161) – indeed, it is a practice which constitutes a process that “arises out of the real, lived experiences of people in all of their variety (p. 142)”. This notion of care underpins care ethics as a contextual moral theory that is premised on a balanced concern for self and for others rather than a rational, abstract deliberation of individual rights and responsibilities (Tronto, 1987). Tronto (1987) argues that “moral problems can be expressed in terms of accommodating the needs of the self and of others, of balancing competition and cooperation, and of maintaining the social web of relations in which one finds oneself (p. 658)”. Care ethics

is a process that unfolds in four phases: (1) *caring about*, (2) *caring for*, (3) *care-giving*, and (4) *care-receiving* (Tronto, 1993, 2010). Each of these aspects corresponds with virtues which offer substance and definition to an ethic of care:

- (1) *caring about* refers to *attentiveness* to others' need for care that emanates from a view of care as a fundamental aspect of life;
- (2) *caring for* refers to *responsibility* for care that is premised on mutuality and reciprocity rather than a notion of obligation;
- (3) *care-giving* refers to *competence* in providing care in a manner that is effective and adequate in addressing the care-receiver's particular need;
- (4) *care-receiving* refers to *responsiveness* – care that considers the care-receiver's inherent vulnerability and responds appropriately to his or her particular situation and needs (Tronto, 1993).

Robinson (1997, 2011) extends the conception of these virtues of care and adds that *attentiveness* means that, in practicing an ethic of care, we do not make assumptions based on moral precepts but construe moral situations by listening and learning from the particular situation and perspective of specific individuals. *Responsiveness* refers to the initiative and ability to address the specific *needs, fears, claims, and hopes* of people with appropriate, concrete action (Robinson, 1997). Robinson (1997) further suggests that a recognition of our responsibility for others instigates and determines moral action.

2. 4. 3. Social entrepreneurship through the lens of care

I contend that the ethics of care is an appropriate framework through which to examine social value creation (SVC) in social entrepreneurship (SE). I use the ethics of care to interrogate social value creation as a process and as an outcome through which values and practices related to caring are experienced by the primary stakeholder (PS) in order to tease out values, attitudes, and beliefs that may be embedded in social entrepreneurship practice. These values, attitudes, and beliefs engendered by the primary stakeholder's experience of care inform SE legitimacy as they are a discernible manifestation of social value creation within the space of primary stakeholder engagement. I advance two points to support this argument.

First, I refer to Andre & Pache's (2016) recent conceptual study in the domain of social entrepreneurship on the ethical challenges of scaling up social enterprises. In this study, they situate the social mission and its resultant processes as falling within the realm of care. They define the ethics of care as "both engaging in a particular goal – making our world better by caring about each other's needs – and engaging in a particular process – relying on empathic

dispositions and practices to fulfill each other's needs" (André & Pache, 2016p. 661). By identifying the social mission as the fundamental manifestation of a social entrepreneur's care for others, they offer care ethics as a suitable framework to view the SE social mission as well as the processes that are involved in achieving it. They suggest that social entrepreneurs are able to sustain the care that they aim to give to the disadvantaged individuals and groups that they would like to serve only if they develop a *caring enterprise*. Drawing on Tronto (1993), they conceptualise social entrepreneurs as "caring entrepreneurs" (p. 660), opportunity recognition as "caring about" (p. 661) the social needs of others, opportunity filtration as "taking care of" (p. 662) social problems that arise of social needs, venture creation as a means of "care giving" (p. 663), and lastly, and the interaction and exchange between the social entrepreneur/ SE organisation and the beneficiary group as "care receiving" (André & Pache, 2016, p.663). This reasoning connects with the notion of social value creation as the embodiment of the social mission and as the central integrating driver that shapes all processes and activities in social entrepreneurship that I discussed in Chapter 2.2. Based on this reasoning, I likewise argue that the ethics of care is a suitable framework to study social entrepreneurship; particularly, to examine social value creation as it is experienced by the primary stakeholder. Andre & Pache's (2016) conception of the aspects of care as it applies to social entrepreneurship further reinforces the use of care ethics as a framework for this study.

Second, I refer to the relational and contextual worldview of care ethics. Such a view focuses on the primary importance of concrete relationships in specific contexts, keenly focusing on the needs and situation of others. Based on the ethics of care, the primary task of morality is to study moral arrangements in specific contexts and consider how " they inhere in and are reproduced by interactions between people, and how moral orders are concretely embodied by social ones" (Walker, 1998, p. 11 cited by Robinson, 2011). It therefore challenges existing societal interconnections and hierarchies and engenders inclusion, especially of the vulnerable and the marginalised (O'Hara, 1998; Robinson, 2011). This worldview also translates to a morality that demands an account of power in care relations within institutions (Tronto, 2010). The task of morality, according to care ethics, is to determine whether moral arrangements make the "right kinds of sense" (Walker, 1998, p. 60 cited in Robinson, 2011) to all stakeholders. The ethics of care is neither prescriptive nor normative. It does not specify what is right or good behavior, but seeks to provide a framework for interrogating conditions under which values and practices related to caring have developed in society (Robinson, 2011). This non-rigid, sense-making approach to morality is an appropriate way of exploring such a domain that is *pre-paradigmatic* (Nicholls, 2010) and mostly unexplored as social entrepreneurship. These points are significant to consider in an

exploration of primary stakeholder engagement (PSE) – in particular, an interrogation of social value creation, given the inherently vulnerable and low power position of the primary stakeholder as the key recipient of care.

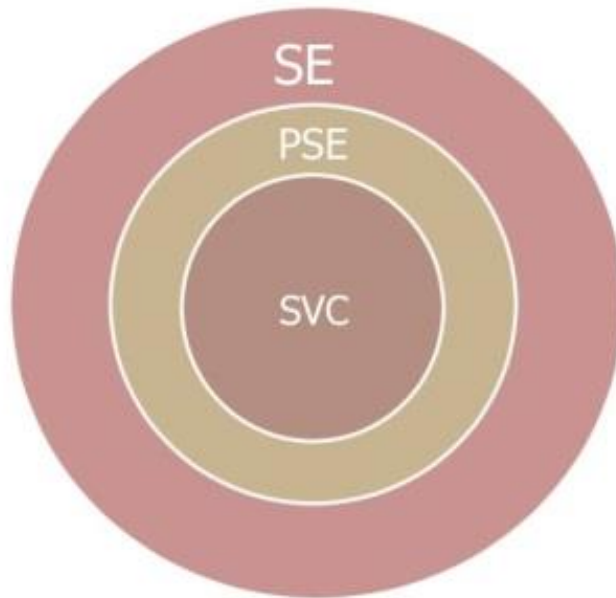
2. 5. Primary Stakeholder Engagement

The stakeholder is defined as as “any group or individual who can affect or is affected by the organisation’s objectives” (Freeman, 2010, p.46). In her study aimed at extending stakeholder theory and social entrepreneurship theory, Dacanay (2012) advances a conception of social entrepreneurship (SE) with the poor as primary stakeholders. The primary stakeholder (PS) within the context of a developing country is identified as a group of people, belonging to a poor, marginalized, and vulnerable sector of society, who are meant to directly benefit from a social enterprise’s social mission (L.M Dacanay, 2012; L.M. Dacanay, 2013). Based on the theory of stakeholder salience, the primary stakeholder may be identified as dependent stakeholders (R. K. Mitchell, Agle, & Wood, 1997). Dependent stakeholders are characterised as having urgent and legitimate claims, but have little or no power to impose their will upon the organisation (D. Mitchell, 2011). They depend on others for power. The social mission, which is situated at the core of SE (Austin et al., 2006; Bacq & Janssen, 2011; Ormiston & Seymour, 2011; A. Peredo & M. McLean, 2006; Weerawardena & Mort, 2006; Wilson & Post, 2013), underpins the urgency and legitimacy of PS claims. It therefore follows that the primary stakeholder is the foremost object of the social mission in social entrepreneurship.

As the object of the social mission, the primary stakeholder embodies the foundation of the SE concept. The primary stakeholder represents social entrepreneurship’s *raison d’etre*. Following this reasoning, the outcome of *positive* change that social entrepreneurship promises must manifest within the primary stakeholder’s realm of experience (Kroeger & Weber, 2014; Lautermann, 2013). Moreover, the process of creating of “social” value must also occur in the engagement between the primary stakeholder and the social enterprise organisation. The process of social value creation occurs within the space of primary stakeholder engagement (PSE). It is also in this space that the outcome of social value creation manifests. Social entrepreneurship legitimacy therefore hinges upon the creation of social value as it occurs and manifests in primary stakeholder engagement. Primary stakeholder engagement is the critical space in which the primary stakeholder experiences social value creation as a process and as an outcome. An examination of social value creation through the lens of care ethics as it occurs and manifests in primary stakeholder engagement is thus

fundamentally relevant to social entrepreneurship legitimacy. Figure 3 situates the primary stakeholder experience of social value creation within primary stakeholder engagement.

Figure 3 – Situating social value creation within primary stakeholder engagement



Chapter 3 - Conceptual Framework

Primary stakeholder engagement (PSE) in social entrepreneurship is the space in which social value creation (SVC) is experienced by the primary stakeholder (PS) as it manifests and occurs. It is the space in which social change is realised. I therefore explore primary stakeholder engagement in order to discover issues that pertain to social entrepreneurship legitimacy. Towards this end, I develop a conceptual framework through which I may grasp and apprehend social value creation within the realm of PS experience. This framework is founded on the parallelism between social value creation and primary stakeholder engagement which emerges when the dimensions of each construct are juxtaposed.

The findings of the multiple case study conducted by Dacanay (2012) identified six primary stakeholder engagement dimensions. They are as follows:

1. Enterprise focus
2. Managerial orientation towards the poor
3. Key engagement processes
4. Nature of roles and capabilities developed among the poor
5. Nature of programmes/services and structures/delivery systems involving the poor
6. Impact on the poor

These primary stakeholder engagement dimensions correspond with the elements of social value creation as the central integrating driver of social entrepreneurship (discussed in Chapter 2.2 of the literature review). Social value creation integrates and drives the social mission, the organisational design, the operations, and the outcome of activities in social entrepreneurship. Figure 1 in the literature review depicts social value creation as the central integrating driver of social entrepreneurship.

A juxtaposition of the primary stakeholder engagement and social value creation constructs yields significantly parallel dimensions. This parallelism confirms the notion that social value creation manifests as an outcome and occurs as a process within primary stakeholder engagement and reinforces the conceptual underpinnings of the framework. Table 2 illustrates the parallel dimensions between primary stakeholder engagement and social value creation.

