Social Innovation: The Construct and Antecedents

Thesis

How to cite:

For guidance on citations see FAQs.

© 2022 Awele Achi

https://creativecommons.org/licenses/by-nc-nd/4.0/

Version: Version of Record

Link(s) to article on publisher’s website:
http://dx.doi.org/doi:10.21954/ou.ro.00014bc4

Copyright and Moral Rights for the articles on this site are retained by the individual authors and/or other copyright owners. For more information on Open Research Online’s data policy on reuse of materials please consult the policies page.

oro.open.ac.uk
Social innovation: the construct and antecedents

Awele Achi

A thesis submitted to The Open University in fulfilment of the requirements for the degree of Doctor of Philosophy

Department of Strategy and Marketing
The Open University Business School
The Open University, UK

March 2022
ABSTRACT

As the degree of social problems and opportunities within our complex society continues to increase, social innovation has become an increasingly important strategic element within the context of social enterprises and social entrepreneurship. However, a review of literature indicates that there is a lack of consensus on the nature of the social innovation construct as well as a dearth of studies on its antecedents and outcomes. Accordingly, my aim in this PhD thesis was to investigate the social innovation construct, its antecedents, and organisational related outcomes in social enterprises. For that purpose, I adopted an exploratory sequential mixed methods research design involving the collection and analysis of both qualitative and quantitative data to inductively generate and test theory on the research topic. In the qualitative phase, I conducted 26 in-depth interviews with representatives of UK-based social enterprises to identify the dimensions, key antecedents, and outcomes of social innovation via Gioia methodology analysis. Following this, I used insights from the qualitative findings and existing literature to develop a conceptual framework that conceptualises the relationship between social innovation, its antecedents and organisational related outcomes that is informed by resource-based and knowledge-based theories. Next, in the quantitative phase, I collected survey data at two separate time intervals from UK-based social enterprises (time 1 N=189, and time 2 N=155) to develop a measure of social innovation and test the research hypotheses of the study using multivariate regression technique. Consequently, my findings reveal that the social innovation construct has a multidimensional nature which comprises of three dimensions: social-focused creativity, transformative value, and inclusiveness orientation. My results also offer a new, reliable, and valid measure of social innovation. I also discover that the six key antecedents of directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, funders’ perception, and social support are positively related to social innovation. Further, I find empirical support that social innovation is positively related to the organisational related outcomes of social enterprise objectives, continuous business survival, social enterprise reputation and community impact. Overall, I contribute theoretically, methodologically, and empirically to our further holistic understanding of the social innovation phenomenon in social enterprises. Specifically, I make an original contribution to existing knowledge by providing an improved, more relevant conceptualisation, operationalised definition and measurement of social innovation as well as identify its key antecedents and organisational-related outcomes. Moreover, my findings have practical implications for social enterprise practitioners and policymakers towards developing and implementing social innovation. Finally, I identify the limitations of my research and provide directions for future research advancement.
DEDICTION

I dedicate this PhD thesis to:

To my lovely wife; Lynda Achi
My beloved daughter; Ifechukwude Achi
For their love, constant support, and sacrifices.

To the memory of my sister, Ngozi Mary Achi, who was always a constant source of support and encouragement throughout my life. You are gone but your belief in me has made this journey possible.
ACKNOWLEDGEMENTS

First, I express my appreciation to God Almighty for the gift of life, and to the Blessed Virgin Mary for always interceding in my prayers. Also, I am immensely grateful to my amazing PhD supervisors, Prof Gordon Liu and Dr Fiona Harris for their support, commitment, discussions, mentorship, guidance, and positive energy throughout my PhD journey. Your provision of a fully funded PhD studentship to me was instrumental to the successful completion of this PhD thesis. I have learnt so much working with the both of you. You will both continue to inspire me for the rest of my lifetime.

I am thankful to Lin Nilsen and Michelle Stevens (FBL Research Degrees Coordinators), Prof Emma Bell and Dr Nicoleta Tipi for all their help and guidance. Also, I am grateful to The Open University Graduate School team including Dr Judith Taylor and Dr Helen Bowes-Catton for their constant support and provision of a conducive environment for my study. I also thank my examiners, Prof. Zubin Sethna of Regent’s University London (external examiner) and Dr Michael Ngoasong (internal examiner) from The Open University for their invaluable discussions and feedback.

I am grateful to all my research participants from diverse social enterprises for welcoming and providing me with insights into their practices. Without them, there would have been no data to conduct this PhD investigation. I am also thankful to Dr Ayodele Oniku (University of Lagos, Nigeria), Dr Bonnyface Opia (Delta State University, Abraka, Nigeria), Prof Tayo Otubanjo and Dr Ogechi Adeola (Lagos Business School, Nigeria), and Chidinma Ejimanya for their support and encouragement in this PhD journey.

Further, I thank my wonderful parents, my siblings, my parents-in-law, and friends; you have all provided the best support and encouragement for me to complete this PhD. I also thank my colleagues at The Open University, UK for the several discussions, laughter, and support – this made the PhD journey an enjoyable experience. I am also grateful to the good people I met in Milton Keynes during this journey, including Sampierre, Panayiota, Lovia, and Mummy Patience for their immense support.

Finally, on a personal level, I express a special thank you to my lovely wife, Lynda, and my beloved daughter, Ifechukwude, for their unwavering support, patience, prayers, love and encouragement. Thank you both for the many sacrifices you made on this PhD journey for me.
# TABLE OF CONTENTS

ABSTRACT .............................................................................................................................. i
DEDICATION .......................................................................................................................... ii
ACKNOWLEDGEMENTS ........................................................................................................ iii
TABLE OF CONTENTS .......................................................................................................... iv
LIST OF TABLES .................................................................................................................. xi
LIST OF FIGURES .............................................................................................................. xiii

CHAPTER 1 ............................................................................................................................... 1

INTRODUCTION ................................................................................................................... 1
  1.1 General introduction ....................................................................................................... 1
  1.2 Background to the study ............................................................................................... 1
  1.3 Research questions and objectives ............................................................................. 4
  1.4 Research approach ...................................................................................................... 4
  1.5 Research contributions ............................................................................................... 5
  1.6 Structure of the thesis ................................................................................................. 7
  1.7 Summary ...................................................................................................................... 7

CHAPTER 2 ............................................................................................................................. 8

LITERATURE REVIEW ........................................................................................................... 8
  2.1 Introduction .................................................................................................................. 8
  2.2 Literature review strategy ........................................................................................... 8
  2.3 Social innovation: a construct in need of clarity ......................................................... 11
  2.4 Theoretical meanings of social innovation ................................................................... 12
      2.4.1 Existing definitions of social innovation .......................................................... 13
  2.5 The construction of social innovation meaning: a quadrumvirate of themes ............ 15
      2.5.1 Social innovation as social change .................................................................... 15
      2.5.2 Social innovation as impalpable distinctions ................................................... 21
      2.5.3 Social innovation as social value creation ....................................................... 26
      2.5.4 Social innovation as social outcomes .............................................................. 30
      2.5.5 Themes of social innovation – a comparison and synthesis ............................. 34
  2.6 The focus of this present research ................................................................................ 36
  2.7 Existing research on antecedents of social innovation ................................................ 37
  2.8 Existing research on consequences (outcomes) of social innovation ......................... 41
  2.9 Environmental-led factors of social innovation in existing studies ......................... 43
  2.10 Moderators of social innovation in existing studies .................................................. 44
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.11 Assessing existing measures of social innovation</td>
<td>45</td>
</tr>
<tr>
<td>2.12 Identification of research gaps</td>
<td>47</td>
</tr>
<tr>
<td>2.13 Summary</td>
<td>50</td>
</tr>
<tr>
<td>CHAPTER 3</td>
<td>51</td>
</tr>
<tr>
<td>OVERALL RESEARCH APPROACH</td>
<td></td>
</tr>
<tr>
<td>3.1 Introduction</td>
<td>51</td>
</tr>
<tr>
<td>3.2 Research philosophy</td>
<td>51</td>
</tr>
<tr>
<td>3.2.1 Ontology</td>
<td>51</td>
</tr>
<tr>
<td>3.2.2 Epistemology</td>
<td>52</td>
</tr>
<tr>
<td>3.2.2.1 Positivism</td>
<td>52</td>
</tr>
<tr>
<td>3.2.2.2 Interpretivism</td>
<td>53</td>
</tr>
<tr>
<td>3.2.2.3 Critical realism</td>
<td>53</td>
</tr>
<tr>
<td>3.2.2.4 Pragmatism</td>
<td>54</td>
</tr>
<tr>
<td>3.3 Research design</td>
<td>56</td>
</tr>
<tr>
<td>3.4 Research settings (UK social enterprises)</td>
<td>59</td>
</tr>
<tr>
<td>3.5 Summary</td>
<td>62</td>
</tr>
<tr>
<td>CHAPTER 4</td>
<td>63</td>
</tr>
<tr>
<td>QUALITATIVE PHASE METHODOLOGY</td>
<td></td>
</tr>
<tr>
<td>4.1 Introduction</td>
<td>63</td>
</tr>
<tr>
<td>4.2 Sampling procedures</td>
<td>63</td>
</tr>
<tr>
<td>4.2.1 Profile of the research participants in the qualitative phase</td>
<td>66</td>
</tr>
<tr>
<td>4.2.2 Recruiting the research participants</td>
<td>68</td>
</tr>
<tr>
<td>4.3 Qualitative data collection methods</td>
<td>68</td>
</tr>
<tr>
<td>4.3.1 In-depth interview</td>
<td>68</td>
</tr>
<tr>
<td>4.3.2 Archival documents</td>
<td>72</td>
</tr>
<tr>
<td>4.4 Qualitative data analysis method</td>
<td>73</td>
</tr>
<tr>
<td>4.4.1 First stage: Developing codes and first-order categories</td>
<td>75</td>
</tr>
<tr>
<td>4.4.2 Second stage: Discovering the second-order themes</td>
<td>78</td>
</tr>
<tr>
<td>4.4.3 Third stage: Developing aggregate theoretical dimensions</td>
<td>78</td>
</tr>
<tr>
<td>4.4.4 Fourth stage: Creating the data structure</td>
<td>80</td>
</tr>
<tr>
<td>4.4.5 Fifth stage: Developing the grounded theorising model</td>
<td>81</td>
</tr>
<tr>
<td>4.5 Trustworthiness of the qualitative research</td>
<td>83</td>
</tr>
<tr>
<td>4.5.1 Credibility</td>
<td>83</td>
</tr>
</tbody>
</table>
4.5.2 Transferability ................................................................. 84
4.5.3 Dependability ................................................................. 84
4.5.4 Confirmability ................................................................. 85
4.5.5 Authenticity ................................................................. 85
4.6 My role as a researcher in the qualitative phase .................. 86
4.7 Ethical considerations ..................................................... 87
4.8 Summary ........................................................................... 89
CHAPTER 5 .................................................................................. 90
FINDINGS - QUALITATIVE PHASE .............................................. 90
5.1 Introduction ........................................................................ 90
5.2 Theoretical dimensions of social innovation ...................... 90
  5.2.1 Social-focused creativity .............................................. 93
  5.2.2 Transformative value .................................................. 101
  5.2.3 Inclusiveness orientation ............................................. 110
  5.2.4 Commentary ............................................................... 118
5.3 Other relevant qualitative findings .................................... 119
5.4 Antecedents of social innovation ....................................... 120
  5.4.1 Aggregate descriptor 1: Directors’ cultural capital .......... 123
    5.4.1.1 Directors’ exposure ............................................ 123
    5.4.1.2 Directors’ personal values .................................. 127
  5.4.2 Aggregate descriptor 2: Social entrepreneurial passion ... 130
    5.4.2.1 Entrepreneurial mindset .................................... 131
    5.4.2.2 Mission-focused employees ............................... 133
  5.4.3 Aggregate descriptor 3: Human resources decisions ...... 136
    5.4.3.1 Staff diversity .................................................. 136
    5.4.3.2 Staff skills ......................................................... 139
  5.4.4 Aggregate descriptor 4: Access to funding resources ...... 140
    5.4.4.1 Available finance ............................................. 141
    5.4.4.2 Funders’ perception .......................................... 145
  5.4.5 Aggregate descriptor 5: Social connections ................. 148
    5.4.5.1 Community readiness ..................................... 148
    5.4.5.2 Social support .................................................. 150
5.5 Outcomes of social innovation .......................................... 153
5.5.1 Aggregate descriptor 6: Enhancing enterprise sustainability .......... 155
  5.5.1.1 Achieving the enterprise objectives .................................. 155
  5.5.1.2 Continuous business survival ......................................... 157
5.5.2 Aggregate descriptor 7: Believing the enterprise ....................... 160
  5.5.2.1 Building the enterprise reputation ................................... 160
  5.5.2.2 Community impact ..................................................... 164
5.5.3 Aggregate descriptor 8: Working under pressure ......................... 167
  5.5.3.1 Work pressure ......................................................... 167
5.6 Developing a grounded theorising process model of social innovation .. 170
5.7 Summary .................................................................................... 179

