

A Comprehensive Study of Organizations by Social and Business Emphases in Mission

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Abstract

We applied a complexity theory perspective to our study of changes to the social component of organizational missions, particularly those guiding social entrepreneurial ventures. Complexity theory “provides illuminating, even transformative, ways of understanding what is going on in the world. It offers an alternative to the machine model to guide our thinking and practice”. On the basis of pre stated map of organizational forms on which Social Entrepreneurship occupies the space where organizations plan to implement social change and apply business practices to support that goal. We used participant responses to our survey questions to determine where their organizations were positioned on the map of organizational forms, and whether they occupied the social entrepreneurship zone. Using a four-point Likert scale ranging from strongly disagrees to strongly agree, we asked our survey participants to respond to a statement regarding whether their organization’s primary purpose was to take actions to make social change happen..

Keywords: *social change, Complexity theory, social entrepreneurship*

I. Introduction

India’s social entrepreneurship ecosystem is one of the most sophisticated in the world, giving multiple possibilities to connect with local partners, to learn and to pursue innovative solutions to one of India’s numerous social challenges in the fields of education, agriculture, healthcare, renewable energy, manufacturing and skills development.

Models for social entrepreneurship in India are Social for-profit enterprise, non-profit and hybrid model, which are discussed in detail in the following sections. In addition to the above-mentioned models, other ways of creating impact in India are through philanthropy and through Corporate Social Responsibility.

India has been regularly receiving global philanthropic money. Recently there has been a rise in local contributions from wealthy individuals with short and long-term vision. A new breed of high-net-worth individuals from the corporate sector is looking at investing philanthropic money in the form of grants and impact investments. Currently strategic philanthropy in India is still at a nascent stage.

The practice of Corporate Social Responsibility (CSR) in India still remains within the philanthropic space, but has moved from institutional building (educational, research and cultural) to community development. With the communities becoming more active and demanding paired with global influences, CSR is becoming more strategic in nature (i.e. getting linked with business than being philanthropic). By discussing a company’s relationship to its stakeholders and integrating CSR into its core operations, the impact needs to go beyond communities and beyond the concept of philanthropy. This opens up big opportunities for the development sector to unlock local capital for not only solving short-term social problems but also investing into long-term social entrepreneurship.

Entrepreneurship is not new to Odisha. Entrepreneurship has roots in Odisha during the mid-1960s. Utkal Chamber of Commerce and Industry Ltd was established in 1964. Orissa Young Entrepreneurs Association (OYEA, Industrial Estate, Cuttack) was set up during 1976. One of the major limitations of this paper is that our study was geographically bounded within angul district of the Orissa state. For a broader vision we need a wide range of collaboration with the social enterprenurer non profit organisation and government organisation to work as a one. Future studies should test our results against the outcomes from similar research in other regions of the orisa state. Longitudinal studies are also required to shed new light on issues such as how changes to the variables and parameters affecting social enterprenurship operating missions impact these organizations and the social outcomes they generate.

II. Research Method

The quantitative portion of our study included a comprehensive question telephone survey comprised of closed-ended questions for which respondents provided Likert scale or magnitude estimation answers, two closed-ended questions which also included the opportunity for elaboration through an open-ended verbatim

response, eight open-ended questions for which the verbatim responses were recorded and later coded for analysis, and seven demographic and descriptive questions.

Following qualitative data analysis on the verbatim answers and quantitative analysis on the balance of the survey responses, we conducted a total of 26 in-person or telephone interviews to acquire more complete data on the reasons why the social component of operating missions might have changed over time or might change in the future. These 26 participants were selected based upon their responses to the survey indicating they were socially entrepreneurial, that their operating missions had changed or might change over time, and on their willingness to do follow-up interviews after the initial telephone survey.

We chose to use a qualitative approach to seek further meaning from our quantitative results because qualitative research “uses complex reasoning that is multifaceted, iterative, and simultaneous. The thinking process is also iterative, with a cycling back and forth from data collection and analysis to problem reformulation and back”.

Complexity theory represents a departure from traditional ways to study organizations and their environments. Traditional scientific research methods are generally reductionist and deterministic in that they examine a limited range of conditions at a time and assume that systems behave in a controllable, linear, and predictable way and that they settle into states of equilibrium. The more mechanistic the subject of study is, like a car or a computer, the more effective this approach can be. The more organic or social a system is, like an ecosystem or an economy, the more suited complexity theory is for studying it. Complexity theory recognizes the need to consider whole systems, and that these systems and their subsystems emerge in non-linear, dynamical ways as large numbers of individual components interact and behave in semi-autonomous and adaptive manners. When viewed as a whole, these systems and subsystems self-organize into stable states; but do not settle at particular points of equilibrium (8).