Table 2 - Parallel dimensions between primary stakeholder engagement and social value creation

PSE	SVC
Enterprise focus	Outcome - Organisational mission
Managerial orientation towards the poor	Process - Organisational design and operations
Key engagement processes	Process - Organisational design and operations
Nature of roles and capabilities developed among the poor	Outcome - Outcome of activities
Nature of programmes/services and structures/delivery systems involving the poor	Process - Organisational design and operations
Impact on the poor	Outcome - Outcome of activities

In order to sharpen the focus on the PS experience of engagement and to recognise relevant SVC themes that are embedded in the experience, I refer to the aspects of social value creation that I previously discussed in Chapter 2.2.3 and presented in Table 1 of the literature review. However, for the purpose of crafting a clear and concise conceptual framework, it is necessary to condense the various aspects of social value creation into richer albeit broader constructs. This measure results in a streamlined, manageable research design, which better enables me to grasp and apprehend themes embedded in the data.

First, the constructs of human rights and human development offer a means to streamline most of the aspects of social value creation, namely freedom, autonomy, and dignity (Sen, 2001; Wettstein, 2012). The enabling and empowering qualities of social value creation may be embodied by the concept of autonomy, whilst the emancipating and dignifying aspects of social value creation directly correspond with the human rights of freedom and human dignity. Second, the consideration of context (local, cultural, historical) and time period (short, medium, and long-term) may be delineated as embeddedness. Third, the SVC aspect of mutual benefit may be construed as reciprocity. Lastly, the SVC aspect of co-creation encapsulates the qualities of shared meaning and commitment, collective action, collaboration, participation, harmony, and solidarity. Table 3 illustrates how the condensed aspects of social value creation are derived.

Table 3 – Condensed aspects of social value creation

SVC aspects from literature		Condensed SVC aspects
		GROWTH
ENABLING EMPOWERING	→	AUTONOMY
EMANCIPATING	→	FREEDOM
DIGNIFYING	→	DIGNITY
LOCAL CONTEXT CULTURAL CONTEXT HISTORICAL CONTEXT	→	EMBEDDEDNESS
MUTUAL BENEFIT	→	RECIPROCITY
SHARED MEANING SHARED COMMITMENT COLLABORATION COLLECTIVE ACTION PARTICIPATION HARMONY SOLIDARITY	→	CO-CREATION
		WELLBEING

The ethics of care is used as a lens to examine how social value creation manifests and occurs within the primary stakeholder's experience of engagement. Towards this end, I utilise the aspects of care ethics previously discussed in Chapter 2.4.2 of the literature review, namely: caring about /attentiveness, caring for/responsibility, care-giving/competence, and care-receiving /responsiveness (Tronto, 1993). This is further discussed in the succeeding methodology chapter.

Chapter 4 – Methodology

4. 1. Research design

Due to the experiential and social nature of stakeholder engagement, this qualitative inquiry employs an inductive case study approach to theory-building ((Eisenhardt, 2002; Eisenhardt & Graebner, 2007) . Yin (2014) suggests that case studies are rich and empirical descriptions of distinct instances of a phenomenon. The development of theory involves a recursive process of going through the case data, the emergent theory, and current literature (Eisenhardt & Graebner, 2007). This dynamic and iterative process of case-based theory-building reinforces objectivity as it keeps close adherence to the data (Eisenhardt & Graebner, 2007). As a methodology, theory-building from case studies develops propositions, theoretical constructs, and midrange theories based on empirical evidence from cases (Eisenhardt & Graebner, 2007).

Building theory from case studies is an appropriate methodology to explore primary stakeholder engagement (PSE) as it places focus on the rich, real-life context in which the phenomenon of engagement as experience exists and allows the emergence of theory from patterns of relationships among constructs across cases and their underlying logic (Eisenhardt, 2002; Eisenhardt & Graebner, 2007). Existing SE literature predominantly employs case study methodologies (Pärenson, 2011), particularly in relation to the previously ignored primary stakeholder. Furthermore, the methodology is deemed suitable as a means of studying unexplored research domains (Eisenhardt, 2002; Eisenhardt & Graebner, 2007). This makes it apt for an inquiry into the somewhat unexplored domain of primary stakeholder engagement in SE. The inductive approach of theory-building from case studies poses a limitation to generalisation. The findings of this study may not be applicable to the broad spectrum of SE organisation forms and modes of PS engagement. However, the purpose of the study is not to make generalisations but to induce theory from qualitative data.

When theory is built from case studies, Eisenhardt (2002) recommends that the research question is clearly defined at the onset. She further suggests that the identification of constructs based on extant literature at the beginning of the research process may contribute to research design. This a priori specification may result in a more accurate measurement of the constructs and may also provide a more sound grounding for the emergent theory. She underscores, however, the tentative nature of both the research question and the a priori specified constructs. These may undergo revision as the iterative, cyclical process of working through the data, the literature, and the emergent theory occurs (Eisenhardt, 2002).

Despite the recommendation to specify the research question and relevant constructs at the beginning of the study, Eisenhardt (2002) cautions the researcher against the formation of preconceived theories and hypotheses as these may bias and/or limit the findings. With this in mind, I began data collection with only the parallel dimensions of primary stakeholder engagement and social value creation (Refer to Table 2 in Chapter 3) as the priori constructs. This was because primary stakeholder engagement is the point of engagement between the primary stakeholder (PS) and the social enterprise organisation. As I discussed in the literature review chapter, primary stakeholder engagement (PSE) is the space in which social value creation (SVC) takes place. Therefore, in order to examine social value creation, I had to find its manifestation within the primary stakeholder's realm of experience. This, however, required an exploration of primary stakeholder engagement with a fresh and open perspective, not certain whether I would find social value manifest in the PS experience of engagement. I endeavoured to explore primary stakeholder engagement without any preconceived ideas about how social value would manifest if indeed it would.

I thus began the exploration of the space of engagement by focusing on the various dimensions of primary stakeholder engagement as specified by Dacanay (2012) : enterprise focus, managerial orientation towards the poor, key engagement processes, nature of roles and capabilities developed among the poor, nature of programmes/ services/ structures/ delivery systems involving the poor, and impact on the poor. These dimensions represented the particular points of engagement between the primary stakeholder and the SE organisation. The semi-structured interview questions focused on these dimensions and were designed to enable the participants to freely talk about their thoughts and sentiments.

Multiple cases were chosen in order to reinforce replication and allow contrasts and extensions to the emerging theory (Creswell, 2013; Eisenhardt & Graebner, 2007; Yin, 2014). A multiple case design provides a stronger base for theory-building (Yin, 2014) as it allows clarification with regard to whether emergent findings are replicated by several cases or are unique to a single case, thus, reinforcing generalizability (Creswell, 2013; Eisenhardt, 2002; Eisenhardt & Graebner, 2007; Miles, Huberman, & Saldana, 2014; Yin, 2014). It results in a "more robust theory" (p. 27) in contrast with a single-case study because of the variety of empirical evidence multiple cases make available (Eisenhardt & Graebner, 2007). Multiple cases also make it easier for the researcher to determine definitions and proper levels of construct abstraction (Eisenhardt & Graebner, 2007). This results in a more accurate depiction of theoretical constructs and relationships (Eisenhardt & Graebner, 2007) and a deeper understanding of outcomes and processes (Miles et al., 2014; Yin, 2014).

A theoretical sampling strategy was employed consistent with the logic of replication (Creswell, 2013, 2014; Eisenhardt, 2002; Eisenhardt & Graebner, 2007; Yin, 2014) in order to extend emergent theory on PSE in SE (Eisenhardt, 2002; Eisenhardt & Graebner, 2007; Yin, 2014). Eisenhardt (2002) suggests that specifying the population is a critical component of case-based theory building as it helps limit extraneous variation and provides clarity to the domain of the findings. In this sense, the choice of population situates the study within the proper context.

Cases were chosen from a population composed of primary stakeholders involved with for-profit SE organisations which have been operating for a minimum of three years. These cases are described in Table 4. The three-year minimum is based on the assumption that the SE organisation has sufficiently developed to the extent that it would already be well under way in achieving its social mission. In choosing cases, I considered the typology of primary stakeholder engagement advanced by Dacanay (L.M Dacanay, 2012) in her study on the poor as primary stakeholders in SE from the perspective of organisation and stakeholder theory. The typology classified primary stakeholders as workers, as contractor-suppliers, and as clients (L.M Dacanay, 2012). As the focus of the study is on the PS experience and not on the organisation, I considered the role of the primary stakeholder in relation to the social enterprise organisation. The nature of engagement within the context of the primary stakeholder as clients considerably varies from that of the primary stakeholder as workers and PS as contractor-suppliers. Therefore, in order to provide focus to the inquiry and limit extraneous variation in the findings, I limited sampling to cases which exemplify the primary stakeholder as contractor-suppliers. These cases were selected because they focused on a specific type of engagement that amply reflected the dimensions of primary stakeholder engagement. In these cases, the PS work for the SE organisation by (1) manufacturing products which the SE organisation distributes and/or retails for the PS or (2) providing administrative services such as office work or organising activities for the SE organisation. I characterise the various modes of PS-worker engagement with the SE organisation as nuanced and complex. In some cases, individual PS-workers deal directly with the SE organisation. In others, the PS-workers form a cooperative in order to work with the SE organisation. What all the cases had in common, however, was that the PS did not receive any regular retainer or allowance from the SE organisation. They were paid for products that they produced on a piece-rate basis, but were not paid for the administrative work that they did for the SE organisation. Some of the participants in the study spoke of the “volunteer work” that they would do for the SE organisation. The engagement details pertaining to each particular case is discussed in Table 4. This theoretical sampling approach provided ample focus on the phenomenon whilst allowing

a diversity of views and experience. Theoretical sampling makes it possible to inductively craft theory across the various cases of primary stakeholder engagement (Eisenhardt, 2002; Eisenhardt & Graebner, 2007).

Mair & Marti (2006) suggest that SE may be studied on an individual level of analysis. I thus determine one individual case of PSE as a unit of analysis. A single stakeholder represents one case of PSE. Miles, Huberman, & Saldana ((2014) define a case as a phenomenon that occurs within a bounded context. They posit that the case is essentially the unit of analysis in a study. They further suggest that a phenomenon may be “an individual in a defined context” (Creswell, 2014; Miles et al., 2014, p. 30). Creswell (2013, 2014) recommends the inclusion of 4 or 5 cases in one multi-case study, asserting that this number should provide ample opportunity and detail to conduct cross-case analysis and identify pertinent themes. Yin (2014), on the other hand, suggests a number of 6 to 10 cases in order to pursue literal replication in which similar results are expected across the various cases, and theoretical replication in which contrasting results are predicted due to foreseeable reasons. Therefore, in order to serve the theoretical purpose of the inquiry, 12 individual workers were selected to represent 12 cases of PS engagement. This number provided a sufficiently rich source of diverse perspectives and contexts as well as ample support for the resultant themes and patterns that emerged.