CHAPTER 6 ....................................................................................... 181
HYPOTHESES DEVELOPMENT AND CONCEPTUAL FRAMEWORK ........ 181
  6.1 Introduction ............................................................................. 181
  6.2 Theories underpinning the quantitative phase ............................. 181
    6.2.1 Resource-based theory ..................................................... 181
    6.2.2 Knowledge-based theory ................................................. 183
  6.3 Logic of the quantitative phase and conceptual framework .......... 184
  6.4 Antecedents of social innovation ............................................ 186
    6.4.1 Directors’ exposure and social innovation ......................... 186
    6.4.2 Directors’ personal values and social innovation ............... 187
    6.4.3 Entrepreneurial mindset and social innovation ................. 188
    6.4.4 Mission-focused employees and social innovation ............ 189
    6.4.5 Staff diversity and social innovation ................................. 190
    6.4.6 Staff skills and social innovation ...................................... 191
    6.4.7 Available finance and social innovation ............................ 191
    6.4.8 Funders’ perception and social innovation ....................... 192
    6.4.9 Community readiness and social innovation ..................... 193
    6.4.10 Social support and social innovation ............................... 194
  6.5 Outcomes of social innovation ................................................. 195
    6.5.1 Social innovation and achieving social enterprise objectives ... 195
    6.5.2 Social innovation and continuous business survival ........... 196
    6.5.3 Social innovation and social enterprise reputation ............. 197
    6.5.4 Social innovation and community impact ........................... 198
8.3.1 Stage 1: Dimensions of the construct and item development ......... 227
8.3.2 Stage 2: Initial item refinement and content validity assessment .......... 229
8.3.3 Stage 3: Survey and scale item purification ........................................... 230
8.3.4 Stage 4: Exploratory factor analysis (EFA) .............................................. 234
8.4 The other developed measure - directors’ exposure measure ............... 237
8.4.1 EFA procedure for the proposed directors’ exposure scale ................. 237
8.5 Summary ........................................................................................................ 239

CHAPTER 9 ....................................................................................................... 240
HYPOTHESES TESTING AND RESULTS ......................................................... 240
9.1 Introduction ....................................................................................................... 240
9.2 Data screening .................................................................................................. 240
9.2 Nonresponse bias assessment ......................................................................... 241
9.3 Profile of the sample ....................................................................................... 242
9.4 CFA and measurement model assessment ..................................................... 243
9.4.1 Reliability and validity of the measures ................................................... 250
9.5 Treatment of common method bias (CMB) .................................................. 253
9.6 Hypothesis testing ......................................................................................... 256
9.7 Post-hoc probing (additional analyses) .......................................................... 263
9.8 Summary ......................................................................................................... 267

CHAPTER 10 ..................................................................................................... 268
DISCUSSION AND INTEGRATION OF FINDINGS .......................................... 268
10.1 Introduction ................................................................................................. 268
10.2 Discussion of research question 1: What is the nature of social innovation in social enterprises and how can it be conceptualised? 268
10.3 Discussion of research question 2: What are the antecedents favouring or hindering social innovation in social enterprises? 271
10.4 Discussion of research question 3: What are the organisational related outcomes of social innovation in social enterprises? 278
10.5 Additional findings: development of directors’ exposure scale 282
10.6 Summary ..................................................................................................... 282

CHAPTER 11 ..................................................................................................... 284
CONCLUSION .................................................................................................... 284
11.1 Introduction ................................................................................................. 284
11.2 Research purpose and questions ................................................................. 284
11.3 Academic contributions ......................................................................................... 284
11.4 Methodological contributions ............................................................................... 288
11.5 Practical implications ............................................................................................. 289
  11.5.1 Managerial implications .................................................................................. 289
  11.5.2 Policymaking implications .............................................................................. 291
11.6 Limitations and future research directions ............................................................ 291
11.7 Closing remarks ..................................................................................................... 293
REFERENCES ............................................................................................................... 294
APPENDICES .............................................................................................................. 344
  Appendix 1: Letterhead introduction ....................................................................... 344
  Appendix 2: Participant information sheet ............................................................... 345
  Appendix 3: Consent form .......................................................................................... 346
  Appendix 4: Interview protocol .................................................................................. 347
  Appendix 5: NVivo coding examples ........................................................................ 348
  Appendix 6: Ethical approval ...................................................................................... 350
  Appendix 7: The final questionnaire .......................................................................... 351
  Appendix 8: Parallel analysis for EFA ...................................................................... 357
  Appendix 9: Two-stage regression analysis ................................................................ 359
LIST OF TABLES

Table 2.1: Overview of social innovation as social change ............................................. 18
Table 2.2: Overview of social innovation as impalpable distinctions ........................... 23
Table 2.3: Overview of social innovation as social value creation .............................. 28
Table 2.4: Overview of social innovation as social outcomes ..................................... 32
Table 2.5: Contrasts and similarities between the four dominant themes .................... 34
Table 2.6: Existing measures of social innovation ...................................................... 46
Table 4.1: Key characteristics of the participants in the qualitative study ................... 67
Table 5.1: Additional evidence for social-focused creativity dimension ..................... 99
Table 5.2: Additional evidence for transformative value dimension .......................... 108
Table 5.3: Additional evidence for inclusiveness orientation dimension .................... 117
Table 5.4: Additional evidence for directors’ exposure .............................................. 126
Table 5.5: Additional evidence for directors’ personal values .................................... 130
Table 5.6: Additional evidence for entrepreneurial mindset ...................................... 133
Table 5.7: Additional evidence for mission-focused employees ............................... 135
Table 5.8: Additional evidence for staff diversity ...................................................... 138
Table 5.9: Additional evidence for staff skills ............................................................. 140
Table 5.10: Additional evidence for available finance ............................................... 144
Table 5.11: Additional evidence for funders’ perception ........................................... 147
Table 5.12: Additional evidence for community readiness ........................................ 150
Table 5.13: Additional evidence for social support ..................................................... 152
Table 5.14: Additional evidence for achieving the enterprise objective .................... 157
Table 5.15: Additional evidence for continuous business survival ............................ 160
Table 5.16: Additional evidence for building the enterprise reputation .................... 163
Table 5.17: Additional evidence for community impact ............................................ 166
Table 5.18: Additional evidence for work pressure .................................................... 169
Table 7.1: Measurement items of constructs ............................................................... 210
Table 7.2: Measurement items of industry level controls ......................................... 215
Table 7.3: CFA fit indices ............................................................................................ 224
Table 8.1: Overview of the scale development procedures ........................................ 227
Table 8.2: Preliminary pool of items for the proposed social innovation scale .......... 228
Table 8.3: Organisational characteristics (EFA survey) ............................................ 231
Table 8.4: Nonresponse bias test ................................................................................. 233
Table 8.5: Item purification of the preliminary social innovation items .................... 233
Table 8. 6: KMO and Bartlett's Test of Sphericity results .............................................. 234
Table 8. 7: Pattern matrix of the social innovation scale ................................................. 236
Table 8. 8: Factor correlations matrix .................................................................................. 236
Table 8. 9: The proposed directors' exposure scale ............................................................. 237
Table 8. 10: Item purification for the proposed directors' exposure scale ......................... 238
Table 8. 11: Factor matrix - directors' exposure scale ....................................................... 238
Table 9. 1: Normality test ...................................................................................................... 241
Table 9. 2: Nonresponse bias test of the final survey ......................................................... 242
Table 9. 3: Organisational characteristics of the final survey ............................................ 242
Table 9. 4: CFA results for measurement model one ............................................................ 245
Table 9. 5: Factor correlations and discriminant validity of social innovation scale 246
Table 9. 6: CFA results for measurement model two ............................................................ 247
Table 9. 7: CFA results for measurement model three ......................................................... 249
Table 9. 8: Inter-construct correlations, reliability, and validity ....................................... 251
Table 9. 9: HTMT ratio analysis ........................................................................................... 252
Table 9. 10: CMB-adjusted inter-correlations .................................................................... 255
Table 9. 11: Regression results A ....................................................................................... 258
Table 9. 12: Regression results B ....................................................................................... 260
Table 9. 13: Path analysis results ....................................................................................... 265
Table 10. 1: Hypothesis testing results on antecedents of social innovation ................. 272
Table 10. 2: Hypothesis testing result on outcomes of social innovation ..................... 279
LIST OF FIGURES

Figure 2. 1: Social innovation research: an integrative review model .......................... 10
Figure 2. 2: Thematic grouping of existing meaning of social innovation .................. 15
Figure 3. 1: The adopted exploratory sequential mixed methods design .................... 58
Figure 4. 1: Sample data structure ............................................................................. 82
Figure 5. 1: Data structure for theoretical dimensions of social innovation .......... 91
Figure 5. 2: Data structure for the antecedents of social innovation ...................... 121
Figure 5. 3: Data structure for the outcomes of social innovation ......................... 154
Figure 5. 4: An emergent organising framework of the linkages among the concepts ................................................................................................................................. 171
Figure 5. 5: A process model of social innovation in social enterprises ............ 172
Figure 6. 1: Conceptual framework of the study ......................................................... 185
CHAPTER 1
INTRODUCTION

1.1 General introduction
Social innovation has been identified as a cornerstone for organisations truly interested in addressing social issues and creating positive societal changes. A specific reason motivated me to pursue this PhD project on social innovation. Growing up in Lagos, Nigeria’s commercial hub, I was awakened by the way my community was deep-seated in social and environmental problems without sustainable innovative solutions to address these challenges. This first-hand experience made me take an interest in understanding the processes organisations can use to proffer solutions to such challenges. It is from this curiosity that this PhD thesis was born. This way, I seek to provide an enriched understanding of social innovation and provide a comprehensive framework of how social enterprises can engage in and benefit from their social innovation efforts aimed at ameliorating societal problems and leveraging on social opportunities.