III. Data analysis:

On the basis of pre stated map of organizational forms on which Social Entrepreneurship occupies the space where organizations plan to implement social change and apply business practices to support that goal. We used participant responses to our survey questions to determine where their organizations were positioned on the map of organizational forms, and whether they occupied the social entrepreneurship zone.

Survey 1: Social Change as Primary Mission.

Using a four-point Likert scale ranging from strongly disagree to strongly agree, we asked our survey participants to respond to a statement regarding whether their organization’s primary purpose was to take actions to make social change happen. Just over 80% of the respondents either agreed or strongly agreed with the statement.

| Social Change as Primary Mission | Frequency | Percent |
|---|------------------|----------------|
| strongly disagree | 5 | 2.5 |
| disagree | 35 | 17.3 |
| agree | 87 | 43.1 |
| strongly agree | 75 | 37.1 |
| Total | 202 | 100.0 |

Table 1. Tabulisation of data interpreted for Social Change as Primary Mission.

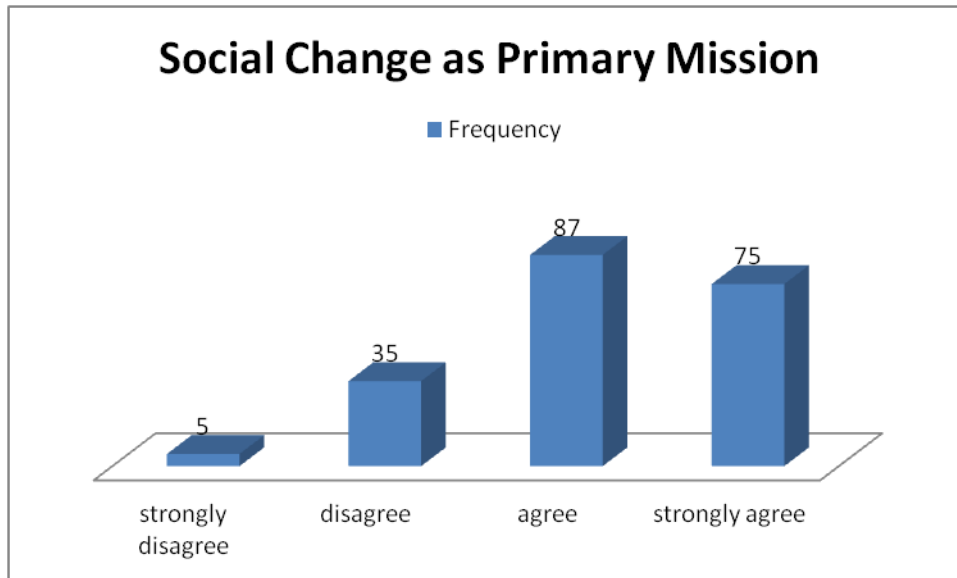


Figure. 1. Frequency of respondents of Social Change as Primary Mission

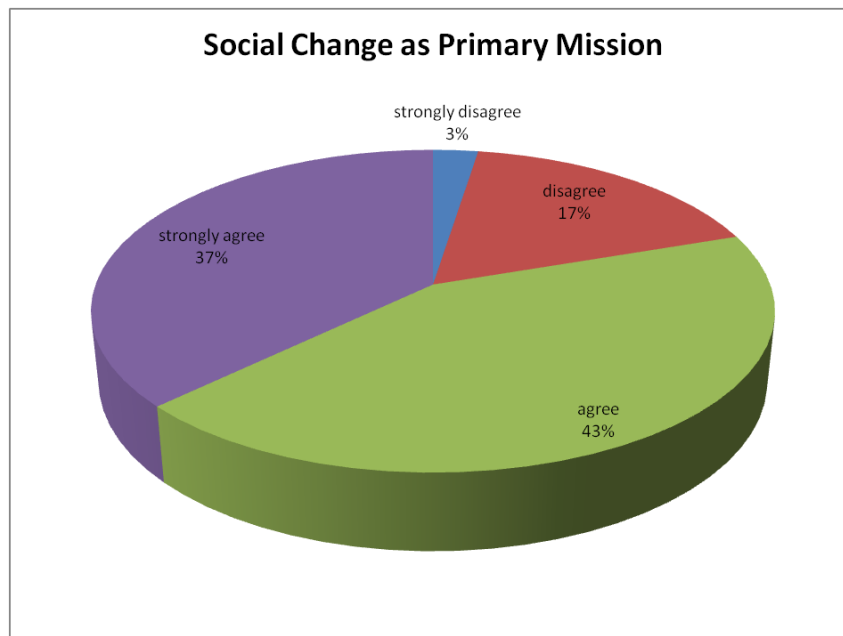


Figure. 2. Percentage of respondents of Social Change as Primary Mission

Survey 2. Organization is Run Like a Business.