Data sources included semi-structured one-on-one interviews, websites, and field notes. Interviews, however, are considered the primary data source in the study. According to Eisenhardt and Graebner (2007), interviews often become the primary source of data in case-based theory-building as they are a highly efficient method of collecting rich, empirical data. The interview questions were designed to explore the specific PSE dimensions (e.g. enterprise focus, managerial orientation, key engagement processes, nature of roles and capabilities developed, nature of programmes/services and structures/delivery systems, impact) and elicit responses that reveal whether the aspects of care (e.g. caring about/attentiveness, caring for/responsibility, care-giving/competence, care-receiving/responsiveness) are experienced by the primary stakeholder in each case. The collection of data from multiple sources is based on the principle of data triangulation in which converging lines of inquiry result in a corroboration of findings (Creswell, 2013, 2014; Eisenhardt, 2002; Yin, 2014). Data triangulation reinforces construct validity (Creswell, 2013; Eisenhardt, 2002; Yin, 2014), allows the possibility of multiple realities (Yin, 2014), and substantiates the rationale or theory underlying the relationship among constructs (Eisenhardt, 2002).

Table 4 – Individual cases of primary stakeholder engagement

James	James is a sewer. He is single and in his early twenties. He began his engagement with the social enterprise organisation when he trained to become a sewer in his late teenage years. He has also received training to be an electrician and an automotive technician through the various programmes offered by the SE organisation.
Rose	Rose is a sewer. She is a widow and is in her mid-sixties. She is a retiree. She already knew how to sew before working for the social enterprise organisation, but says that her sewing skills have improved from the training programmes provided by the organisation.
Margaret	Margaret is a sewer. She is a single mother and is in her mid-thirties. Margaret was previously employed as a community coordinator by a not-for-profit organisation.
John	John is a farmer. He is in his early seventies. He is one of the elders in the community and has served as an elected community leader in the past. John plants, harvests, and processes root crops and herbs for the SE organisation.
Noelle	Noelle is a farmer. She is in her late forties. She is actively involved in the day-to-day activities of the community cooperative. She farms root crops, vegetables, and herbs which she sells to the SE organisation. Noelle previously worked for the local government in their community.
Elisa	Elisa is a farmer. She is in her late twenties. She comes from a family of farmers and has been engaged in farming since she was a child. She plants root crops, vegetables, and herbs which supplies to the SE organisation. The SE organisation has provided her with business and leadership skills training.
Ronnie	Ronnie is a weaver. She is in her early thirties. She is a mother with young children. Her husband is a construction worker. Ronnie did not have work before she learned to weave. She has received weaving skills training and <i>values formation</i> training from the SE organisation.
Mary	Mary is a weaver. She is in her late twenties. She is a mother with young children. Her husband drives a tricycle (a motorcycle with a cab for two passengers) for hire. Before Mary learned to weave, she was a stay-at-home mother. She has no previous work experience.
Annette	Annette is a shopkeeper and community organiser for the SE organisation. She is in her early twenties and began training with the SE organisation in her late teens. She received business and entrepreneur skills training.
Marie	Marie is a weaver. She is in her early thirties. She was a stay-at-home mother before she learned to weave. Aside from weaving, she also helps the organisation conduct training programmes.
Francis	Francis is a farmer/entrepreneur. He is in his early twenties. He began his engagement with the SE organisation as “scholar” of the educational programme of the organisation in his mid- teens. This educational programme is aimed at developing entrepreneurs from poor communities. The students undergo a series of tests and interviews before they are accepted into the programme. Francis was trained to be a duck farmer with entrepreneurial skills. He produces duck eggs for the SE organisation.

4. 2. Data analysis

Data analysis commenced with values coding, an inductive and affective coding method, which is an appropriate analytical method for the examination of such subjective qualities of human experience as values, meaning, conflict, judgement, etc. (Miles et al., 2014; Saldana, 2013). Saldana (2013) argues that, as motivations for “human action, reaction, and interaction” are affective qualities that are an intrinsic part of the human condition, it is imperative that these aspects of experience be included in social science inquiry. The method of values coding involves applying codes onto qualitative data in order to surface a participant’s values, attitudes, and beliefs. According to Saldana (2013), “a value is the importance we attribute to oneself, another person, thing, or idea” (p. 111). He defines an attitude as “the way we think and feel about ourselves, another person, thing or idea” (Saldana, 2013, p. 111). He suggests that a belief is “part of a system that includes our values and attitudes, plus our personal knowledge, experiences, opinions, prejudices, morals, and other interpretive perceptions of the social world” (Saldana, 2013, p. 111). Values coding, as the first cycle coding method, is particularly relevant in the study of PS engagement as it is an effective means of exploring “intrapersonal and interpersonal participant experiences and actions in case studies” (Saldana, 2013, p. 111). Codes were determined before the start of data analysis and were treated as provisional codes (Miles et al., 2014; Saldana, 2013). The aspects of social value creation (SVC) discussed in the chapter on the conceptual framework (presented in Table 3 in Chapter 3) -- autonomy, freedom, dignity, embeddedness, reciprocity, and co-creation -- constituted the provisional codes for the first cycle coding. These codes were used to surface themes from the interview data which were previously translated from Filipino to English and encoded. For example, in analysing the participant’s response to the interview question, “Why are you working for this organisation?”, I considered how the aspects of social value creation manifested in the data, if indeed they did. The first cycle coding, which reflected PS values, attitudes, and beliefs, surfaced themes pertaining to what the primary stakeholder values in their work engagement with the organisation. The emergent themes were then subjected to second cycle coding.

Second cycle coding employed the pattern coding method which clusters and condenses first cycle codes into more focused themes, categories, or constructs in order to identify emergent explanations, configurations, or themes (Miles & Huberman, 1994; Miles et al., 2014; Saldana, 2013). Consistent with the recursive methodological design of case-based theory building (Eisenhardt, 2002; Eisenhardt & Graebner, 2007), interview data, field notes, and the constructs identified a priori were considered, along with first cycle codes, whilst developing pattern codes (Eisenhardt, 2002; Eisenhardt & Graebner, 2007; Miles et al., 2014).

For multi-case studies in particular, pattern coding surfaces directional processes and recurring themes upon which cross-case analysis is based (Miles & Huberman, 1994; Miles et al., 2014; Saldana, 2013). Pattern coding is especially appropriate for searching for “rules, causes, and explanation in the data” (Miles & Huberman, 1994 as cited in Saldana, 2013, p. 210). The aspects of care ethics discussed in Chapter 2. 4. 2 of the literature review were used as a pattern code to surface patterns in the data that revealed interrelationships among the emergent themes. The aspects of caring about/attentiveness, caring for/responsibility, care-giving/competence, and care-receiving/responsiveness were used to reveal patterns of engagement.

Subsequently, codes from the second cycle coding and the data were organised into a checklist matrix display in order to enable further analysis by means of “reflection, verification, and conclusion drawing, and other analytic acts” (Miles et al., 2014, p.91). The display matrix provided the groundwork for a variable-oriented cross-case analysis (Miles et al., 2014).

The variable-oriented approach to cross-case analysis is specifically suited for research that is aimed at concept and theory development (Miles et al., 2014). As opposed to a case-oriented approach which focuses on details within the case such as causes, effects, associations, configurations, etc., compares these particular details across cases, and forms general explanations, the variable-oriented approach looks at “variables and their interrelationships, rather than cases” (p.102) in order to identify relationships among variables in a population and develop general explanations (Miles et al., 2014). The variable-oriented approach consists of examining “a diverse sample of structures” (p.102), gathering data based on “a pre-determined set of variables” (, p.102), and identifying themes that cut across cases (Miles et al., 2014). This approach to data analysis is consistent with the sampling strategy and the general methodology discussed earlier in this chapter. The pre-determined variables referred to here are the previously discussed aspects of care ethics. The lens of care ethics was once more applied to the induced patterns in order to apprehend the interrelationships among them. This analysis gave me an understanding how these various aspects of primary stakeholder engagement potentially lead to social entrepreneurship legitimization deficits.

4. 3. Ethical Issues in research design

The primary stakeholder (PS) participants in the study are from poor urban and rural communities. As such, they are inherently vulnerable and marginalised. They have a low power position in relation to the SE organisation. I had concerns about the potential risks to the participants and their means of livelihood at the onset. I feared that taking part in the study would place them in a situation of disfavour with the SE organisation. I sought out the

communities and individuals I initially approached with care, considering the local and cultural intricacies and peculiarities surrounding each case. I made sure that I approached the proper intermediaries and explained the details of the study thoroughly. After I had made contact with the intermediaries and the participants, however, I realised that the relationship between the SE organisations and the participants is characterised by openness and care. I also observed that both the participants and the SE organisations would like their story heard and were cooperative and even enthusiastic about the interviews. Everyone I came across had a discernible interest in ensuring that the interviews took place.

My decision to pursue this study is originally based on a genuine concern for the plight of the primary stakeholders who are meant to benefit from the business activities of social enterprises. Taking into consideration the vulnerability of the PS participants, I made certain that they would feel the care and respect that I have for them. I expressed care and respect by adhering to the values of partnership, participation, and protection as advanced by AUTECH. The value of partnership in this study is based on a shared interest and understanding of the relevance of the research. I explained to each participant in a manner that they would understand what I hoped to accomplish with the study. I told them that I valued their participation and that the research project would not be possible without their support and generosity. Their participation solely involved talking about their experience working with the SE organisation, the roles they have in its activities, their contribution to its business, and their motivations and aspirations for working with the SE organisation. By considering the local and cultural context and power relations pertaining to each case whilst collecting data, I made certain that the participants were protected from any potential risk to their livelihood and wellbeing. I implemented measures to ensure the confidentiality of the identities of the participants and the organisations.

I felt privileged to have been invited and warmly welcomed into the communities that I visited as I conducted the interviews. It was an honour to be trusted by the participants to the extent that they openly shared with me their experiences, thoughts, beliefs, and aspirations. I felt inspired by the strength and positive outlook that they have despite the dire circumstance that surrounds them. It is my humble hope that I will be able to properly execute this research and offer findings that will in some way contribute to an improvement of their circumstance.