In this chapter, I introduce this PhD investigation. I begin by explaining the study’s background, thereby highlighting the research problem. Next, I present the research questions and objectives as well as the overall research approach of this study. Then, I outline the study’s contributions to knowledge, which is followed by a synopsis of the subsequent chapters in the PhD thesis.

1.2 Background to the study
The past two decades has witnessed the emergence of social innovation into the context of social enterprises and social entrepreneurship (João-Roland and Granados, 2020; Venugopal and Viswanathan, 2019; Tracey and Stott, 2017). Social enterprises are organisations with a social purpose that engage in trading activities for the benefit of the community (Defourny and Nyssens, 2012). Also, in this research, social entrepreneurship refers to the innovative, entrepreneurial activity of organisations and/or individuals that is embedded with a social purpose (Choi and Majumdar, 2014; Austin, Stevenson and Wei-Skillern, 2006). Accordingly, the social innovation construct has become a key area of discourse among academics, practitioners, and policymakers (Ozdemir, and Gupta, 2021; Lee, Spanjol and Sun, 2019; Phillips, Alexander and Lee, 2019).
Contemporarily, several relevant factors have made the growing interest in social innovation more prominent. To begin, the interest on social innovation was spurred by innovation champions who are concerned about the existing problematic conditions in the society (van Wijk, Zietsma, Dorado, De Bakker, and Marti, 2019; Dawson and Daniel, 2010). Accordingly, Mulgan (2006) indicates that the starting point for social innovation is the awareness of a need that is not being met, and how it could be met. Hence, the need to ameliorate social and environmental problems in the society coupled with the failure of the prevailing institutional and business models to provide solutions to societal problems has made for social innovation an important activity for social enterprises with capabilities and access to resources (Bhatt and Ahmad, 2017; Sinclair and Baglioni, 2014).

Furthermore, the discourse of social innovation has become important due to the increased level of dissatisfaction by scholars with the importance attached to technology as the underlying element in the general innovation field and policy contexts (Caulier-Grice, Davies, Patrick and Norman, 2012). Accordingly, scholars began advocating the ‘social side’ of innovation (see Cajaiba-Santana, 2014; Moulaert, Martinelli, Swyngedouw, and Gonzalez, 2005) which has further hastened the relevance and integration of social innovation into the strategy and operations of organisations (Dionisio and de Vargas, 2020).

Moreover, the growing importance of social innovation can also be linked to the ‘liability of newness’ effect often associated with emerging disciplines like social entrepreneurship (Nicholls, Simon and Gabriel, 2015; Dacin, Dacin, and Tracey, 2011). This has been made more notable by the establishment of research institutes and centres within these past few years by a myriad of universities and government agencies¹ to drive social innovation discourse (Lee et al., 2019; Ayob, Teasdale and Fagan, 2016).

Despite the burgeoning interest on the social innovation construct, my review of existing studies relating to social innovation (see Chapter 2) indicates that three aspects of this topic remain underdeveloped. First, the existing literature have

¹ Examples include Cambridge Centre for Social Innovation, University of Cambridge, UK; the Centre for Social Innovation, Stanford University, USA; Social Innovation Research Institute, Swinburne University of Technology, Australia; Centre for Social Innovation, Keep Britain Tidy, Wigan, UK.
positioned social innovation as a social value creating activity of social enterprises through the creation of novel products and services (e.g., Cui, Pan, Newell, and Cui, 2017; Phillips, Lee, Ghobadian, Regan and James, 2015; Phillips, Deiglmeier and Miller, 2008). However, my review of literature indicates that there is a lack of clear understanding on the conceptualisation of social innovation (Foroudi, Akarsu, Marvi and Balakrishnan, 2021; Edwards-Schacter and Wallace, 2017; Van der Have and Rubalcaba, 2016). This suggest that the construct is a contested term that needs clarity and further refinement (Fursov and Linton, 2022; Marques, Morgan and Richardson, 2018). Besides, another limitation relating to the nature of social innovation in the extant literature is the contention and narrow options concerning the measurement of social innovation within the context of social enterprises. Presently, very few studies have carried out this exercise without strong psychometric assessment (e.g., Dwivedi and Weerawardena, 2018; Sanzo-Perez, Álvarez-González and Rey-García, 2015). Therefore, this lack of a flexible measure of social innovation hampers the understanding and predictive ability of the construct (cf. El Akremi, Gond, Swaen, De Roeck and Igalens, 2018).

Second, since it has been recognised by several studies that social innovation is a key strategic aspect of social enterprises activities (Phillips et al., 2019; Biggeri, Testi, and Bellucci, 2017; Leadbeater, 2007), a few potential antecedents have been suggested in extant literature (see Ko et al., 2019; Kickul, Griffiths, Bacq and Garud, 2018). However, prior studies indicates that this area remains underdeveloped as knowledge of how social enterprises can engage in social innovation is limited (Taylor, Torugsa and Arundel, 2020; Shier, Handy and Jennings, 2019).

Third, from a strategic standpoint, previous research indicates that market-focused social enterprises could outperform and distinguish themselves from their market competitors by engaging in social innovation, thereby ensuring they achieve legitimacy and remain sustainable for a long-term (Ko, Liu, Wan Yusoff and Che Mat, 2019; Weerawardena and Mort, 2012; Dacin et al., 2011). However, empirical findings linking social innovation to organisational related outcomes of social enterprises remain nascent (see Lee et al., 2019; Phillips et al., 2015). Thus, this lack of empirical validation on how social enterprises can benefit from social innovation can limit the support for the construct (Cui et al., 2017; Mulgan, Tucker, Ali and Sanders, 2007).
Consequently, these discussions above indicate the need to empirically refine the conceptualisation of the social innovation construct, as well as identify and validate its potential antecedents and outcomes variables within the context of social enterprises. Therefore, it is my goal in this PhD investigation to address these above identified knowledge gaps in the extant literature.

1.3 Research questions and objectives
Based on the discussions so far, this PhD thesis is anchored on the following research questions:

1) What is the nature of social innovation in social enterprises and how can it be conceptualised?

2) What are the antecedents favouring or hindering social innovation in social enterprises?

3) What are the organisational related outcomes of social innovation in social enterprises?

In seeking to answer these research questions, I aim to achieve the following objectives:

a) To explore the nature of social innovation. In this regard, I seek to refine, operationalise, and measure social innovation within the social enterprise settings.

b) To investigate the antecedent drivers of social innovation in social enterprises.

c) To examine the organisational related outcomes of social innovation in social enterprises.

1.4 Research approach
To answer the research questions, I adopt an exploratory sequential mixed methods research design (see Chapter 3) where both qualitative and quantitative data are collected and analysed in different phases. My combination of qualitative and quantitative methods ensures that multiple data types are used to develop a holistic understanding of social innovation. This also assists in overcoming some of the inherent limitations associated with using a single method in research.

Specifically, in the qualitative phase, I collected in-depth interview data from 26 research participants in the UK social enterprise sector which were then analysed
using Gioia Methodology. Consequently, I used insights from the qualitative phase to develop a conceptual framework that hypothesised relationships among social innovation and its antecedents and outcomes. Hence, the hypothesised linkages between these variables via a conceptual framework (see Chapter 6) begets the quantitative phase of the PhD thesis. In the quantitative phase, I collected survey data at two separate time intervals from UK-based social enterprises (time 1 N=189, and time 2 N=155) to develop a measure of social innovation and test the research hypotheses of the study.

Summarily, I adopted a mixed methods research design that comprises three different stages. Stage 1 uses a qualitative method to identify the nature, antecedents and outcomes of social innovation and development of the conceptual framework. Stage 2 concerns the development of measurement scale for constructs in the study, while in the Stage 3, I test and provide results to the research hypotheses of the PhD thesis.

1.5 Research contributions

By conducting this PhD investigation, I contribute to knowledge in several ways. To begin, I contribute to current knowledge by providing a more holistic understanding of the nature and theoretical dimensions (domains) of social innovation, thereby extending social innovation theory and practice (Venugopal and Viswanathan, 2019; Marques et al., 2018). Prior research suggests that the construct lacks theoretical clarity including the lack of a clear definition (e.g., Foroudi, et al., 2021; Edwards-Schachter and Wallace, 2017). I address this knowledge gap by providing a deeper grounded theorising conceptualisation and operational definition of social innovation, one acknowledging its multidimensional nature and the specific micro-activities embedded in the construct.

Also, I contribute to knowledge by identifying the specific antecedents that influences the development of social innovation. Previous research has paid very little attention to the antecedents that may make social innovation either more or less appropriate for organisations (e.g., Shier et al., 2019). This study develops knowledge on new antecedents of social innovation currently under-researched to enhance our understanding. Moreover, since social innovation is proposed as a competitive strategic tool for social enterprises (see Weerawardena and Mort, 2012), I also identify key organisational outcomes of the construct in social enterprises. In so doing, I
address the “what” question relating to the outcomes of social innovation as a valuable resource of organisations. Hence, this study provides a more comprehensive picture of what social enterprises can do to improve their chances of reaping the benefits of social innovation.

Furthermore, I also make a methodological contribution to existing knowledge by using a mixed methods design to develop a valid flexible instrument for studying social innovation and its nomological network empirically. The development of this new measure of social innovation constitutes a major step towards moving the field beyond the exploratory stage and forward into large-scale quantitative studies that examines social innovation within and beyond the context of social enterprises (e.g., Phillips et al., 2019).

Moreover, drawing on both resource-based theory and knowledge-based theory, this PhD thesis makes an effort to develop and refine the convergence of the two theoretical lenses to explain the process of social innovation. The resource-based theory argues that an organisation’s resources (including capabilities) is the source of its competitive advantage (Barney, 1991), while the knowledge-based theory contends that knowledge is the most important strategic resource for organisations (Grant, 1996). In so doing, I offer a fresh convergent theoretical perspective to our further understanding of the social innovation process, thereby demonstrating how specific micro-level characteristics of organisational routines can stimulate social enterprises’ ability to develop social innovation, which in turn leads to attaining specific organisational related outcomes in social enterprises.

Additionally, this study can assist social enterprise practitioners to become aware of the important areas of the social innovation process so that they can concentrate their attention to meet their social mission as well as improve the strategic position of their organisations in the marketplace. The study also provides important implications for policymaking on framing government policies that can create a conducive environment for strengthening social enterprises’ capability to deliver social innovation.