We also asked our respondents informants whether they ran their organizations like a business. Over 91% indicated they did as represented by their agree or strongly agree responses. Our follow-up verbatim response question asked what the phrase running it like a business meant to them.

| Organization is Run Like a Business | Frequency | Percent |
|-------------------------------------|-----------|---------|
| strongly disagree | 2 | 1.0 |
| disagree | 15 | 7.4 |
| agree | 86 | 42.6 |
| strongly agree | 99 | 49.0 |
| Total | 202 | 100.0 |

Table 2. Tabulisation of data interpreted for Organization is Run Like a Business.

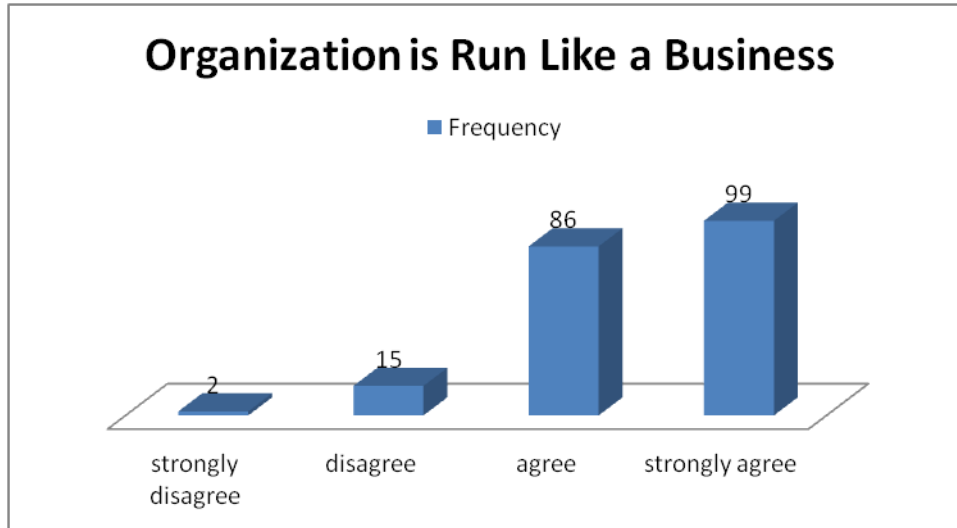


Figure 3. Frequency of respondents of Organization is Run Like a Business

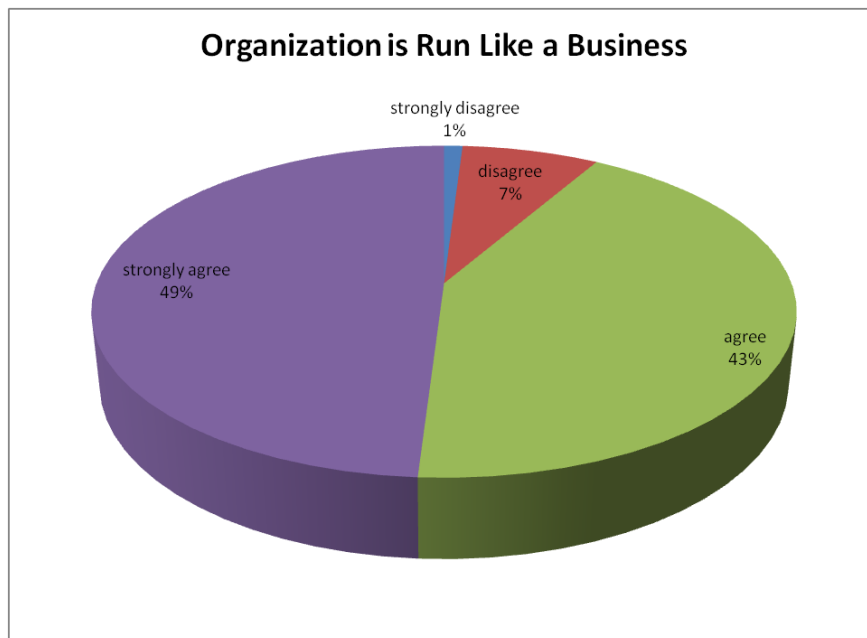


Figure 4. Percentage of respondents of Organization is Run Like a Business

Survey 3. Organizations by Social and Business Emphases in Mission

Using the results from these two measurements, we categorized the organizations we surveyed by the degree to which social change was a primary component of their missions and the degree to which they applied business practices to achieve their purposes. This enabled us to determine whether they would be positioned within the social entrepreneurship zone. The results indicated that while there was considerable diversity in the missions of the participating organizations and the degrees to which they ran their organizations like a business, a large majority of the enterprises we surveyed occupied the Social Entrepreneurship zone.