Chapter 5 - Findings

How may we consider social entrepreneurship (SE) to be truly social? What are the issues that lead to social entrepreneurship legitimacy deficits in primary stakeholder engagement (PSE)? Exploring how the primary stakeholder (PS) experiences engagement with the SE organisation revealed six themes which resonate with social value creation (SVC). These themes reflect the values, attitudes and beliefs of the primary stakeholder, which I discuss in Chapter 5.1. They epitomise what matters to the primary stakeholder in their work engagement. Standing further back, I viewed the PS values, attitudes, and beliefs as they engage with the SE organisation through the lens of care ethics. This lens is based on the work of Tronto (1993) on the phases of care which was previously discussed in Chapter 2.4.2 of the literature review. Through the lens of care ethics, the emergent themes surfaced four patterns, which I discuss in Chapter 5.2. The first pattern defines the character of engagement that the primary stakeholder would like to have with the SE organisation. It is how the primary stakeholder would like the SE organisation to be attentive to their situation. The second pattern presents a flow of care that is two-directional. The responsibility for care does not only emanate from the SE organisation to the primary stakeholder as beneficiaries, but also flows from the primary stakeholder to the SE organisation. The third pattern suggests that care is competently provided to the primary stakeholder when social value is created through the primary stakeholder's engagement with the SE organisation. From the view of care giving as competence in providing care, therefore, I establish a link between social value creation and primary stakeholder engagement. It is through this link that the primary stakeholder receives the benefit of the value that the organisation's activities have generated. Lastly, the fourth pattern advances the novel notion of primary stakeholder altruism. As the SE organisation responds to the needs of the primary stakeholder, the primary stakeholder perceives this and responds with a discernible degree of care and enthusiasm to serve. A synthesis of these four emergent patterns suggests two issues which lead to social entrepreneurship legitimacy deficits in primary stakeholder engagement. The first issue pertains to the "social" as a normative dimension of primary stakeholder engagement, whilst the second issue suggests a dark side of primary stakeholder altruism.

5.1. Primary stakeholder values of engagement

Exploring how the primary stakeholder (PS) engages with the SE organisation revealed what they value as workers in a social enterprise. Themes about what is important to the primary stakeholder were drawn from the values, attitudes, and beliefs that they talked about as I asked them about their experience of working for the SE organisation. What they value

underpins their motivation to work for the SE organisation, enables them to grow as individuals, gives them comfort, confidence, and strength, makes them happy, and gives meaning to the work that they do. These values are reflected by the themes (1) work and productivity, (2) fellowship with others, (3) selflessness and service towards others, (4) belongingness with the SE organisation, (5) connecting with diverse others, (6) learning and personal growth. These themes of PS values resonate with the aspects of social value creation (SVC) discussed in the literature review and previously presented in Table 3, namely: wellbeing, growth, autonomy, freedom, dignity, embeddedness, reciprocity, and co-creation. Social value as it is experienced by the primary stakeholder may therefore be grasped and understood through these themes and thus confirm extant literature. Table 4 illustrates the overlap between the primary stakeholder values that emerged from the findings and the aspects of social value creation as summarised from extant literature (Acs et al., 2013; Altinay et al., 2016; Auerswald, 2009; Corner & Ho, 2010; Di Domenico et al., 2010; Korsgaard & Anderson, 2011; Kroeger & Weber, 2014; Lautermann, 2013; Sinkovics et al., 2014).

Table 5 - Overlap between primary stakeholder values and aspects of social value creation

Primary Stakeholder Values	Aspects of Social Value Creation
Work and productivity	Wellbeing, autonomy, growth, dignity
Fellowship with others	Co-creation
Selflessness and service towards others	Co-creation, embeddedness
Belongingness with the organisation	Co-creation, embeddedness
Connecting with diverse others	Autonomy, dignity, growth, embeddedness, co-creation
Learning and personal growth	Wellbeing, autonomy, dignity, growth

5.1.1. Work and productivity

The PS talked about how being able to work has helped them provide for their family's basic needs. They also consider their work and the resultant ability to produce items of value as a source of confidence, pride, self-esteem, and personal advancement.

“We want to be involved (as workers with this organisation) because this is how we earn a living, especially during the “ber” months – this is where we get our spending money.” – Mary

Mary talks about how her work as a weaver helps her family with their basic day-to-day needs. As she earns on a piece-rate basis, she points out that she is able to earn more during the Christmas holiday season. She states that the financial remuneration she receives is the reason behind her involvement with the SE organisation. This is consistent with the SVC aspects of wellbeing and autonomy.

“So by working here, we “enhance” ourselves as we interact/communicate with others. We did not have “confidence” in the past... but now we do...” - Mary

Work is not only valued for economic reasons, as Mary indicates, but also for its non-economic outcomes such as self-confidence and personal development. She uses the English word, “enhance”, to describe how the work has enabled her to interact and communicate with others outside of her socio-economic sphere as she sells and exhibits the woven products they produce at various bazaars and expositions in Metro Manila. She refers to the work that she does as a weaver as having given her self-confidence. Mary’s experience resonates with SVC as enabling and empowering. It also manifests the SVC aspect of growth.

“Yes, I can say that they are impressed because they see that the bags I produce are novel and of good quality.”- James

James expresses a sense of pride and self-esteem in being able to produce good quality products as he describes his work as a sewer. He perceives the SE organisation as being impressed with his work and is pleased with this. James’ experience reflects SVC as dignifying. This ability to conceptualise value also reinforces dignity.

“This is why I control my spending... because I have worked so hard for it.” – James

James further shares with us a deeper notion of the value of work. James also talks about how working has enabled him to conceptualise the value of material commodities and develop a sense of prudence and frugality. The development of this ability to conceptualise value is highly significant in the context of extreme poverty in which James lives. People who are born in this context are often unable to develop the ability to value things because they have not been able to perceive anything of value in their lives. This ability to conceptualise value reinforces dignity.

“Yes, we need to help ourselves (by working). It is in the attitude (towards work). What is the mentality of the people from the... (squatter area)? I am not generalising – but we are here because we would like to uplift ourselves. Life as it is in the squatter area should not be brought here. What is life in the squatter area? Free water, free electricity, free housing. But here, we pay for water, electricity, and housing.” – Rose

Rose highlights the value of work as she differentiates herself from those she calls, “squatters”, informal settlers who illegally occupy private and public areas. Rose’s desire to advance and “uplift” herself through work and differentiate herself from those she sees as individuals who are unwilling to work for a living alludes to the value she places upon work.

She indignantly differentiates herself from those she refers to as “squatters”, who she says enjoy receiving “dole outs” (welfare support from the government) and states with a degree of pride in her tone, “... we must pay for water, electricity, and housing.” Rose’s statements substantiate the aspects of autonomy and dignity as underpinning values of SVC.

5.1.2. Fellowship with others

Fellowship with others within the SE organisation is another aspect of the PS engagement that the PS value. They talk about a close, caring relationship that they share among themselves and with other members of the SE organisation. These members are the coordinators, managers, and volunteers who they interact with through the course of their work. This relationship is a source of happiness and emotional support for the PS. It is also a significant factor in their motivation to engage with the SE organisation. Their constant use of the Filipino word, “samahan”, to refer to this relationship signifies the depth of value that they place upon it. “Samahan” may be translated to English as “organisation”; however, this translation does not fully capture its depth and character. The colloquial use of the word “samahan” connotes a strong, friendly bond. This has prompted me to use the English word “fellowship” to refer to this relationship. The value of fellowship with others resonates with the SVC aspects of shared meaning, shared commitment, participation, harmony, and solidarity which are epitomised by co-creation.

“It is not just the “financial” that makes us happy, but also the “samahan” we share with our bosses and our co-weavers ... because they are talkative and noisy.” – Mary

Mary uses the Filipino word “samahan” to describe the relationship that she shares not only with her fellow weavers but also with her superiors in the SE organisation. It is a word that she used to fondly describe their relations as a source of happiness for her. It is notable that the fondness she expresses is not only directed laterally towards her co-workers but also extends upwards in the organisational hierarchy.

“I also enjoy working here. We talk about things whilst we weave ... family.. life... problems. It makes me feel better.” – Elle

“I was encouraged to join them because they seemed to be a happy group... “masaya ang samahan” (happy fellowship) ...” – James

“[the social enterprise] has really helped improve our lives because it has given us the opportunity to have “bonding”.. “yung samahan” here in our community...” – Marie

Elle talks about how she values her relationship with co-workers in the community in which she is able to find a degree of emotional comfort and support. James adds that he joined the organisation because they seem to be “a happy group”. The value he perceived in the relationship among the members of the community constituted his motivation to participate in the social enterprise. To Marie, the opportunity to be able to have “bonding” or “samahan” within the community represents an improvement in their quality of life.

5. 1. 3. Selflessness and service towards others

Determining what the PS values revealed an attitude of selflessness and service towards others who are part of the SE organisation and the community which the organisation serves. The PS understands that the SE organisation’s mission is to help their community and make their lives better. They perceive the social mission as a common goal that unifies the SE organisation and the community to which they belong. This understanding underpins the value that the PS places upon the SE organisation and develops within the PS a willingness to forego their personal benefit and wellbeing in order to serve.

“Yes it is all right with me (to do maintenance work and other things). It is okay with me to just give and not ask for anything in return.” – James

“It matters to me that I am able to help others. That is my compensation.” – Rose

James expresses his willingness to serve the community and the organisation by doing electrical, plumbing, or carpentry work in order to maintain and repair the facilities and equipment at the SE organisation’s workshop. He does this apart from his work as a sewer and does not expect to receive financial compensation. Similarly, Rose talks about service to others in the organisation and the broader community as a reward in itself. She does administrative office work and helps implement various community projects organised by the SE organisation aside from being a sewer. She refers these activities as volunteer work and does not receive any financial compensation.

“There has to be sacrifice. Someone has to sacrifice so that there is change (magbago ang takbo) in a community. Right? When there is no sacrifice? What happens? It is all me, you --- nothing for others.... Even though I am happy to serve, there is “kirot” (faint, lingering pain).”- John

John speaks of a deep notion of selflessness and service. He emphasises his experience of self-sacrifice, even to the extent of experiencing pain (“kirot”), in realising change in his community. The context in which John’s experience is embedded is worthy of consideration.

John is in his early 70's and has worked in a supervisory role at a multinational corporation that is in the business of exporting bananas worldwide. He has also been an elected government official, representing a rural "barangay" or suburb. John has worked in rural areas with minimal development and government support. Throughout his professional life, he has worked in areas of extreme poverty and armed communist insurgency. His view of development and poverty is shaped by a life that is characteristically different from the other PS participants.