Succinctly, contributions from this PhD investigation have far reaching implications for academics, practitioners, and policymakers.
1.6 Structure of the thesis
To achieve the stated research objectives, I have organised this PhD thesis into 11 chapters. Following this introduction (Chapter 1), Chapter 2 presents a review of the existing literature relating to social innovation. Chapter 3 discusses the overall research approach including the research context. Chapter 4 focuses on the qualitative phase methodology. In Chapter 5, I present the findings from the qualitative phase. Chapter 6 outlines the developed research hypotheses and conceptual framework. In Chapter 7, I present the quantitative data methodology of the research. Chapter 8 outlines the scale development procedures. Chapter 9 is dedicated to results of the hypotheses testing. In Chapter 10, I discuss the research findings based on the insights from both the qualitative and quantitative phases. Finally, Chapter 11 outlines the key contributions and implications of this PhD investigation.

1.7 Summary
This chapter introduced the issues and research questions motivating this study. Additionally, I presented the structure of the PhD thesis, highlighting the key themes of subsequent chapters. The next chapter concerns the review of current literature relating to social innovation.
CHAPTER 2

LITERATURE REVIEW

2.1 Introduction
In this chapter, I review the different streams of existing literature relating to social innovation to identify the research gaps of this PhD thesis. The chapter is divided into three main parts. For the first part, I present a review that maps the breadth and depth of current knowledge on the existing meanings and conceptualisation of social innovation. In the second part, I present a comprehensive review of the antecedents, consequences and moderators of social innovation based on an integrative review model to capture the status of social innovation research in current literature. In the third part, I outline the inherent research gaps in the reviewed studies on social innovation, which gives rise to the three research questions (as highlighted in Chapter 1) of this PhD thesis.

2.2 Literature review strategy
In this chapter, I use an integrative review to discuss the extant studies relating to social innovation, as it reduces bias and gives an objective view to the construct’s status in the literature (see Narayanan, Zane and Kemmerer, 2011). An integrative review is a literature review technique that critiques and synthesises knowledge from past empirical or theoretical literature to provide a more comprehensive understanding of a particular phenomenon in a fragmented field (Cronin and George, 2020; Whittemore and Knafl, 2005). Accordingly, this can aid in identifying issues, knowledge gaps in existing literature and revealing of promising areas for future research (Elsbach and van Knippenberg, 2020).

To conduct the integrative review, I engaged in literature search. Firstly, I identified phrases such as “social innovation*”, “social entrepreneurship*”, “social value creation*”, “social change*” and “social enterprise” and carried out an extensive search in electronic databases such as SCOPUS, Web of Science, Google Scholar and ProQuest for abstracts and keywords. These databases cover a multitude of journals and other types of research publications. This follows Hiebl (2021) suggestion that multiple sources should be consulted during literature search.
Secondly, because of the burgeoning interest in social innovation and suggestion from prior research (Narayanan et al., 2011), I considered studies published since 1987, including conceptual, qualitative, and quantitative articles written in English to frame the integrative review. However, I also considered earlier published works that have resurfaced in the current debate. Accordingly, I uncovered more than 500 abstracts of journal articles, book chapters, conference papers and practitioner reports which I independently screened for consideration. A possible limitation of the literature search may be not including articles that did not use the keywords/criteria I adopted.

Following this, I identified 156 articles which constituted the main articles reviewed for developing this literature review chapter. Together, all the reviewed articles were later synthesised into an integrative review model of social innovation research (see Figure 2.1 below) based on the advice of previous research (e.g., Cronin and George, 2020; Narayanan et al., 2011) to provide a robust discussion in this chapter. The integrative review model synthesises the reviewed discussions of the existing studies on conception of social innovation, its antecedents, consequences, environmental-led factors, and moderators in this chapter.

Specifically, I delineated the integrative review model into five boxes. Box 1 contains the antecedent drivers of social innovation: individual-related and organisational-related antecedents as discussed in Section 2.7. Box 2 captures the thematic breakdown of social innovation meanings as well as the existing measurements of the construct as espoused in Section 2.5 and 2.11 respectively. Box 3 focuses on the consequences (outcomes) of social innovation as discussed in Section 2.8. Box 4 comprises of the environmental-led factors (task environment and institutional conditions) that can influence social innovation as explicated in Section 2.9. Finally, Box 5 consists of the moderators (see Section 2.10 of this chapter) that can influence the antecedent-social innovation relationship and the social innovation-consequences relationships.

In the next section, I provide a purview to the social innovation construct.
Figure 2.1: Social innovation research: an integrative review model

Antecedents (1)
- Individual-related
- Organisational-related
  - Operational-based
  - Leadership-based

Environmental-led factors (4)
- Task environment dynamics
- Institutional conditions

Nature of social innovation (2)
**Thematic categorisation**
- Social change
- Impalpable distinctions
- Social value creation
- Social outcomes

**Measurement of social innovation**

Moderators (5)
- Social capital
- Degree of social acceptance
- Psychological capital

Consequences (outcomes) (3)
- Organisational
  - Corporate sustainability
  - Social impact perceptions
  - Organisational performance
- Society
  - Environmental sustainability
  - Community/local development
  - Human development
  - Sustainable consumption
  - Quality of life
2.3 Social innovation: a construct in need of clarity

The term ‘social innovation’ is not a recent phenomenon as its rapid development may have erroneously suggested (Edwards-Schachter and Wallace, 2017). It is a discourse associated with using novel methods to solve new social problems (Fursov and Linton, 2022). Extant literature is filled with examples of early reformers whose actions and ideas have been dubbed social innovations. For example, the activities of 18th century social reformers, Benjamin Franklin on the printing business, paper currency and fire department etc. (Mumford, 2002) and Robert Owenson co-operative movements model (Sinclair and Baglioni, 2014) are considered social innovations respectively.

One of the key issues of social innovation that has received a great deal of attention is the nature of social innovation. It is an interdisciplinary construct present in different fields including social entrepreneurship (Phillips et al., 2015), sociology (Kesselring and Leitner, 2008), urban studies (Moulaert et al., 2005) and design thinking (Brown and Wyatt, 2010). The construct has been considered a passing fad and a contested concept (Ayob et al., 2016; Pol and Ville, 2009). Also, while the construct is still in its embryonic stage (Cajaiba-Santana, 2014; Lettice and Parekh, 2010), its popularity has undergone concept stretching to the extent that it is at a breaking point (Grimm, Fox, Baines and Albertson, 2013).

Nonetheless, the emergence of social innovation can be traced to new methods and pragmatic thinking when faced with drastic social issues (Edward-Schachter and Wallace, 2017). This has led to many meanings on what may be construed as social innovation (Foroudi et al., 2021; van der Have and Rubalcaba, 2016), suggesting that the construct lacks a unifying paradigm (Ozdemir, and Gupta, 2021; Angelidou and Psaltoglou, 2017). Presently, there is no universal definition of social innovation as a construct (Arocena and Sutz, 2021; Marques et al., 2018).

Two main factors have been attributed as the drivers for this lack of a universal consensus on social innovation. First, this relates to the infancy and rapid growth of social innovation into a variety of fields (Ayob et al., 2016). This has led to the growing rise in publications related to the social innovation construct (see Fursov and Linton, 2022; Dionisio and de Vargas, 2020).

---

2 A concept that means different things to different people about their proper use.
3 The distortion that occurs when a concept does not fit new cases
Second, social innovation is practised in multiple diverse settings and sectors (Caulier-Grice et al., 2012) such that its mechanisms are time and context dependent (Phills, et al., 2008). This corroborates with Howaldt, Butzin, Domanski and Kaletka’s (2014) contention that ‘social innovation is predominantly a practice-led field in which definitions and meanings have emerged through people doing things in new ways rather than reflecting on them in an academic way’ (p.10). Therefore, there is the lack of a configuration (i.e., an epistemological community) of social innovation actors which has increased discords in the meanings of the construct (European Commission, 2013)

Together, these factors can hamper the potency of the construct (Hirsch and Levin, 1999). Hence, it becomes imperative to synthesise the various meanings of social innovation to provide an understanding for the disagreement on the theoretical construct.

2.4 Theoretical meanings of social innovation

The attraction to the social innovation construct has become a ‘new global obsession’ due to the difficult question of what social innovation is (Edwards-Schachter and Wallace, 2017). A glance into the social innovation literature indicates that the construct has been conceptualised from different perspectives and practised through diverse methodological views (see Foroudi et al., 2021).

To systematically understand the meaning of social innovation and explore existing studies’ meaning of the social innovation construct in-depth, I begin by deconstructing its constituent words; ‘social’ and ‘innovation’ and explaining what these terms mean in isolation rather than in the context of social innovation.

The adjective ‘social’ is a broad term that relates to society (Gregoire, 2016). It cannot be defined in a straightforward manner but can be recognised (Phills et al., 2008). Hence, ‘social’ can apply to innovation in several ways, depending on the intent or motive of usage (Nicholls and Murdock, 2012; Phills et al., 2008) as will be revealed with the explication of different social innovation theoretical meanings in the section below.

---

4 The underlying sequence of interactions and events driving social innovations (Phills et al., 2008)

5 A network of actors with joint frameworks for understanding and handling specific issues.
On the other hand, drawing from Schumpeter’s (1934) extant work on innovation typology, innovation is defined as “a new or improved product or process (or combination thereof) that differs significantly from the unit’s previous products or processes and that has been made available to potential users (product) or brought into use by the unit (process)” (Organisation for Economic Co-operation and Development and Eurostat – OECD, 2018, p. 20). Impliedly, innovation can be new or an enhancement of an existing solution and realised through practice (Gregoire, 2016). It can also take the form of both a process and a product (Phils et al., 2008).

### 2.4.1 Existing definitions of social innovation

Originally, social innovation was primarily constructed in literature as a sociological phenomenon to reflect the change in social structures and practices (Ayob et al., 2016; Cajaiba-Santana, 2014). This was the dominant view of the construct between 1989 and the early 1990s (Loogma, Tafel-Viia and Umarik, 2013). Zapf’s (1989) definition of social innovation views it as a macro-process of social change and evolutions. This embodies the sociological viewpoint and serves as a useful starting point in this review of the existing diverse definitions of social innovation in extant literature.

On the contrary, Mumford (2002) follows a creativity (psychology) view and defines social innovation as “the generation and implementation of new ideas about how people should organise interpersonal activities, or social interactions, to meet one or more common goals” (p. 253). Mumford’s (2002) definition identified the adjective ‘social’ as social relations in idea generation, new social organisations or social interactions as well as the attainment of social goals. Spinoffs from this definition are offered by Mumford and Moertl (2003), and Hazel and Onaga (2003).

Between the periods of 2004 to 2008, a business-led utilitarian approach that focused on a social value view of social innovation began to emerge (Ayob et al., 2016). Phils et al. (2008) focusing on the societal value of social innovation, defined the construct as “a novel solution to a social problem that is more effective, efficient, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals” (p. 39). Other definitions that followed this societal value emphasis was also offered by Mulgan (2006), Mulgan et al. (2007) and

---

6 Product innovation, process innovation, marketing innovation and organisational innovation
Pol and Ville (2009). However, Moulaert (2010) utilised a radical approach and defines the construct as "social innovation is about the satisfaction of basic needs and changes in social relations within empowering social processes; it is about people and organisations who are affected by deprivation or lack of quality in daily life and services, who are disempowered by lack of rights or authoritative decision-making, and who are involved in agencies and moving to favour social innovations" (p. 10). Variants of the radical approach to social innovation definition are also offered by MacCullum, Moulaert, Hillier, and Vicari-Haddock (2009) and Moore and Westley (2011).

