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## **From the guest editors**

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## 1 Introduction

Social entrepreneurship (SE), the discovery, definition, and exploitation of “opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner” [Zahra et al., (2009), p.519 and 522] draws interest from all parts of the globe. Social entrepreneurs around the world address a wide range of societal challenges in the areas of poverty reduction, climate change, basic medical treatment, universal education, and women’s rights in an entrepreneurial spirit.

Organisations such as Ashoka, the Skoll Foundation, and the Schwab Foundation for social entrepreneurs are supporting social entrepreneurs with financial resources, exposure, and networks. In the UK, the community interest company was introduced by the government in 2004 to provide a suitable legal form for social entrepreneurs. In Germany, the Federal Family Ministry and the Kreditanstalt für Wiederaufbau (KfW) development bank just recently announced a new instrument for financing the growth of social enterprises.

In academia, SE is gaining ground as well. It is the central topic for a growing number of articles, books, business school courses, and research centres (Ashoka and Brock, 2011). However, despite its relevance in practice and theory and despite the fact that a dozens of authors have made valuable contributions to the conceptual and theoretical advancement of SE (e.g., Austin et al., 2006; Mair and Martí, 2006; Peredo and McLean, 2006) the field is still in its infancy (Hoogendoorn et al., 2010), lacks basic theoretical underpinnings (Austin et al., 2006) as well as predictive research and conceptual understanding of its economic role (Santos, 2012). After a review of 152 articles in the field of SE, Short et al. (2009) concluded that while research on SE has been conducted for more than 20 years, relatively little research had appeared in mainstream management or entrepreneurship journals, conceptual articles outnumber empirical studies, and empirical studies often lack formal hypotheses and rigorous methods.

However, that also means that there are tremendous opportunities for new research trajectories. We hope that this special issue on ‘The future of social entrepreneurship’ also contributes to the endeavour of advancing SE research and are grateful for the opportunity to act as guest editors in the *International Journal of Entrepreneurial*

*Venturing*. We also want to thank the reviewers for volunteering to support the creation of this special issue. With their help we were able to select six theoretical contributions that can open up new prospects for SE research.

Of course it is up to the readers to find out which contributions are most inspiring and useful to them. Nevertheless, we want to provide a short overview that puts the contributions into context. The six issues cover different aspects of, and approaches to, better understanding the phenomenon. Seelos presents a way to generate theoretically valid and practically useful models of social enterprises. The two contributions of Kury and Beugré discuss new perspectives on social entrepreneurs' motivation and mobilisation. Ney, Beckmann, Graebnitz and Mirkovic suggest a framework for analysing the impact of social entrepreneurs. Busch applies two established theories that could help us to better understand social venture performance. And finally, Achleitner, Spiess-Knafl and Volk offer a framework for analysing the financing structure of social enterprises. Thus, the contributions cover new perspectives and approaches to the phenomenon of SE and social enterprises, its preconditions (finance and motivation), and consequences (social impact, performance).

## **2 Generating theoretically valid and practically useful models of social enterprises**

Seelos presents a modelling process that allows for generating theoretically valid and practically useful models of organisations. The process of building a generative model entails the notion of a 'validity triangle' to ensure that the modelling effort results in a valid model that reflects reality. The triangle integrates reflections on adequate analytical, theoretical, and ontological modelling choices. Seelos then uses the case of Aravind eye care to illustrate the modelling process. The contribution can help future researchers to build more valid models of social enterprises and purposefully select those elements, relevant to answering the research question at hand.

## **3 New perspectives on social entrepreneurs' motivation and mobilisation**

Two contributions focus on shedding new light on why people take action to engage in social entrepreneurship. Kury aims to find out what influences an individual to take social action and finally become a social entrepreneur. The author develops a model of an individual's mobilisation to social action based on insight from developmental psychology and social construction. In the model, mobilisation toward social action is predicated on an individual's level of development. The relationship is moderated by societal and organisational boundaries, the entrepreneur's ability for boundary spanning activities, and the contradictions in the entrepreneur's life. With that, Kury provides a conceptual paper that not only allows researchers to analyse mobilisation of *current* social entrepreneurs but also of *potential* change agents, which can be interesting for educators aiming to increase social action. We hope to see future research to test and further develop the model based on empirical studies.

Beugré develops a model of moral engagement in order to explain people's intention to start a social venture. The model suggests that "the existence of unmet social needs triggers feelings that personal moral mandates have been violated. These feelings

subsequently trigger a moral engagement response to act” which, in turn, “influences the creation of social ventures” (this issue). The action taken, in this case through the means of a social venture, has the objective to “regain the moral order” (this issue). Thus, the author suggests moral engagement to be a necessary precondition to motivate and justify social ventures activity. The author construes moral engagement as the opposite of Bandura’s (1999) construct of moral disengagement. The framework can help SE researchers to understand what motivates an individual to start a social venture. We hope that the model can be used in future empirical studies to test its explanatory power.

#### **4 A framework to analyse the impact of social entrepreneurs**

Ney, Beckmann, Graebnitz and Mirkovic respond to the call of Mair and Marti (2006) that a research framework is necessary to assess and compare how social entrepreneurs create social change. Based on analysis of empirical and theoretical challenges of SE, the authors develop a framework that allows researchers to analyse the impact of social entrepreneurs. The framework combines two social dimensions: space and time. The first dimension, social space, is split into three levels: ideas, structures, and practices. The second dimension, time, captures the dynamic nature of social change. By applying the framework to the well-known case of Sekem, an Egyptian social entrepreneur, which transformed the cotton sector, the authors deliver the proof of concept. Researchers could apply and further develop the framework in high-level case-study research.

#### **5 Applying established theories to SE research**

Literature reviews have shown that SE research often lacks theoretical foundations (Short et al., 2009). However, many established theories might be of value to SE research and provide explanatory power. In this spirit, Busch suggests that SE “needs to be embedded into more robust theories and methodologies, in order to enhance the (academic and practical) impact of its models” (this issue). The author suggests the integration of two specific theories, namely social capital and social network theory. He explains why these two methods have the potential to benefit SE research and could help us to better explain the development of social ventures and the key determinants of social venture performance.

#### **6 A framework to analyse the financing structure of social enterprises**

Achleitner, Spiess-Knafl and Volk address the financing choices of social enterprises. Social enterprises face specific challenges with regard to financing their business. The payments of beneficiaries and/or indirect beneficiaries might not cover the full costs, thus social entrepreneurs have to somehow fill the income gap. Potentially, social entrepreneurs can tap a wide range of capital sources and establish a rather diversified financing base. However, applying agency theory, the authors argue that this strategy might cause conflicts based on divergent social and financial return requirements and expectations. Thus, the authors suggest that social enterprises should rather pursue a concentration in the revenue mix, relying on the most promising and reliable sources of

financing. The authors provide a framework to further analyse financing structures of social enterprises and potential conflicts.

We want to thank all researchers for their submissions and are curious to see the further steps taken in SE research.

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