Despite the diverse contexts and viewpoints, the PS workers are consistent in their attitude of selflessness and service in their engagement with the SE organisation. This attitude and the value they attach to the organisation manifests the SVC aspects of embeddedness. It also reflects co-creation that stems from having shared meaning, shared commitment, harmony, and solidarity.

5. 1. 4. Belongingness with the organisation

The primary stakeholder's attitude of belongingness with the SE organisation also reflects the value that the PS places upon the SE organisation. This attitude stems from a perception that they share something of value with the SE organisation. The perception of something shared engenders a sense of oneness and affinity – of being naturally alike and being in the same situation. This attitude of belongingness reinforces the value which the PS attaches to the SE organisation.

"It does not matter if my name is not mentioned. Just to hear the organisation's name being mentioned makes me feel good because I work for this organisation." – James

This attitude of belongingness is reflected in James' attitude towards the organisation receiving appreciation and recognition whilst he remains anonymous. This attitude reflects a discernible sense of shared identity with the SE organisation.

"Whatever it is that I know how to do, such as electrical work It is such a waste of money to hire someone else to do something that we can do ourselves because we are also the ones who will have to pay them." - James

The attitude of belongingness is further manifested in a sense of ownership that is reflected by James' willingness to do maintenance work without compensation because he does not want the organisation to spend its resources on something that he can provide. In his statement, he refers to the SE organisation's resources as also his – as something shared.

"I want to be part of the "development" of the community I want to be involved in this. We all want this." – Noelle

Noelle's desire to be part of the growth of her community is the reason behind her engagement with the SE organisation and what has driven her to achieve the leadership role she plays as vice-chairman of their cooperative's board. She believes that social development, community wellbeing, and improvement in quality of life are interests that she shares with the SE organisation and community.

"Working with people is one thing, but having connection with them and having a relationship with my co-workers as a family -- as an extended family is really helpful..... Because the heart of the business is not the product, but it is the people who work for the organisation." – Francis

Francis' notion of the SE organisation as "family" resonates with James' sense of belonging and is based on a perception of something shared – of having shared values, shared interests, and shared identity. Francis emphasises the value he places on this sense of belonging to his "family" by referring to the people he works with as the "heart" of the business.

These statements are evidence of the PS attitude of belongingness with the SE organisation, which is engendered by a perception of something shared. This attitude of belongingness reinforces the SVC aspects of shared meaning, shared commitment, participation, collaboration, collective action, participation, harmony, solidarity, and co-creation.

5. 1. 5. Connecting with diverse others

The PS identifies the opportunity to connect with diverse others through their work engagement with the SE organisation as valuable to them. I use the word "diverse" in its broadest sense, referring to the state of being different, of being unlike. This is in contrast to the themes of fellowship with others and belongingness with the organisation, which emanate from a similarity of contexts and shared values. Based on their statements, the study participants valued connecting with people who were unlike themselves. They found this experience to be a source of knowledge and self-improvement. According to the PS, connecting with those who have different backgrounds, cultures, and socio-economic status builds their self-esteem, broadens their outlook, gives them business ideas, and enables them to develop an understanding of ethnic, cultural, and other contextual differences. The opportunity to connect with diverse others is also an underlying motive for participation in the organisation.

"There were Americans... I was excited to meet different people from different places. So I ended up joining [...]." – James

"I enjoyed being around the volunteers ... the foreigners make us feel more confident." – Annette

"I would like to have a community that is dynamic and is composed of different nationalities... where we can work together without thinking about who among us is more powerful or less powerful." - Francis

James, Francis and Annette talk about connecting with people of different nationalities, ethnicities, and cultures. For these young participants, the interaction with foreign volunteers, who generally engage in teaching and skills training within the organisation, not only builds their knowledge base but also gives them a broader perspective in life and develops their confidence. Francis talks about his vision of an egalitarian community that is inspired by his interactions with these foreign volunteers.

".. the opportunity (to be part of the SE organisation) is important to me because it has given me the confidence to face and to relate to other people even if they are of higher (social and economic) level than I am. I am now able to relate to them.... To know what to say." – James

"We benefit from ... people like you who give us orders. And whilst they do this, they also explain to us where they are from and what inspires them. They share these with us."- Mary

James mentions interacting with people of a higher socio-economic status and also emphasises the self-confidence that results from such interactions. When asked how else she benefits from her engagement with the SE organisation, Mary likewise expresses positive sentiments derived from interaction with people she perceives to be of a higher socio-economic status. She states that such personal interactions are a conduit for sharing "where they come from and what inspires them", which denotes a personal connection on a level that is more profound than a simple exchange of information and knowledge. Notably, Mary refers to me as one such person in her statement. This connotes her positive experience of our interview and my data gathering, which makes me feel very privileged.

"Visiting other ([..] SE organisation) communities is important.. it helps us.. because sometimes that is where we get ideas." - Mary

Mary also talks about connecting with other communities of PS workers who are also engaged with the organisation. These communities are in various locales in the Philippines and

operate in local contexts dissimilar to Mary's. Mary values these interactions as a source of ideas on how to improve their craft, their products, and their business.

Connecting with diverse others is an underlying motive for PS participation in the social enterprise organisation. It is valued by the PS because it builds self-esteem, broadens the PS's outlook, and fosters an understanding and appreciation of ethnic, cultural, and other contextual differences. As such, this theme resonates with SVC as enabling, empowering, and dignifying. It also reinforces the SVC aspects of embeddedness, growth, harmony, and solidarity.

5. 1. 6. Learning and personal growth

Engagement with the SE organisation is a source of learning for the primary stakeholder. They take part in training programmes that build their capabilities in various aspects of their work. In some cases, these programmes teach vocational skills such as weaving, sewing, automotive and electrical. In others, training programmes teach entrepreneurial and business management skills such as bookkeeping and leadership. Other cases mention family and community values formation training. Learning is valued by the PS because it is enabling, empowering, and leads to personal growth. They know that it is instrumental to developing their capabilities, being knowledgeable, and having better livelihood. Learning is valued because it reinforces their wellbeing and autonomy. It also affirms their dignity.

"I do not ask for anything in return. I would just like to learn more things to make me be better at this craft and give me better livelihood." – Ronnie

"Salary is one thing, but I think the most important thing to me is that I have learned to be a better person from working with this company." – Francis

"I want to learn to weave... to learn the various techniques of weaving so I can be better at what I do." – Elle

When asked what she would like to receive from her engagement with the social enterprise organisation, Ronnie's initial response was that she would ask for nothing except to learn more skills in order to be a better weaver and to make a better living. Ronnie's statement indicates the PS understanding that learning is a need to earn a living. It also reflects the PS understanding that personal growth, being "better at what I do" is a need to for a better means of livelihood. This desire for personal growth resonates with Elle's eagerness to learn; however, Elle's statement suggests that personal growth -- "being better at what I do"-- is a

value in itself apart from being instrumental to having better livelihood. Francis expresses the higher value he places upon personal growth over the value of financial compensation – a notable sentiment, considering the context of poverty in which he and his family live. Learning means more than simply an opportunity for livelihood and financial remuneration. These sentiments underscore the SVC aspects of growth and wellbeing.

“I have gained confidence (from the all the trainings I have had). In the past, I did not know how to speak my mind during meetings and discussions... but now, I know how to express what I want to say and make suggestions.” – Elisa

Elisa identifies confidence and the ability to communicate as a valuable outcome of the various trainings on small business management and entrepreneurship that she received through the programmes implemented by the SE organisation. She values learning as it is enabling and empowering.

“... no matter where I go, I feel that I am capable of doing things. Anywhere I go, I know can do something because of all the trainings I have been given.” – James

“It feels good to know that I am knowledgeable and that I have learned how to do things... things that I did not know how to do in the past. And when the product is completed, I am amazed at the beauty of what I have made.” – James

“Personal growth That is the most valuable thing that I have taken from working here. It is my treasure.” - Francis

James also recognises the value of learning and knowledge as a source of confidence, empowerment, and personal worth that he carries with him wherever he goes. He not only distinctly mentions his appreciation of having knowledge and skills separately, but also talks about his valuation of personal growth – “I have learned to do things... things I did not know to do in the past”. Francis distinctly expresses the value he gives personal growth, describing it as his “treasure”.

“Outside, work is just a routine. Here, we are continuously learning. This is because we are not treated as “labourers” here, but as leaders.” – Annette

Annette both expresses her appreciation of her work with the SE organisation which emanates from the opportunity it has given her to grow as an individual. She talks about how she is now treated as a leader in contrast to being treated as a “labourer” in the companies she previously worked for. It is apparent from her statement that her dignity and self-worth are affirmed by the character of her engagement with the SE organisation.

The words of Ronnie, Elle, Elisa, Francis, Annette, and James resonate with several SVC aspects. Learning is valued by the PS because it is enabling, empowering, and leads to personal growth. The PS further recognise the value of learning as instrumental to developing their capabilities, being knowledgeable, and having better livelihood; as a consequence, they achieve wellbeing and autonomy. Elisa's confidence and the sense of self-worth expressed by James and Annette reflect the SVC aspect of dignity. James goes further and marvels at the "beauty of what he has (I have) made". This suggests that the PS perceives the connection between the value of learning and being able to create things of value. It also indicates that the PS perceives an inherent value in the ability to create.

5. 2. The "social" aspect of primary stakeholder engagement

Viewing the themes that reflect what the primary stakeholder (PS) values from the perspective of care, I found patterns that substantiate social value creation (SVC) in the engagement between the PS and the SE organisation. The first pattern is drawn from the PS experience of engagement as it is viewed through the ethical lens of caring about/attentiveness and defines the character of engagement that the primary stakeholder would like to have with the SE organisation. It is how the primary stakeholder would like the SE organisation to be attentive to their situation. The second pattern emerges through the lens of caring for/responsibility and presents a flow of care that is two-directional. The responsibility for care does not only emanate from the SE organisation to the primary stakeholder as beneficiaries of the social value generated by the organisation's activities, but also flows from the primary stakeholder to the SE organisation. The primary stakeholder also exhibits responsibility for care towards the SE organisation. The third pattern surfaces as engagement is viewed from the lens of care-giving/competence in providing care. Care is competently provided to the primary stakeholder when social value is created through their engagement with the SE organisation. From the view of care giving as competence in providing care, therefore, I establish a link between social value creation and primary stakeholder engagement. Lastly, the fourth pattern advances the novel notion of primary stakeholder altruism that emerged as the PS experience of engagement was explored using the lens of care-receiving/responsiveness. As the SE organisation responds to the needs of the primary stakeholder, the primary stakeholder perceives this and responds with a discernible degree of care and enthusiasm to serve.