However, Murray, Caulier-Grice and Mulgan’s (2010) definition served as a means of de-contesting the social value perspective (e.g., Phils et al., 2008) and social relations (e.g., Moulaert et al., 2010) views by adopting a normative approach i.e., focusing on ‘what ought to be’ rather than the empirical view of ‘what is’. They asserted that “specifically, we define social innovations as new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations.” (Murray et al., 2010, p.3.). This normative approach is also offered by Caulier-Grice et al. (2012).

Furthermore, the construction of social innovation is ongoing due to the concept being manifested through interactions among different social actors in distinct contexts. Consequently, a review of several extant theoretical definitions of social innovations from mainstream existing literature suggest that the meaning of social innovation has in some ways been thematically constructed by various studies.

Thus, I have grouped these competing definitions into four dominant themes – (1) social change; (2) impalpable distinctions; (3) social value creation; and (4) social outcomes - based on some underlying commonalities that were observed from the analysis of the definitions within each theme. Conceptualising these four dominant themes involved synthesising and bringing all these categorisations to develop a social innovation schema (see Figure 2.2 below). The use of a schema provides the opportunity for the me “to encompass the entire situation under study as though high on a mountain looking down and seeing all the action going on at once” (Wiseman, 1974). In the subsequent section, I unpack and justify the rationales behind the
emergence of these four dominant themes of social innovation, including their respective strengths and weaknesses.

**Figure 2.2: Thematic grouping of existing meaning of social innovation**

<table>
<thead>
<tr>
<th>Social change</th>
<th>Impalpable distinctions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social value creation</td>
<td>Social outcomes</td>
</tr>
</tbody>
</table>

2.5 The construction of social innovation meaning: a quadrumvirate of themes

2.5.1 Social innovation as social change

The *social change* theme is the shared assumptions of several definitions as shown in Table 2.1 below (e.g., Moulaert, 2010; Swedberg, 2009) that social innovation is fundamentally aimed at changing the existing social structures and practices of a society. By so doing, the existing ‘playing rules’ between social actors and stakeholders are altered.

Social change can occur in the form of how social agents interact and act between each other as well as the social contexts where these interactions and actions take place via the development of novel social institutions and social systems (Cajaiba-Santana, 2014). For Heiskala (2007), these social changes are reflected in the cultural, normative, or regulative structures of the society. Thus, it is the argument of proponents under this theme that the social innovation is about changes in the society (Neumeier, 2017; Howaldt and Schwarz, 2010).

Drawing from the works of Woodcraft, Bacon, Faizullah and Mulgan, (2008), it can be argued that definitions under this theme are built along three suppositions. First, there
is the willingness to change which arises from being aware of a threat or opportunity in the society. Second, there must be in place an internal capability such as cultural flexibility and leadership to advance the change being sought for. Third, the necessary resources such as finance, human, and networks should be accessible including a positive feedback mechanism from society (Woodcraft et al., 2008). This view is summarised by the definition of social innovation by Bouchard (2012, p. 50), “…… an intervention initiated by social actors to respond to an aspiration, to meet specific needs, to offer a solution or to take advantage of an opportunity for action in order to modify social relations, transform a framework for action, or propose new cultural orientations” which I contend meet these suppositions.

Furthermore, an in-depth look into this theme reveals that the semantic origin is linked to a bulk of definitions associated with scholarships from sociology (Hieskala, 2007) and urban development disciplines (Moulaert, 2010). A trace into the roots of social innovation reveals that the sociologists, Emile Durkheim and Max Weber can be attributed as forefathers of this theme. Nonetheless, it must be stressed that these scholars did not use ‘social change theme’ directly, rather they explored social change caused by technical and economic innovation (see Schroeder and Ling, 2014). Recently, a collection of authors under the field of urban development have built on the social change paradigm by advocating social innovation is a radical movement for the inclusion of socially excluded groups into the diverse societal spheres (see Moulaert et al., 2010).

Moreover, social innovation under this theme focuses on the process aspect of innovation. This is because it is concerned with the transformative, inclusive, and participatory nature of social innovation manifested through social institutions and social practices (Cajaiba-Santana, 2014; Sinclair and Baglioni, 2014). Additionally, this theme operates at a disruptive level and is usually exemplified via social movements of social actors - social and political activists’ groups - whose objective is to challenge social issues and change social relations or power structure on behalf of a social cause (Marques et al., 2018; Nicholls and Murdock, 2012).

**Strengths and weaknesses of this theme**

**Strengths:** From the analysis of definitions under this social change theme, it reveals that novelty and improvement are crucial elements of social innovation. Also, there is
clear focus on social collaborations and inclusion and how these affect the behaviour in social practices. The definitions also reinforce the role of social actors in the social innovation movement and explicates the construct as a system that is complex with several interconnections in the cultural, economic, and regulative structures in the society. It raises some ethical concerns about social innovation and illustrates carefully the adaptive and continuous evolutionary nature of the construct.

Limitations: There are several identifiable limitations from the definitions reviewed under this theme. The definitions are mostly imprecise on how the societal problems highlighted will be addressed. Also, it focuses too much on the bigger picture and ignores the details in social innovation such as the need-based nature of the construct. Many of the definitions completely see social innovation as a tool for tackling issues of social exclusion without specifying any form of social outcomes. Lastly, there is the difficulty of ascertaining the unit of analysis as the breadth of social innovation is unclear in the definitions.
<table>
<thead>
<tr>
<th>Authors</th>
<th>Definitions</th>
<th>Disciplines</th>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maelicke, (1987, p. 12).</td>
<td>&quot;the guided change process, preferably supported by all involved and affected human beings, that creates significant change in existing action structures and conditions in the social system based on ethical value judgements, contents and programs&quot;</td>
<td>Social economy</td>
<td>Emphasises the ethical debate in social innovation</td>
<td>Takes a very broad approach without specifying any form of social outcomes</td>
</tr>
<tr>
<td>Zapf (1991, p. 89)</td>
<td>“Social innovations, then, are new ways of doing things, especially new organizational devices, new regulations, new living arrangements, that change the direction of social change, attain goals better than older practices, become institutionalized and prove to be worth imitating”</td>
<td>Sociology</td>
<td>Indicates novelty as the key element in social innovation</td>
<td>The definition does not establish if ‘social innovation’ is intentionally implemented or not</td>
</tr>
<tr>
<td>Moulaert et al. (2005, p. 1978).</td>
<td>“Social innovation is path-dependent and contextual. It refers to those changes in agendas, agency and institutions that lead to a better inclusion of excluded groups and individuals in various spheres of society at various spatial scales.”</td>
<td>Urban development</td>
<td>Captures the process and empowerment aspect of social innovation</td>
<td>Limits social innovation to only issues of social exclusion</td>
</tr>
<tr>
<td>Simms (2006, p.338)</td>
<td>“Changes in [human] structure and organisations are social innovations”</td>
<td>Sociology (Living systems science)</td>
<td>Focuses on the change element of social innovation</td>
<td>Very narrow and sees social innovation as living systems</td>
</tr>
<tr>
<td>Heiskala (2007, p.59)</td>
<td>“Social innovation are changes in the cultural, normative or regulative structures [or classes] of the society which enhance its collective power resources and improve its economic and social performance.”</td>
<td>Sociology</td>
<td>Highlights that social innovation improves the lives of citizens.</td>
<td>Very broad since the structures included are diverse.</td>
</tr>
</tbody>
</table>
<pre><code>                                                                                                                                                                                                                                                                                       | Also, social innovation includes transformation, encompassing regulative, cultural and normative innovations | Also, it is difficult for every social innovation to meet economic and social performance.at the same time                                                                                                                                                                        |
</code></pre>
<table>
<thead>
<tr>
<th>Author(s) and Reference</th>
<th>Definition of Social Innovation</th>
<th>Field</th>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kesselring and Leitner (2008, p.28)</td>
<td>'elements of social change that create new social facts, i.e., influence the behaviour of individuals or specific social groups discernibly and align it with accepted – not primarily economic rationality following – goals'</td>
<td>Sociology</td>
<td>Lays emphasis on the goal-oriented nature of social innovation</td>
<td>Does not indicate whether social innovation is for unmet needs</td>
</tr>
<tr>
<td>Swedberg (2009, p. 102)</td>
<td>“[Social] innovations are new combinations that produce social change.”</td>
<td>Entrepreneurship/Social entrepreneurship</td>
<td>Explicitly states the goal of social innovation</td>
<td>Fails to identify the need-based nature of social innovation</td>
</tr>
<tr>
<td>Howaldt and Schwartz (2010, p. 16)</td>
<td>“New combination and/or new configuration of social practices in certain areas of action or social contexts prompted by certain actors or constellations of actors in an intentional targeted manner with the goal of better satisfying and answering needs and problems than is possible on the basis of established practices”</td>
<td>Sociology</td>
<td>Social innovation shows that the changes in social practices influence individual behaviour</td>
<td>Imprecise on how the societal problems and needs will be tackled</td>
</tr>
<tr>
<td>Moulaert (2010, p. 10)</td>
<td>“Social innovation is about the satisfaction of basic needs and changes in social relations within empowering social processes; it is about people and organisations who are affected by deprivation or lack of quality in daily life and services, who are disempowered by lack of rights or authoritative decision-making, and who are involved in agencies and moving favouring social innovations”</td>
<td>Urban development</td>
<td>Captures movements that can favour social innovation</td>
<td>Difficult to ascertain the unit of analysis as the breadth of social innovation is unclear in the definition</td>
</tr>
<tr>
<td>Westley and Antadze (2010, p. 2)</td>
<td>“Social innovation is a complex process of introducing new products, processes or programs that profoundly change basic routines, resource and authority flows, or beliefs of the social system in which the innovation occurs. Such successful social innovations have durability and broad impact”</td>
<td>Innovation</td>
<td>Takes a system thinking approach to social innovation showing that it is a complex and multifaceted concept with inter-connected and inter-related factors.</td>
<td>It focuses too much on the bigger picture and ignores the details in social innovation.</td>
</tr>
<tr>
<td>Antadze and Westley (2010, p. 15)</td>
<td>Social innovation refers to “those processes, products, and initiatives which profoundly challenge</td>
<td>Innovation</td>
<td>Focuses on the process dimension of social innovation</td>
<td>Neglects the social outcomes and empowerment powers of social innovation</td>
</tr>
</tbody>
</table>
the system that created the problem that they seek to address