| | | Social Change as Primary Mission | | | | Total |
|---------------------|-------------------|----------------------------------|----------|-------|----------------|-------|
| | | strongly disagree | disagree | agree | strongly agree | |
| Run Like a Business | strongly agree | 3 | 21 | 41 | 34 | 99 |
| | agree | 2 | 13 | 37 | 34 | 86 |
| | disagree | 0 | 1 | 8 | 6 | 15 |
| | strongly disagree | 0 | 0 | 1 | 1 | 2 |
| Total | | 5 | 35 | 87 | 75 | 202 |

Table 3. Tabulisation of data interpreted for Organizations by Social and Business Emphases in Mission

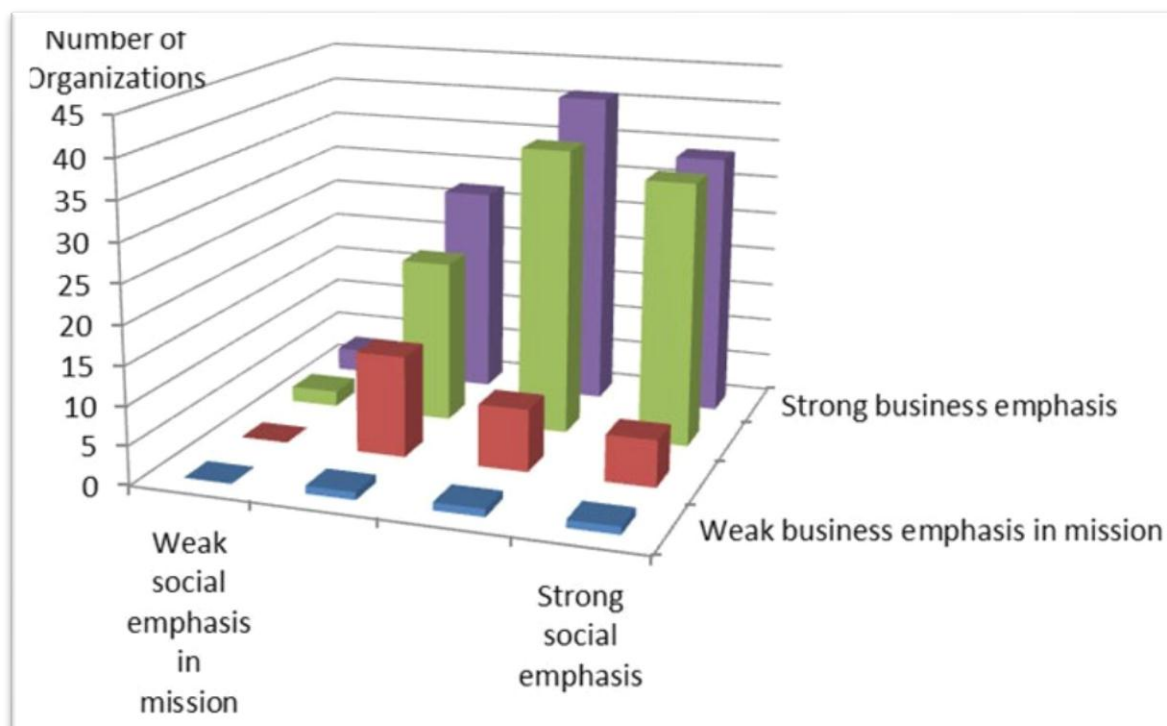


Figure 3. Frequency of res. of Organizations by Social and Business Emphases in Mission

IV. Conclusion

In this paper, we summarized prior research on social entrepreneurship and presented some of the findings from our study. We explored the diversity of the social missions and the business practices of the organizations that reside in the social entrepreneurship zone. We identified how social entrepreneurs conceptualized their own social identities, and we considered the impact of resource constraints, governance strategies, and social impact measurement methods. Our final section investigated the reasons given by interview respondents for why the emphasis on the social component of operating missions might change relative to the business performance part.

Part of our objective was to highlight the uniqueness of social entrepreneurship and describe how both social and economic objectives are embedded in Social Entrepreneurship missions. We also wanted to explain why Social Entrepreneurship should be viewed through a complexity theory lens. While prior studies have typically applied a case study method to elaborate on the success stories of extraordinary social entrepreneurs, because of the uniqueness of these individual cases, the results have produced mixed signals in terms of what social entrepreneurship is and what social entrepreneurs do. Our mixed methods approach, combining quantitative and qualitative research components, as applied using a complexity theory lens, provided an alternative view of Social Entrepreneurship that we hope will lead to a better understanding of the phenomenon.

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