The perspective of care provided focus on how the PS experiences and perceives the value that is created through their work engagement with the organisation. In this sense, the "social" in social value creation is manifest in what the primary stakeholder values. Social value

is created when the primary stakeholder experiences care through their work engagement. Patterns of engagement emerge from an examination of social value creation through the four aspects of care. These patterns give shape to how the primary stakeholder experiences social value creation in social entrepreneurship. It offers an understanding of the “social” in social entrepreneurship.

5. 2. 1. Caring about: Characterising primary stakeholder engagement

As discussed in the literature review, caring **about** refers to attentiveness to the primary stakeholder’s need for care. It describes how the primary stakeholder (PS) would like the SE organisation to be attentive to their situation. This perspective therefore focuses on what the PS care about -- what they value and how these values define their work engagement with the SE organisation. The previously discussed values of work and productivity, fellowship with others, selflessness and service towards others, belongingness with the organisation, connecting with diverse others, and learning and personal growth therefore define the character of engagement that the PS would like to have as they work for the organisation, in other words, what they care about in their work engagement. As these values resonate with the aspects of social value creation (Refer to Table 4), they epitomise social value creation in primary stakeholder engagement (PSE). Social value creation in social entrepreneurship (SE) may be perceived and understood through these PS values.

The pattern that emerged as I viewed the data from the perspective of caring about/attentiveness suggests a characterisation of primary stakeholder engagement that is determined by the primary stakeholder. By expressing what they value in their work engagement with the SE organisation, they describe the social value that they would like to realise through their work engagement and thus offer a notion of the “social” character of primary stakeholder engagement. For example, “It is not just the “financial” that makes us happy, but also the “samahan” we share with our bosses and our co-weavers ... because they are talkative and noisy.” This statement reflects how the primary stakeholder cares about their relationship with their co-workers and their superiors in their work engagement. According to the primary stakeholder, they value work and productivity because these provide them with livelihood which ensures their well-being, autonomy, and growth. Work and productivity are also sources of confidence, pride, self-esteem, and personal advancement that empower and dignify them. As workers, they value the fellowship they have with their co-workers and other members of the organisation. They characterise the value of their relationship with the organisation with a sense of belonging and an attitude of selflessness and service. This relationship gives them comfort, strength, and happiness that emanates from sharing,

harmony, and solidarity. In their work engagement, they find value in connecting with diverse others as they perceive this to be a source knowledge and innovation, growth, and self-esteem. They feel that this experience of interacting with those who are unlike themselves empowers them to speak and be heard. This empowerment affirms their dignity.

What the primary stakeholder cares **about** offers a definition of social value creation (SVC) as it manifests and occurs in their experience of work engagement with the SE organisation. It suggests the character of engagement that the primary stakeholder would like to have in their work with the organisation. For example, “I do not ask for anything in return. I would just like to learn more things to make me be better at this craft and give me better livelihood.” When asked what she would like to receive from her work engagement, the primary stakeholder tells us how she cares about. The primary stakeholder cares about learning; thus, it is something that she would like to achieve through her work engagement. Social value creation manifests and occurs in primary stakeholder engagement (PSE) through the primary stakeholder’s work and productivity, their relationship with their co-workers and the SE organisation, the opportunity to connect with diverse others, and the opportunity for learning and personal growth. These are avenues within the space of primary stakeholder engagement through which the primary stakeholder experiences the social value that the SE mission aims to achieve. These avenues offer a characterisation of the “social” in primary stakeholder engagement because it is through these avenues that social value is created and delivered to the primary stakeholder in social entrepreneurship. Value creation is “social” when it occurs and manifests within these avenues that lead to what the primary stakeholder cares about. Therefore, social entrepreneurship is truly “social” when avenues are available to the primary stakeholder through which they may pursue what they care about in their work engagement with the SE organisation.

5.2.2. Caring for: A two-directional flow of care

Caring **for**, as discussed in the literature review chapter, refers to responsibility for care that is based on mutuality and reciprocity rather than a sense of duty or obligation. Viewing the engagement between the primary stakeholder and the SE organisation through this lens depicts the responsibility for care as flowing from the SE organisation to the primary stakeholder whilst the organisation pursues its social mission by providing for the needs of the primary stakeholder. When asked if she thinks that the SE organisation is successful in achieving its mission, Mary gives a positive response and specifically talks about how the organisation meets the needs of their community.

“Yes, ‘they answer the cry of the poor.’... Yes, because their response to the needs of the poor bears fruit. They have given us houses and livelihood.” – Mary

Consistent with the notions of mutuality and reciprocity that underpin the responsibility for care, a pattern of engagement that delineates the responsibility of care as also emanating from the primary stakeholder and flowing back to the SE organisation surfaced from the emergent themes. The themes of selflessness and service to others and belongingness with the SE organisation shape this pattern. The primary stakeholder manifests a sense of responsibility to care for the SE organisation by giving their time and sharing their skills in an effort to reciprocate the care that they perceive from the SE organisation. They would like to ensure the wellbeing and growth of the SE organisation. Mary talks about her willingness to share her knowledge and skills to develop other weavers because she cares for the SE organisation and would like it to be more stable and to grow. This is a source of happiness for her. Meanwhile, James distinctly refers to reciprocity in his statement.

“We should not just keep on receiving. We also have to give in return.” – James

“Benefits (to me)? Yes, I also share what I know with others...so that they will also learn and earn like us... so that we (SE organisation) become bigger and stronger. Yes, that makes me happy.”- Mary

The primary stakeholder’s experience of engagement with the SE organisation is characterised by a two-directional flow of care. The “social” in social entrepreneurship is reciprocal. It emanates from the SE organisation and is reciprocated by the primary stakeholder. Therefore, social entrepreneurship is truly social when the social enterprise organisation cares for the primary stakeholder and the primary stakeholder gives back by caring for the SE organisation and the community it serves.

5. 2. 3. Care-giving: Linking social value creation to primary stakeholder engagement

Care-giving refers to competence in providing care to the primary stakeholder (PS). Viewing the PS experience of engagement with the SE organisation from this perspective focuses on how the organisation provides the primary stakeholder with what they value. How must the SE organisation provide the primary stakeholder with opportunities to work and be productive, to foster relationships within the organisation that are founded on fellowship, selflessness, and belongingness, to connect with diverse individuals and groups, and to learn and grow? How must social value be competently created through primary stakeholder engagement (PSE)? These questions pertain to the process of social value creation (SVC) and how this process must be implemented in order to generate what the primary stakeholder

values. The lens of care-giving/competence therefore provides a normative aspect to the social value creation process. In this respect, it ensures that the value created by the SE organisation is indeed “social”.

“It feels good to know that I am knowledgeable and that I know how to do things.... things that I did not know how to do in the past. And when the product is completed, I am amazed at the beauty of what I have made.” – James

James’ statement provides a glimpse of how the primary stakeholder experiences social value creation through their work engagement. He talks about how he values his work as a sewer and how his engagement with the SE organisation has given him knowledge that he otherwise would not have had the opportunity to learn. He expresses “feeling (feels) good” about “knowing (know) how to do things” and appreciates his personal growth by emphasising that these skills were unknown to him before he started working for the organisation. He values the learning and growth that he was able to experience through his work engagement. He further values the ability to produce and create something of “beauty” and value. From James’ experience, it is evident that the value of work and productivity link with the value of learning and personal growth.

“Oh, we are happy here. Aside from being able to make a living, we have “mahusay na samahan” (good relations) amongst ourselves. There are times when I have problems at home. I tell my family that I will go to the livelihood centre to weave. It feels good to make these bags and things. We are happy here... we chat and laugh a lot.” – Ronnie

Ronnie’s experience also depicts how social value is created in her work engagement. Ronnie talks about how work to make a living and being able to produce merchandise, coupled with fellowship with her co-weavers, makes her happy. Ronnie realises value through work, productivity, and fellowship with others.

An interrogation of the themes revealed a pattern linking the various PS values with each other because, as explained in the previous section on characterising primary stakeholder engagement, the PS experience of work engagement is defined by these values. As such, these values are woven and intertwined in the primary stakeholder’s work experience. Whilst the PS value work and productivity as a means to make a living, work and productivity also enable them to learn and grow as individuals. Connecting with those who are unlike themselves also allows the PS the opportunity to learn and grow. Work with the SE organisation is also valued because it provides the primary stakeholder with the opportunity to be in fellowship with their

co-workers, which conversely, motivates them to work with the organisation. This fellowship fosters belongingness, selflessness, and a willingness to serve the SE organisation.

The emergent themes of PS values – work and productivity, fellowship with others, selflessness and service towards others, belongingness with the SE organisation, connecting with diverse others, and learning and personal growth – are inherently linked with each other in the space of primary stakeholder engagement (PSE). Furthermore, these values embody the care that the primary stakeholder would like to receive from the SE organisation; these values therefore define what is “social” about the value generated by the organisation. Consequently, these values must be fostered by the mission, design, activities, and outcomes of the SE organisation in order for care to be competently given to the primary stakeholder. In this respect, these PS values underpin the process of social value creation (SVC). The emergent pattern reveals that social value is created in the work engagement between the primary stakeholder and the SE organisation when what the PS value is realised.

Chapter 5.1 on themes of PS values in their work engagement discussed how PS values resonate with the various aspects of social value creation. This resonance substantiates a process of social value creation that is founded on the “social”. The PS experience of engagement with the SE organisation is the hub which holds and integrates the various aspects of social value creation into a process that results in social value. The SVC aspects of wellbeing, growth, autonomy, dignity, freedom, embeddedness, reciprocity, and co-creation all link together to create social value that is experienced by the primary stakeholder through their work engagement. It is through the work engagement that the primary stakeholder experiences social value creation. The “social” therefore is situated in the link between social value creation and primary stakeholder engagement.

5. 2. 4. Care-receiving: Primary stakeholder altruism

Care-receiving refers to responsiveness. How does the primary stakeholder receive the care that they receive from the SE organisation? The primary stakeholder response surfaces a pattern from the themes of selflessness and service towards others and fellowship with others. The primary stakeholder perceives the organisation’s concern for their needs and situation; and then responds with the same care for the SE organisation. This reciprocal response is consistent with the two-directional flow of care discussed in the previous section (Chapter 5.2.2). Whilst in this previous section I discussed the directionality of the flow of care, in this particular section, I focus on the quality of the primary stakeholder’s response to the care they receive.