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Definition</th>
<th>Innovation</th>
<th>Issues</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moore and Westley (2011, p. 6)</td>
<td>“Social innovations – that is, any initiatives, products, processes, or programs that change basic routines, resource and authority flows, or beliefs of any social system.”</td>
<td>Innovation</td>
<td>Indicates that social innovation uses a systems approach. Hence, social innovation is adaptive and evolves continuously.</td>
<td>A breakdown in a part of the system can affect the whole social innovation system.</td>
</tr>
<tr>
<td>Bouchard (2012, p. 50)</td>
<td>“An intervention initiated by social actors to respond to an aspiration, to meet specific needs, to offer a solution or to take advantage of an opportunity for action in order to modify social relations, transform a framework for action, or propose new cultural orientations.”</td>
<td>Social economy/Housing</td>
<td>Reveals the vital role of social actors in the social innovation movement.</td>
<td>Confined to a bounded locality based on sectorial norms.</td>
</tr>
<tr>
<td>Nicholls and Murdock (2012)</td>
<td>“the production of new ideas and new structures and a process of re-contextualisation within socially (re)constructed norms of the public good, justice and equity.”</td>
<td>Public policy</td>
<td>Captures the role of social values in the SI logic showing that SI cuts across all sectors.</td>
<td>From a global standpoint, there is no cut-clear of which values are included.</td>
</tr>
<tr>
<td>Neumeier (2012)</td>
<td>“as changes of attitudes, behaviour or perceptions of a group of people joined in a network of aligned interests that in relation to the group’s horizon of experiences lead to new and improved ways of collaborative action within the group and beyond.”</td>
<td>Sociology/Rural development</td>
<td>Social innovation is seen as a tool for improving a group.</td>
<td>It places a restriction on the meaning of social innovation because of uses of broad terms such as attitudes, behaviour or perceptions.</td>
</tr>
<tr>
<td>Pue, Vandergeest and Breznitz (2016, p. 2)</td>
<td>“A process encompassing the emergence and adoption of socially creative strategies, which reconfigure social relations in order to actualize a given social goal.”</td>
<td>Innovation</td>
<td>Identifies social innovation as a sequence of steps and changes, through a social creative strategy. Also, this definition does not hinge social innovation on its outcome dimension.</td>
<td>Ignores the crux of social innovation which is the meeting social needs or benefits.</td>
</tr>
</tbody>
</table>

Source: own development
2.5.2 Social innovation as impalpable distinctions

This second theme of *impalpable distinctions* represents a collection of definitions in Table 2.2 (e.g., Marques *et al.*, 2018; Mumford, 2002) based on the emphasis given to the immateriality and creativity associated with social innovations. For instance, Oliveira and Breda-Vázques (2012) views social innovation as ‘the application of creativity to attain social purpose’. Similarly, Mumford (2002) gives credence to the distinctive individual creativeness and intention underlying the development of social innovations in his article on the ‘ten cases of social innovation by Benjamin Franklin’.

The theme observes social innovation not explicitly as a process or an outcome, rather it places emphasis on the non-materiality of social innovation. For example, Marques *et al.*, (2018) asserts that social innovation:

> “is about the application of new ideas, irrespective of them being new products, processes or ways of communicating” (p. 500).

In support of this argument, Neumeier (2012) contends that material outcomes of social innovation are exclusively supplemental and shift the focus of the construct to asset building rather than the social needs and intentions.

Here, social innovation is manifested through the actions of creative individuals or institutions through their application of innovation to social concerns (Marcy and Mumford, 2007). Hence, the focus of the theme can vary between process or product dimension (see Fursov and Linton 2022; Sinclair and Baglioni, 2014). Moreover, this theme of social innovation operates at the institutional level. This means that social innovations here are mainly geared at making modifications to or leveraging on gaps in existing socio-economic institutions such as market structures (Nicholls, *et al.*, 2015).

Moreover, a mark of distinction between impalpable distinctions theme, and other themes identified lies in the subtle level of immateriality, creativity and degrees of manifestation accorded to social innovation. Also, the semantic origin of the theme lies in discourses such as social economy and creativity (see Adam and Hess, 2010; Mumford, 2002).

**Strengths and limitations of this theme**

*Strengths:* From the definitions compartmentalised under this theme, I observed some areas of strengths. The theme captures the role of creativity in the social innovation
process. The definitions point out that social innovation need not be entirely new, rather it should have an impact in its application. Besides, this theme generates this thought that sole individuals can be responsible for social innovation, unlike in social change theme where social innovation is mostly a preoccupation of social movements. The definitions underscore the role of social innovation in improving the quality of work procedures. Lastly, the definitions show that social innovation cuts across a specific sector and can be applied in different settings.

Limitations: The limitations of this theme are highlighted here. It is difficult to particularly measure how social innovation is operationally perceived. Key features of social innovation are not clearly stated such as the overlooking of stages of implementation and diffusion in social innovation. Also, definitions here clearly are based on practice rather than theoretical knowledge. There is this fuzziness around the distinction between social innovation and organisational innovation.
Table 2.2: Overview of social innovation as impalpable distinctions

<table>
<thead>
<tr>
<th>Authors</th>
<th>Definitions</th>
<th>Disciplines</th>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
</table>
| Gillwald (2000, p.42)    | “societal achievements that, compared with already established solutions, provide improved solutions that are to a lesser extent defined by their absolute novelty more than by their consequences” | Sociology       | Shows that social innovation does not necessarily have to be something absolutely new. Rather should have an impact. | Disregards social innovation as a normative concept.
|                          |                                                                             |                 | Also, excludes how attitude change in the society can influence social innovation                  |                                                    |
| Mumford (2002, p. 253)  | “The term social innovation... refers to the generation and implementation of new ideas about how people should organize interpersonal activities, or social interactions, to meet one or more common goals.” | Creativity/Psychology | It ensures that the term is not misused in describing what social innovation is not.               | Makes it difficult to measure the effect of social innovation on other variables |
| Goldenberg (2004, p. 1) | “The term ’social innovation’ is used to denote the development and application of new or improved activities, initiatives, services, processes, or products designed to address social and economic challenges faced by individuals and communities” | Social entrepreneurship/Non-profit sector | Denotes that social innovation can help tackle economic issues.                                    | Fails to capture the social outcome aspect of social innovation|
| Adams and Hess (2010, p. 144) | ‘at a practical level, social innovation can be defined as mould-breaking ways of confronting unmet social need by creating new and sustainable capabilities, assets or opportunities for change’ | Public management | Social innovation focal point is on asset building                                                 | Does not consider social needs as a fundamental aspect of social innovation |
| Pot and Vaas (2008, p.468) | “Social Innovation in the Dutch definition is a broader concept than organisational innovation. It includes such things as dynamic management, flexible organisation, working smarter, development of skills and competencies, networking between organisations. It is seen as complementary to innovation” | Innovation      | Underscores social innovation role in improving the quality of work                                  | Lack of clarity on how social innovation is different from organisational innovation. |
technological innovation. Social Innovation is part of process innovation as well as product innovation and it includes also the modernisation of industrial relations and human resource management.”

Murray et al. (2010, p. 3). “Specifically, we define social innovations as new ideas (products, services and models) that simultaneously meet social needs (more effectively than alternatives) and create new social relationships or collaborations.”

Social economy

Typifies social innovation as novel products, services or models

Overlooks the critical stages of social innovation which include implementation and diffusion.

Caulier-Grice et al. (2012, p. 18) “Social innovations are new solutions (products, services, models, markets, processes etc.) that simultaneously meet a social need (more effectively than existing solutions) and lead to new or improved capabilities and relationships and better use of assets and resources”

Public policy

Shows that SI goes beyond the activities of social enterprises.

Also, identifies the complementary nature of social innovation process

Based solely on practice rather than theory building.

Oliveira and Breda-Vázques (2012, p. 522) “Meaning the application of creativity to social purposes”

Creativity/Urban development

Explicitly captures the importance of creativity in social innovation

Fails to identify the specific purpose social innovation aims to achieve

Hochgernier (2012, p. 91) “social innovation may be considered any activity that expands the capability to act (of parts or the whole of society) and enables or leads to concrete action.”

Social economy

Focus on the empowerment aspect of social innovation in society

Appears very vague as it will difficult to capture the meaning of ‘concrete action’

Defourny and Nyssens (2013, p. 40) “The satisfaction of human needs, the relations between humans in general and between social groups in particular, and the empowerment of people trying to fulfil their needs”

Social entrepreneurship/social economy

Captures the empowering circularity associated with social innovation

Ignores the ideas and solutions that propel social innovation
Lehtola and Stahle (2014, p. 162) define societal innovation as (1) an organizational or systemic improvement novel of its kind, (2) located at the interface between the state and civil society, and (3) commonly deployed by stakeholders.

Innovation Fixated on the outcome component of social innovation. Social innovation exists beyond the state and civil society as it occurs across all sectors of the society.

Marques et al. (2018, p. 500) define social innovation as the application of new ideas, irrespective of them being new products, processes or ways of communicating. Politics and Space sees social innovation as need not be new initiative. No specific cause or purpose is attributed to social innovation.

Source: own development
2.5.3. Social innovation as social value creation

This third theme, *social value creation* is derived from a collection of the definitions by authors which to a greater or lesser degree focused on the societal value of social innovations as demonstrated in Table 2.3 (e.g., Phils *et al.*, 2008; Dees and Anderson, 2006). They argued that the creation and diffusion of social innovations is chiefly the duty of organisations whose main purpose is social (Mulgan *et al.*, 2007) and value created accrues more to the society than the individual (Philis *et al.*, 2008).

Further, scholars under this theme somewhat circumvented the social relations focus of early social innovation scholarship by concentrating their attention on the intention of social innovation to meet social needs (Ayob *et al.*, 2016; Mulgan *et al.*, 2007). This suggests that on the one hand, the focus of social innovation is on products/processes, while on the other, it could also focus on empowering people (see Sinclair and Baglioni, 2014). This is because under this theme, the key focus is using social innovation to respond to social problems (ibid) and at the same time developing the capability to create new collaboration that enhances social assets and relationships (see Moularet *et al.*, 2005). Moreover, most of the theoretical definitions compartmentalised in this category are proposed by scholars with business or management-led orientations (Ayob *et al.*, 2016). Nevertheless, while the social change theme acknowledges that not all social innovations can be desirable (Howaldt and Schwarz, 2010), the social value perspective does not categorically spell out if there are undesirable social values. This is because it takes an instrumental standpoint to social innovation (see Cajaiba-Santana, 2014).

Besides, the semantic origin of this theme is within the business scope of social entrepreneurship and management. Additionally, I contend that the range of social innovations under this theme is in two variants; incremental (targeted) and instrumental (see Nicholls, *et al.*, 2015). Firstly, the incremental (targeted) scope are social innovations which purpose is the application of goods and services to tackle prevalent needs in the society in an efficient manner (Nicholls, *et al.*, 2015). Drawing from Marques *et al.* (2018), this can further be sub-divided into two categories; radical or complementary. *Radical* social innovation focuses on significantly changing how products are delivered. On the other hand, *complementary* social innovation is aimed at improving the delivering of products without reshaping the institutional structures in
place. Several non-profits including social enterprises fall under this classification as they use social innovation to capture social opportunities.

Secondly, instrumental social innovation refers to the inclination of participators in communities such as academic, public policy and business to rebrand their extant programmes and activities to social innovation designation without essentially changing their objectives (Marques et al., 2018). This is based on popularity of the term, which has led to an increase in social innovation research and practice (Foroudi et al., 2021). Examples of discourses within this classification are corporate social responsibility, third sector and community development.

Based on these scopes discussed, the social actors under this theme include social entrepreneurs, social innovators and academics in the contexts of social enterprises, think tanks, and research institutions respectively.