"I am happy.... even when there are many problems. I am happy when I see that the people (in the SE organisation) achieve what they want... not what I want but what they want." - John

"I used to working in an office (in the past) ... and there was always with some kind of compensation for my efforts. We do not get any compensation at all here for our volunteer work, but I have realised that this is quite enjoyable." – Rose

"I have also realised that what I have earned can enable me to help... the people here in the community." - James

The primary stakeholder's response to care is evident in their selflessness and service to others in the SE organisation and even the broader community. John makes it clear in his statement that what his co-workers want takes precedence over his own. Rose talks about doing administrative work for the organisation without compensation as being "enjoyable". James expresses a sense of selflessness as he reflects on "what he has (I have) earned"-- the value of his labour -- as something that can be used to help others in his community.

"What is important in my work here? Patience.... Patience and love. Because if you are only patient but have no love, it is like ..."Ano ba? Ang kukulit ninyo." (What is the matter with you? You are so bothersome!). It is not enough if there is no love...." - Mary

Mary links selflessness and service to fellowship with others as she talks about what is important in her work. Her caring disposition is eloquently communicated by her sentiments of patience and love towards her co-workers.

The PS values of selflessness, service, and fellowship underpin a selfless concern for the welfare of the SE organisation, their co-workers, and the broader community. The primary stakeholder demonstrates a discernible degree of willingness to serve, to give, and to "do good" – a disposition that may be construed as altruism.

5.3. Issues of social entrepreneurship legitimacy

An analysis of the interrelationships among the emergent patterns of engagement and themes of social value creation revealed two issues that lead to social entrepreneurship (SE) legitimisation deficits. These issues pose a threat to the creation of "social" value in the work engagement between the primary stakeholder and the social enterprise organisation. These issues are discussed as follows.

5. 3. 1. "Social" as a normative dimension of primary stakeholder engagement

The first issue pertaining to social entrepreneurship legitimacy focuses on the normative dimension of the “social”. As discussed in Chapter 5.2.1, the emergent pattern from the perspective of caring about/attentiveness and the themes of PS values suggest that the “social” is defined by the character of engagement that is based on what the PS values. Primary stakeholder engagement fosters the creation of “social” value when avenues are available through which the PS are able to pursue what they value. In Chapter 5.2.3, I established the link between the various aspects of social value creation (SVC) and primary stakeholder engagement (PSE) by delineating PSE as the hub to which the SVC aspects of wellbeing, growth, autonomy, dignity, freedom, embeddedness, reciprocity, and co-creation connect. The primary stakeholders experience the value generated by the SE organisation through their work engagement. “Social” value is thus created through the primary stakeholder’s work engagement when all aspects of the SE organisation -- its mission, organisational design, operations, and outcome of activities are aligned with the avenues through which the primary stakeholder may pursue what they value -- work and productivity, relations with their co-workers and the organisation that fosters fellowship, selflessness and service, and belonging, the opportunity to connect with diverse others, and the opportunity for learning and growth. The “social” in social entrepreneurship is underpinned by this alignment between the various aspects of the SE organisation and what the primary stakeholders value in their work engagement. In this sense, the “social” embodies a normative dimension of primary stakeholder engagement that is founded on what the primary stakeholder values. The SE organisation must ensure that its mission, activities, and outcomes are consistent with what the primary stakeholders value in their work engagement; otherwise, social value creation cannot occur. Social entrepreneurship legitimacy is therefore premised on this alignment.

5. 3. 2. The dark side of primary stakeholder altruism

Primary stakeholder (PS) altruism is another issue that bears upon social entrepreneurship legitimacy. As discussed in Chapter 5.2.4, my findings suggest that the primary stakeholder manifests a selfless concern for the welfare of the SE organisation, their co-workers, and the wider community, which they demonstrate through a willingness to serve, give, and “do good”. In spite of their already vulnerable and marginalised position, the primary stakeholder is willing to forego their wellbeing in favour of what they perceive to be beneficial for the community and/or the SE organisation. This disposition suggests a dark side of primary stakeholder altruism that has the potential to aggravate the primary stakeholder’s vulnerability. Heightening the primary stakeholder’s inherently vulnerable position is a situation that leads to a deficit of social entrepreneurship legitimacy.

“My boss hired a trainer to train us. She paid for it weekly. She has sacrificed a lot just for us to learn.” – Mary

Mary expresses gratitude towards her “boss” by acknowledging the financial support that was given so that she and her co-workers could learn how to weave. This gratitude is underscored by the notion of “sacrifice” which she attaches to the financial support given. In truth, the “boss” she refers to is the organisation’s programme coordinator who is actually tasked and funded by the organisation to undertake the recruitment of workers from the community, provision of training, and the organisation of a productive workshop. Mary’s perception of sacrifice on the part of the programme coordinator is therefore unfounded. Mary’s case exemplifies an increased degree of vulnerability that emanates from the PS’s desperate, marginal, and already vulnerable position. The PS is in an extremely vulnerable position such that any form of attention and/or benefaction that is given to them is received with absolute gratitude. Subsequently, gratitude, especially within the context of Filipino culture, may be expressed through a debt that must be paid. This cultural value is captured in the distinctly Filipino notion of “utang na loob” (debt of gratitude).

“With regard to the sewing – we contribute our knowledge and skill to the effort, “di ba” (is that not right)? --- In return, they give us a little bit of cash when people pay. Is that not all right?” – Rose

“Yes, I also want financial compensation. If they need me to weave... of course, I also need to earn money.” – Elle

“Before when I worked overtime, my boss gets angry. Here, on the farm (the organisation), you will learn to wake early for the job and stay late to finish the job. The real leader arrives early and comes home late.” – Annette

Annette echoes what she has apparently learned about leadership as a graduate of the social enterprise organisation’s education programme. She complains about her experience of being told off by a previous employer whenever she would work overtime. She explains that this employer found overtime work costly and that it adversely affected profitability. She does not receive overtime pay whilst working for the organisation, but she views this positively and justifies it as being treated as a leader. Rose, on the other hand, takes so much pride in how she finds happiness doing volunteer work through her engagement with the social enterprise organisation that she expresses a degree of embarrassment when having to talk about compensation for her sewing. She appears to seek confirmation as she talks about receiving financial compensation. Elle echoes this tone as she talks about “also” wanting financial

compensation aside from the skills training that she would like to receive from the organisation and justifies her desire to be paid by emphasising her need to “also” earn money – as if she is not entitled to compensation for her labour. Rose then attempts to diminish the value of her compensation by describing it as “a little bit of cash”. She seeks confirmation with the phrase, “Is that not all right?”. It is also worthy to note that she is amenable to receiving cash compensation only whenever “people pay” for the products she has crafted. The cases of Annette, Elle, and Rose suggest a dark side of PS altruism that alludes to a devaluation of PS work.

“It helps a lot, although it is still not enough but it helps a lot. We sometimes use it to pay for the electricity bill. In a week, sometimes we get P2,000.” – Mary

“At some point, we will get there. We cannot achieve what we want immediately – not overnight. We undergo trials.” - Noelle

These statements by Mary and Noelle suggest a positive outlook despite not being able to achieve what they need and what they want. The positive and even hopeful sentiments expressed by Mary and Noelle stem from the highly vulnerable position of the PS as I discussed earlier. When no opportunities for growth and wellbeing are available, any financial remuneration, albeit a pittance, is deeply valued and appreciated. Mary mentions receiving PHP2,000 in a week. She places emphasis on this amount as the most she receives, but only “sometimes”. (A minimum wage earner in Metro Manila receives approximately PHP3,300 a week.) She maintains her positive attitude, however, by stating that whatever meagre amount she receives “helps a lot”. Noelle also chooses to look beyond the financial and organisational difficulties of the organisation and sets her sights on a vision of a brighter future. The positive disposition exemplified by Mary and Noelle are essential to the survival, wellbeing, and growth of the primary stakeholder and the social enterprise organisation; however, it also potentially heightens PS vulnerability because of their resultant inclination to disregard their welfare and wellbeing.

The primary stakeholder manifests altruism through an inclination to forego their welfare and wellbeing in order to contribute to the good of the organisation and the community. This disposition appears to be due to a profound sense of gratitude that springs from a low self-valuation. It is also underpinned by local and cultural factors. Primary stakeholder altruism thus places the primary stakeholder in a further vulnerable predicament as reflected in a devaluation of their work, which poses a potential risk for exploitation. This precarious situation suggests a dark side of primary stakeholder altruism that threatens social entrepreneurship legitimacy.

Chapter 6 – Discussion

The purpose of this study has been to sharpen and enrich the definition of social entrepreneurship (SE) by empirically examining social value creation (SVC) as it manifests in the engagement between the primary stakeholder (PS) and the SE organisation. It aims to shed light on the ethical dimension of the “social” by using the lens of care ethics to examine how social value is created in the primary stakeholder’s experience of work engagement. In doing so, it refines our knowledge on the “social” character of primary stakeholder engagement and identifies issues that lead to social entrepreneurship (SE) legitimisation deficits. The study makes a contribution to the emergent body of literature on social value creation in social entrepreneurship, which is predominantly conceptual. It also contributes significantly to SE literature by offering a novel view of social entrepreneurship, particularly, primary stakeholder engagement from the perspective of the primary stakeholder. The study furthermore contributes to research on the interface between social entrepreneurship and ethics.

6. 1. Discussion of the “social” aspect of primary stakeholder engagement

My findings reveal that, in their work engagement with the SE organisation, the primary stakeholder (PS) values work and productivity, fellowship with others, selflessness and service towards others, belongingness with the SE organisation, connecting with diverse others, and learning and personal growth. My findings also show that these values resonate with the aspects of social value creation (SVC) that I identified in the literature review chapter. These SVC aspects are wellbeing, growth, autonomy, freedom, dignity, embeddedness, reciprocity, and co-creation. This resonance suggests that the “social” in social value creation is manifest in what the primary stakeholder values. Understanding what matters to the primary stakeholder in their work engagement provides us with a better grasp of what is “social” about value creation in social entrepreneurship. Viewing what the PS values in their work engagement from the perspective of care ethics, I found four patterns that delineate the “social” aspect of primary stakeholder engagement.

6.1.1. Characterising primary stakeholder engagement

The first pattern offers a characterisation of primary stakeholder engagement (PSE) that is defined by the primary stakeholder because it is based on what they value. My findings show that this engagement is defined by avenues through which the primary stakeholder realises value. These avenues provide the primary stakeholder with opportunities to work and be productive, to develop good relations with their co-workers and the organisation, to

connect with diverse others, and to learn and grow as individuals. This character of engagement therefore defines the “social” in social value creation and, on a broader scale, in social entrepreneurship.

This particular finding responds to the call made by Smith and Stevens (2010) for research on moral embeddedness from the perspective of beneficiaries in social entrepreneurship. Aside from this, it is a novel view of primary stakeholder engagement in social entrepreneurship. As I mentioned in the literature review chapter, Dacanay (2012) conducted a case study in which she defined the poor as primary stakeholders in social entrepreneurship. Her study, however, takes the perspective of management and organisation. It draws on stakeholder theory and focuses on dimensions of the SE organisation. Her findings offer models of engagement between the SE organisation and the primary stakeholder. The characterisation of primary stakeholder engagement by the primary stakeholder offers a new perspective from which further research in social entrepreneurship may be pursued because it places the focus on what matters to the primary stakeholder. In this sense, it gives a voice to the primary stakeholder who has been silent in extant literature.

6. 1. 2. The two-directional flow of care

The second pattern that emerged suggests a flow of care that is two-directional. This contrasts with the one-directional flow of care which emanates from the social entrepreneur and the social enterprise organisation to the primary stakeholder (PS), as suggested by Andre and Pache (2016). Andre and Pache (2016) discuss the disposition of caring in their conceptual study of the entrepreneurial process of scaling up social enterprises. Their study draws on the perspective of the social entrepreneur as a caring entrepreneur. They extend this notion and discuss opportunity recognition, creation, filtration, and exchange in terms of caring about, caring for, care-giving, and care-receiving. Their findings suggest that care flows from the entrepreneur to the social enterprise organisation and from social enterprise organisation to the primary stakeholder. My findings show that the primary stakeholder also manifests a sense of responsibility to care for the SE organisation. This flow of care comprises a novel view of the primary stakeholder as they have to date only been considered as beneficiaries of the social value created by social enterprises. This fresh view carves out a new place for the primary stakeholder in the SE domain – one in which the PS is not characterised as merely passive beneficiaries of social value but as potentially active players in the field of SE. This view has implications on the PS role as stakeholders in SE. Future research could enrich SE literature by building theory on the role of the primary stakeholder in social entrepreneurship. This role suggests a new dimension to the social entrepreneurship construct. Furthermore, this view

makes it possible for the primary stakeholder to play a more active role in the practice of social entrepreneurship, which may lead to a more efficient, more dynamic organisational function.

6. 1. 3. Linking social value creation to primary stakeholder engagement

The third pattern that emerged establishes a link between social value creation (SVC) and primary stakeholder engagement (PSE). It also suggests that the various SVC aspects are linked with each other in the creation of social value within the space of primary stakeholder engagement. This finding confirms the proposition I made in the literature review that social value creation occurs and manifests within the space of primary stakeholder engagement. I began this study with the goal of finding social value creation within the PS experience of work engagement in order to examine it.

Establishing the link between social value creation and primary stakeholder engagement is a significant contribution to social entrepreneurship (SE) literature because it narrows the focus on how the vulnerable and dependent primary stakeholder benefits from the activities of the social enterprise organisation in SE. This link between social value creation and primary stakeholder engagement paves the way for future research on how social entrepreneurship may truly be “social” because it specifies the space in the social entrepreneurship domain where the “social” is situated.

6. 1. 4. Primary stakeholder altruism

The fourth pattern reveals primary stakeholder altruism. Primary stakeholder (PS) altruism in social entrepreneurship (SE) stems from the primary stakeholder’s response to the care they perceive from the SE organisation. This response is manifested in a discernible degree of care, selflessness, and eagerness to serve towards the organisation and their community. This eagerness to “give back” to the organisation and to the community is a response to the care that they perceive from the organisation. This pattern is in contrast with extant SE literature that portrays the social entrepreneur as the source of altruism from which the “social” emanates (J Mair & Martí, 2006; Tan et al., 2005) . It also bears a significant contrast to the predominant notion in literature that presents the social entrepreneur as the value creator in social entrepreneurship (A. M. Peredo & M. McLean, 2006). Primary stakeholder altruism suggests that the primary stakeholder also has the interest and capacity to “do good”, “make the world a better place”, and create social value through their work engagement. Primary stakeholder altruism is a novel concept which offers a new unmapped space within the social entrepreneurship domain. This is an important contribution because, in the same manner as social entrepreneur altruism has defined the social entrepreneurship

construct (J Mair & Martí, 2006; Tan et al., 2005), primary stakeholder altruism may also contribute to social entrepreneurship definition. Primary stakeholder altruism offers a new dimension, which could further define and enrich social entrepreneurship. This could be further explored with future social entrepreneurship research.

6. 2. Discussion of social entrepreneurship legitimacy issues

My findings surface two issues that lead to deficits in social entrepreneurship (SE) legitimacy. These two issues are drawn from the emergent patterns that delineate the “social” character of primary stakeholder engagement.

6. 2. 1. “Social” as a normative dimension of primary stakeholder engagement

Findings suggest that the “social” in social entrepreneurship (SE) is premised on the availability of avenues through which the primary stakeholder (PS) is able to pursue they value in their work engagement. These are opportunities to work and be productive, to foster relationships that are characterised by fellowship, selflessness and service, and belongingness, to connect with diverse others, and to learn and grow as individuals. The social enterprise organisation must ensure that all its aspects – its mission, organisational design, operations, and outcome of activities are aligned with these values. Social entrepreneurship may be considered truly “social” in this sense.

This notion of the “social” connects with current conceptualisations in literature which refer to a broad statement of outcomes such as “meeting social needs” and “solving social problems” of disadvantaged groups (Lautermann, 2013). By offering this normative notion of the “social”, it contributes to SE literature on two points. First, it narrows the focus of the “social” on the link between social value creation and primary stakeholder engagement. Second, it provides an ethical perspective on the conceptualisation of the “social”. This finding responds to the call in literature for a definition of the “social” that is based on an ethical examination of its “normative core” (Lautermann, 2013, p. 186) and may be further explored with future research.

This finding also has implications for social entrepreneurship practice. The development of business models, strategies, and plans that consider this normative “social” dimension of primary stakeholder engagement may enable social entrepreneurs and social enterprise organisations to engage in a more mindful and ethical practice of SE as it places the focus on the what matters to the primary stakeholder. This normative view of the “social” in primary stakeholder engagement may also provide donors and governments with a

perspective to better understand and assess the social value created by organisations for the purpose of grant-giving and policy development.

6. 2. 2. The dark side of primary stakeholder altruism

The primary stakeholder (PS) manifests altruism through an inclination to disregard their welfare and wellbeing in order to contribute to the good of the organisation and the community. This disposition is due to a profound sense of gratitude which stems from a low self-valuation and is underpinned by local and cultural factors. Primary stakeholder altruism thus places the primary stakeholder in a further vulnerable predicament. This is reflected in a devaluation of their work which may lead to exploitation. This precarious situation reveals a dark side of social entrepreneurship.

This notion of a dark side of social entrepreneurship emerged in Williams and K'nife's (2012) study on social entrepreneurship and violence within the context of garrison communities in Jamaica. They found that the use of violence to create social value and the motivation of the entrepreneur to establish control over vulnerable communities represent this "dark side". Dacin, Dacin, & Tracey (2011) also refer to this "dark side" (p.1206) as an inadvertent consequence of social entrepreneurship (SE), citing as an example the criticism by Mohammad Yunnus of microfinance organisations for prioritising revenue generation over social value creation. These views in literature on the dark side of social entrepreneurship both focus on the organisation and the entrepreneur. My finding on the dark side of primary stakeholder altruism centres on the plight of the primary stakeholder. The dark side of primary stakeholder altruism embodies a compelling aspect of social entrepreneurship that must be explored with future research in order to quell its likely threat to social entrepreneurship legitimacy.

6. 3. Limitations

In conducting this study, I acknowledge some limitations. The research was conducted towards the completion of a master's thesis; as such, the study is limited in size and scope. First, the literature review is limited to the social entrepreneurship domain. I acknowledge that the review on the constructs of social value creation, social change, stakeholder engagement may be extended beyond SE literature. In particular, the review on social value creation may extend to the broader entrepreneurship and management literature and also link to the literature on corporate social responsibility. The literature review on social change may be expanded by drawing on human development literature, poverty, and the role of business in society. The stakeholder engagement review may be extended and deepened in order to

provide a better understanding of the primary stakeholder and the context of primary stakeholder engagement. Second, the small sample group is not representative of the various types of primary stakeholder engagement. As discussed in the methodology chapter, the study focuses on the primary stakeholder-worker engagement. However, I discovered whilst gathering data that work engagement with the SE organisation is complex and can take a variety of forms. Some primary stakeholders organised themselves into a cooperative and engage with the SE organisation as such. Some primary stakeholders have dual roles as community coordinators and office administrators for the organisation. Some primary stakeholders were less involved with the organisation and only report to work whenever they need the income. Future research could consider the various types of PS engagement. Third, the twelve individual cases of primary stakeholder engagement are located in the Philippines, limiting the focus to the context of a developing country in Asia. Although this focus may be considered a limitation, it provides a baseline for research on the primary stakeholder in social entrepreneurship because this population embodies extreme situations of primary stakeholder poverty, marginalisation, and vulnerability.

Chapter 7 – Conclusion

The purpose of this study was to sharpen and enrich the definition of social entrepreneurship (SE). How may we consider social entrepreneurship to be truly social? I sought to answer this question by undertaking an inductive case study in order to build theory. I used the lens of care ethics to reveal the “social” character of primary stakeholder engagement (PSE) and to surface issues that lead to social entrepreneurship legitimization deficits. My findings sharpen and enrich social entrepreneurship definition by offering new perspectives and dimensions which refine our knowledge of the “social”.

I found four aspects of primary stakeholder engagement that define and situate the “social” in social entrepreneurship. Primary stakeholder engagement is an avenue through which the primary stakeholder benefits from the value that is generated by the social enterprise organisation. It is the vital link between the primary stakeholder and the SE organisation in which social value is created. Moreover, primary stakeholder engagement is characterised by a two-directional flow of care that is reflected by primary stakeholder altruism. The primary stakeholder cares for the SE organisation in response to the care that they perceive from the organisation.

These findings suggest two issues that lead to deficits in social entrepreneurship legitimacy. First, for social entrepreneurship to be truly “social”, avenues through which the primary stakeholder may pursue what matters to them must be available in their work engagement with the SE organisation. The absence of these avenues leads to a deficit in social entrepreneurship legitimacy. Second, the dark side of primary stakeholder altruism leads to social entrepreneurship legitimacy as it places the already vulnerable primary stakeholder in a further precarious situation. This threat to social entrepreneurship legitimacy must be addressed if social entrepreneurship may truly be considered “social”.

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