**Strengths and limitations of this theme**

*Strengths:* From the review of definitions compartmentalised under this theme, certain strengths were observed. Social innovation is perceived as a value-laden activity by showcasing the possible huge impact of social innovation on the society. The theme paints social innovation as a holistic concept and aptly explicates how social innovation can take the shape of different forms. For instance, under this theme social innovation can be product, services, activities or even an area of discourse. Moreover, social innovation is seen as solutions that replaces the existing solutions in place in a better capacity of effectiveness and efficiency.

*Limitations:* The reviewed definitions in this theme are not without limitations. The definitions appear parochial as it narrows the meaning of social innovation to social value creating activities and fails to show how conflicts in the proposed social relationships will be addressed. From a pragmatic standpoint, it will be difficult to maintain trade-offs between benefits accrued to individuals and that of the society. Additionally, the theme does not clearly articulate the scope for interpretation i.e., identifying the ‘primary’ purpose of organisations. There is the lack of precision on how social problems and needs are determined. Besides, the theme does not provide specifications for attributes that constitute social innovation itself in case there is a need for evaluation. Lastly, there is implicit suggestion from this theme that every business innovation is social innovation.
<table>
<thead>
<tr>
<th>Authors</th>
<th>Definitions</th>
<th>Discipline</th>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dees and Anderson (2006, p.40)</td>
<td>“blend of methods from the world of business and philanthropy to create social value that is sustainable and has the potential for large scale impact.”</td>
<td>Social entrepreneurship</td>
<td>Showcases the possible huge impact of social innovation on the society</td>
<td>Not precise on how problems and needs are determined</td>
</tr>
<tr>
<td>Mulgan et al (2007, p.9);</td>
<td>“Innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly developed and diffused through organizations whose primary purposes are social”</td>
<td>Social entrepreneurship</td>
<td>Explicates how social innovation can take the shape of different forms</td>
<td>Does not clearly articulate the scope for interpretation e.g., especially identifying the ‘primary’ purpose of organisations. No specifications for attributes that constitute social needs in case there is a need for evaluation. Does not recognise that every business innovation is social innovation.</td>
</tr>
<tr>
<td>Phills et al (2008, p.39)</td>
<td>“a novel solution to a social problem that is more effective, efficient, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals”</td>
<td>Social entrepreneurship/social enterprise</td>
<td>Identification of qualifiers that captures the meaning of better in a social innovation context. Practically, it will be difficult to establish a balance between individual and social gains.</td>
<td>Highlights the holistic nature of social innovation. Neglects the process leading to social innovation outcomes.</td>
</tr>
<tr>
<td>Adams and Hess (2010, p.139)</td>
<td>“Social innovation represents a very simple idea – that innovative social action can create social value beyond the capability of existing systems”.</td>
<td>Social Policy</td>
<td>Views social innovation as a value-laden activity</td>
<td>Appears very parochial as it narrows the meaning of social innovation.</td>
</tr>
</tbody>
</table>
Altuna et al. (2015, p. 258)  “Social innovations are defined as innovative products or services motivated by the goal of meeting a social need, with the opportunity to create new social relationships or collaborations.”

| Innovation/for-profit organisation | No special preference to if the value of social innovation is directed towards the individual or the community | Fails to show how conflicts in the proposed social relationships will be treated |

Source: own development
2.5.4 Social innovation as social outcomes

Finally, *social outcomes* theme is derived from a grouping of social innovation definitions accounting for both the attraction and direction of social innovation as a tool for attaining social goals as shown in Table 2.4 (e.g., Hockerts and Wustenhagen, 2010; Pol and Ville, 2009). Hence, this theme is a collection of definitions focused on the explication of the socio-economic purpose and consequences of the social innovation construct, which is the improvement of people’s social life. This suggests that the philosophical stand of this theme leans toward instrumental pragmatism i.e., views that a particular scientific theory (in this case, social innovation) are instruments that are only valuable only when it workable and practicable.

Therefore, definitions proposing social innovation in outcome terminologies, such as pursue one or more common goals, social purpose, improving the macro-quality and quantity of life, improving people’s life, improving well-being and introduce new meanings (see Dawson and Daniel, 2010; Pol and Ville, 2009; Cova and Svanfeldt, 1993) have also been incorporated under this theme. Further, this theme meets the two criteria of novelty and improvement which are useful for evaluating innovation (Phils et al., 2008).

Also, the social outcomes theme is particularly different to the rest of the themes of social innovation since it focuses solely on the ends of social innovation without necessarily highlighting if such ends are the creation of social value or explicating social change as the central aspect of social innovation. Moreover, as the name of the theme implies, the dimension of this theme is outcome i.e., the practicability of social innovation to respond to social and economic challenges (see Ozdemir, and Gupta, 2021). Furthermore, the theme can operate at almost three levels of social innovation i.e., disruptive, institutional, and incremental ranges (see Nicholls et al., 2015).

The semantic origin of the outcomes theme is economics (welfarism) including general innovation disciplines. Besides, social innovations can occur either at an institutional and/or structural levels (Pol and Ville, 2009). Invariably, this implies that for this theme, social innovation can change the market structure or lead to large scale reforms in socio-economic and political structures (see Nicholls and Murdock, 2012). Contextually, social innovation is manifested through institutions from different social,
economic, political, health and cultural sectors through social actors like business organisations, governments etc.

**Strengths and limitations of this theme**

*Strengths:* Evidently, from the review of definitions of social innovation under this theme, social innovation can aid the improvement of life and enhance the capacity of society to act. This demonstrates that the definitions explicitly focus on the social goals of social innovation. Moreover, the definitions also highlight the importance of social innovation in shaping the inherent social and economic system.

*Limitations:* Definitions under this theme takes an instrumental view to social innovation, thereby describing the construct as driven by purpose rather than cause. The use of the term ‘quality of life’ appears vague as is reflected in the lack of specificity on the nature of the product end. Also, the themes capture activities which are not accurately socially innovative but could result in a better life e.g., business innovations. Besides, there is no emphasis on the process that leads to social innovation. Last but not the least, the theme limits social innovation to just novel initiatives and programmes, however, social innovation does not necessarily have to be new. From the foregoing, the table below illustrates the compartmentalisation of social innovation definitions based on their underlying mutuality into the social outcomes theme.
Table 2.4: Overview of social innovation as social outcomes

<table>
<thead>
<tr>
<th>Authors</th>
<th>Definitions</th>
<th>Discipline</th>
<th>Strength</th>
<th>Weakness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holt, 1971 (p.235)</td>
<td>“Social innovation deals with the application of new social patterns of human interaction”, which means in the organizational context &quot;finding new ways for cooperation between people who work and interact in organizations for common objectives&quot;</td>
<td>Innovation management</td>
<td>Explicates social innovation in the organisational setting as a process concept.</td>
<td>Limits the understanding of social innovation to just organisational setting</td>
</tr>
<tr>
<td>Cova and Svanfeldt, (1993, p.311)</td>
<td>A societal innovation should be understood as the process by which new meanings are introduced into the social system</td>
<td>Marketing</td>
<td>Highlights the importance of social innovation in shaping the social system</td>
<td>Limits social innovation to just novel meanings. Social innovation</td>
</tr>
<tr>
<td>Mumford (2002, p. 253)</td>
<td>“The term social innovation… refers to the generation and implementation of new ideas about how people should organize interpersonal activities, or social interactions, to meet one or more common goals.”</td>
<td>Creativity/Psychology</td>
<td>It ensures that the term is not misused in describing what social innovation is not.</td>
<td>Makes it difficult to measure the effect of social innovation on other variables</td>
</tr>
<tr>
<td>Mulgan et al. (2007, p. 7)</td>
<td>Social innovations as “new ideas that work to meet pressing unmet needs and improve peoples’ lives”</td>
<td>Social entrepreneurship</td>
<td>Limits social innovations to only new initiatives</td>
<td>Social innovations are driven by cause rather than purpose</td>
</tr>
<tr>
<td>Pol and Ville (2009, p. 881)</td>
<td>“an innovation is termed a social innovation if the implied new idea has the potential to improve either the quality or the quantity of life… innovations conducive to better education, better environmental quality and longer life expectancy are a few.”</td>
<td>Economics/ socio- economics</td>
<td>Indicates that SI does not need to be practically implemented.</td>
<td>Difficult to define what quality of life means. Also, the definition captures which are not accurately socially innovative but could result in a better life.</td>
</tr>
<tr>
<td>Hockerts and Wüstenhagen (2010, p. 484)</td>
<td>‘the term social innovation can refer to product or process innovations with a social purpose’</td>
<td>Entrepreneurship</td>
<td>Focuses on the goal-driven nature of social innovation</td>
<td>Social innovations are driven by cause rather than purpose</td>
</tr>
<tr>
<td>Social Innovation (SIX) (2010, 18)</td>
<td>Entrepreneurship</td>
<td>Social entrepreneurship</td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>------------------</td>
<td>------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“innovations that are both good for society and enhance society’s capacity to act.”</td>
<td>Gives an outcome outlook to social innovation</td>
<td>Lays emphasis on novelty in social innovation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dawson and Daniel (2010, p. 10)</td>
<td>Social innovation can be broadly described as the development of new concepts, strategies and tools that support groups in achieving the objective of improved well-being”.</td>
<td>However, social innovation does not necessarily have to be new per se.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: own development
2.5.5 Themes of social innovation – a comparison and synthesis

Based on my explication of the four identified themes under social innovation research as provided in the preceding sections, Table 2.5 presents a synopsis and comparison of each theme based on their semantic origin, philosophical grounds, manifestations, dimensionality, social actors, and level/range of activity.

Table 2.5: Contrasts and similarities between the four dominant themes

<table>
<thead>
<tr>
<th>Differentiating characteristics</th>
<th>Social innovation themes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Social change</td>
</tr>
<tr>
<td>Semantic Origin:</td>
<td></td>
</tr>
<tr>
<td>Sociology, urban development</td>
<td>Social economy, public policy</td>
</tr>
<tr>
<td>Manifestation</td>
<td>Social relations and social practices</td>
</tr>
<tr>
<td>Drivers</td>
<td>Social change and inclusiveness</td>
</tr>
<tr>
<td>Dimension</td>
<td>Process</td>
</tr>
<tr>
<td>Contexts</td>
<td>Social movements and social institutions</td>
</tr>
<tr>
<td>Social actors</td>
<td>Political groups, social activists</td>
</tr>
<tr>
<td>Levels/range</td>
<td>Disruptive (Structural)</td>
</tr>
</tbody>
</table>

Source: own development

Further, based on my explication and comparison of these four dominant themes (i.e., social change; impalpable distinction; social value creation; and social outcomes), I argue that the social innovation construct can be considered a cluster concept. Invariably, this implies that the construct embodies and integrates the characteristics.
of these four themes. Consequently, an activity can be considered a social innovation once it demonstrates a particular element of these clustered themes (cf. Maskell and Kebir, 2006).

The use of the cluster tool to represent the social innovation construct succinctly provides the opportunity of exclusively examining the various themes of social innovation either independently or as a collective (see Choi and Majumdar, 2014). Moreover, it vividly illustrates social innovation as a complex phenomenon that is supposedly inclusive and permits the ideals of numerous and conflicting scholarships which in their distinct methods contribute to the construct’s formation. Conspicuously, it can be argued that scholars of social innovation are not naïve of these diverse views related to construct, rather they inherently perceive it as a cluster concept, thereby giving room for accommodating various conceptions of social innovation. Further, the clustering of these themes reveals that there is no exact specification of themes or pillar an innovative idea must meet to be considered a social innovation.

However, the cluster concept is not without limitations. Gaut (2000) contends that the use of cluster concept gives room for indeterminacy of a concept. Also, the complexities surrounding the sub-categories of a concept, in this case, the four themes - social change; impalpable distinction; social value creation; and outcomes -, if not well managed can result in ambiguity (see Mair and Marti 2006). These submissions lend credence to why several scholars consider social innovation as a polysemic phenomenon (e.g., Angelidou and Psaltoglou, 2017; European Commission, 2013).

Further, these complexities surrounding the theoretical construction of social innovation (see Foroudi et al., 2021; Cajaiba-Santana, 2014) indicates that the social innovation is at a pre-paradigmatic stage where a specific phenomenon is attributed different interpretations by scholars (Montgomery, 2016). Kuhn (1970) suggests that paradigm-directed or paradigm-shattering studies should begin by identifying the different epistemological scholarly base of its focal construct. Therefore, I have reviewed the fragmented existing studies on social innovation to provide a mutual understanding and epistemological base for the construct (see Lehner and Kansikas, 2013).

---

7 Indeterminacy is a shift between the specific designations of a concept.
Consequently, this section of the thesis has compared and provided a synthesis of the emerging four dominant themes of social innovation from the analysis of existing scholarships on the meaning of the construct. In this section, I outline the focus of this present PhD investigation.

2.6 The focus of this present research

Based on the social innovation schema (i.e., Figure 2.2) conceptualised in this chapter, I argued that the social innovation construct in the existing literature is mainly built on four dominant themes - social change, impalpable distinction, social value creation, and social outcomes.

For this PhD investigation, I focus on the social value creation theme within the social entrepreneurship frame of reference (see Tracey and Stott, 2017; Dacin et al., 2011). The justification for this decision is based on two main reasons. First, the theoretical roots of social innovation as a social value creation lies with the instrumental view of the construct as driven by communities of social actors using the presence of social problems and opportunities to position the activities of their social ventures and third sector organisations including social enterprises. Impliedly, this makes social innovation a social value creating activity for meeting the needs of the society as well as improving the competitive position of their organisations (see Ko et al., 2019).

Second, several scholars (e.g., Bacq and Janssen, 2011; Dees and Anderson, 2006) have suggested that social innovation is a school of thought within the social entrepreneurship domain. Accordingly, both social entrepreneurship and social innovation have a ‘shared understanding’ as social value creation activities (Phillips et al., 2015; Austin, et al., 2006). This further lends credence to social entrepreneurship as the capability to create and enhance social value creating opportunities (Dwivedi and Weerawardena, 2018; Mort, Weerawardena and Carnegie, 2003).

Besides, I am conducting this research within a business school, where the concept of social entrepreneurship and social enterprises have become well established as a legitimate academic discipline (see Turpin and Shier, 2020; Peredo and McLean, 2006). Therefore, this suggests that it essential to focus this PhD thesis on the social value creation theme under the field of social entrepreneurship.

In the following sections, I review the different existing research streams on the antecedents, environmental factors, and consequences of social innovation.
2.7 Existing research on antecedents of social innovation

With the incremental nature of social innovation (Nicholls, *et al.*, 2015), a considerable stream of research has begun to explore the factors that support or hinder the development of social innovation (see Svensson, Andersson, Mahoney and Ha, 2020). Research within this stream can be categorised into three constituents: studies focused on the internal conditions (e.g., Shier *et al.*, 2019), external/stakeholder conditions (e.g., Segarra-Ona, Peiró-Signes, Albors-Garrigós and Miguel-Molina, 2017) and lastly, studies highlighting both the internal and external conditions affecting social innovation (e.g., Svensson and Hambrick, 2019; Zur, 2016). These corroborate with two prime factors – characteristics of the organisation/entrepreneur and external environment – which the general innovation literature has advocated is responsible for innovation (see Damapour, Walker and Avellaneda, 2009). Further, this stream of social innovation research has been conducted in divergent settings including nonprofits (e.g., Shier and Handy, 2016), universities (e.g., Benneworth and Cunha, 2015), and social enterprises (e.g., João-Roland and Granados, 2020). In this review chapter, I have aggregated the different existing studies focusing on antecedents of social innovation based on certain commonalities and grouped them into two categories: individual-related and organisational-related antecedents.

*Individual-related antecedents*

These are factors that relates to the characteristics of the social entrepreneur and/or social innovator in organisations. Zur (2016) suggest that these individual-related characteristics mainly consists of three subfactors: compassion, sociological imagination, and cognitive abilities. Previous research studies underscore the importance of compassion by suggesting that it influences how individuals react to opportunity recognition within the social entrepreneurship process and context (Grimes, McMullen, Vogus, and Miller, 2013; Dees, 2007). This is because it facilitates the channelling of social entrepreneurs’ awareness in the direction of socially oriented projects (Zur, 2016). The second factor, sociological imagination in this context provides the social entrepreneur with the ability to identify and analyse patterns of a social problem (Zur, 2016). Prior literature has suggested that sociological imagination aids in understanding the links between personal experience and the social problems in real-world contexts (e.g., VanderPlaat, 2016; Mills, 1959).
The third individual-related characteristics are cognitive abilities. Extant research has empirically suggested that cognitive abilities such as the social entrepreneur bricolage is positively related to the development of catalytic social innovations (Kickul, et al., 2018). Also, Rodríguez and Guzmán (2013) findings showed that entrepreneurial experience is important for developing innovations in Spanish social economy enterprises. Besides, Zur (2016) argues that entrepreneurial mindset enables the social entrepreneur to utilise information gathered jointly through compassion and sociological imagination to identify opportunity and develop innovative ideas for social innovation.

Organisational-related antecedents
These are factors in existing studies that relate to the operations, structures or leadership elements within an organisation which act as antecedents of social innovation. I have divided these organisational-related antecedents into two; operational-based antecedents and leadership-based antecedents.

Operational-based antecedents: The diverse operations and processes of an organisation has been attributed as elements that influence the development of social innovation (Svensson and Hambrick, 2019; Shier and Handy, 2015a). According to Shier and Handy (2016a), the internal operations and practices of organisations such as nonprofits function as elements that drive their innovative responses to societal problems. Different conceptions have been developed regarding what these operational elements are. These conceptions include intrafirm elements such as organisational procedures, staff engagement, organisational cohesion (Shier et al., 2019) as well as staff hiring and development (Shier and Handy, 2016a).

Specifically, extant research has examined the intraorganisational conditions influencing social innovations (Svensson and Mahoney, 2020). For instance, Shier et al. (2019) using a survey of 165 human service nonprofits, empirically suggests that organisational procedures, staff engagement and organisational cohesion - positively predicted three forms of social innovation – product, process, and socially transformative social innovations. Further, previous studies also shows that appropriate internal structure and staff development practices can favourably influence social innovation within nonprofits (Svensson and Mahoney, 2020; Shier and Handy, 2016a).
Prior research also suggests links between an organisation’s culture and social innovation (e.g., Svensson and Mahoney, 2020; Parischa, Singh and Verma, 2018). For instance, Herrara (2015) argues that having corporate values that encourage risk and experiments can lead to social innovation. de Wit, Mensink, Einarsson and Bekkers’ (2019) findings suggest that an organisation’s structure can inspire volunteers to contribute to social innovation. Further, previous scholarship has suggested that factors related to type of innovation orientation could trigger social innovation (Bulut, Eren and Halac, 2013a). Particularly, the innovation typology boundary within an organisation can relate to social innovation in a context of strategic dependence (Segarra-Ona et al., 2017) as it is difficult to separate such innovation patterns from the activities of organisations (Martinez-Ros and Labeaga, 2009). Further, Segarra-Ona et al. (2017) findings revealed that both product innovation-oriented and process innovation-oriented activities significantly contribute to social innovation, with the process innovation orientation contributing more to the explication of social innovation.

Moreover, Altuna et al., (2015) demonstrate that structural ambidexterity and integrating corporate social responsibility into the business strategy are key antecedents that could drive social innovation. Also, their qualitative study also demonstrates that utilising principles of open innovation to engage with stakeholders may increase the speed of social innovation, particularly in profit-making organisations (ibid).

Further, Svensson et al., (2020) empirically show that innovative capacity can positively influence the social innovation efforts of sports development and peace organisations. Also, empirical findings from Dwivedi and Weerawardena (2018) study of US-based social purpose organisations indicates that social entrepreneurship orientation is a significant predictor of social innovation. Besides, extant research suggest that social finance is a driver for scaling social innovation (Moore, Westley and Brodhead, 2012). For instance, Geobey, Westley and Weber’s (2012) exploratory study suggests that social finance aspect such as developmental impact investing may likely drive the ability of social entrepreneurs to engage in social innovation.

Further, existing studies have also examined drivers of social innovation from a resource perspective. For instance, Ko et al., (2019) suggest that social
entrepreneurial passion can positively influence social innovation performance of social enterprises when channelled through their creative solution capability. Bhatt and Ahmad’s (2017) qualitative findings reveal that investee founders leverage on human and social capital to mobilise resources and capabilities for developing financial social innovation in the rural Indian context. Also, prior findings from Sanzo-Perez et al., (2015) demonstrate that internal market orientation and information and communication technology competence are directly and significantly associated to social innovation. Besides, drawing from Hartman, Tower and Sebora’s (1994) argument that the innovation process is birthed through an idea, Segarra-Ona et al. (2017) position network of innovation information sources as a factor that can trigger social innovation particularly in strengthening the nexus between the environment and an organisation’s activities. Their research results indicate a positive significant effect of innovation information sources on social innovation. Also, Kannampuzha and Hockerts’ (2015) research findings predicted that a stakeholder driven decision and willingness to share knowledge freely are positively related to social innovation logic in both mature social enterprises and nascent social entrepreneurs.

**Leadership-based antecedents:** Leadership is a vital cog in every organisation interested in developing a culture of social innovation orientation (Mulgan et al., 2007). Indeed, the behaviour of leaders is considered a key element for an effective organisational culture (Demirtas and Akdogan, 2015). Hence, leadership is imperative in directing social change-induced social innovation (see Shier and Handy, 2016a). For example, in situations where leaders are keen on questioning the existing conditions within their organisation’s environment, previous scholarship on leadership within nonprofits has suggested that leaders play a key part in driving the social purpose values of their organisation (Constandt and Willem, 2019).

Prior research suggests that leaders can become innovation champions that influence the development of social innovation by their organisations (Molloy, Bankins, Kriz and Barnes, 2020). Shier and Handy’s (2016) qualitative findings identified executive leadership as a driver that supports the engagement of social innovation within nonprofits. They contend that executive directors play three major roles in social innovation: that “having a social orientation, taking responsibility for social change efforts and undertaking a facilitative role for social change efforts” (ibid, p. 127).
Furthermore, board involvement in the governance of nonprofits can also have an influence on social innovation. Observations from Shier and Handy (2016a) also show that board involvement and governance of nonprofits takes a central role in determining the overall direction of social innovation initiatives and programmes, especially on advocacy issues or supporting employees who have identified areas of social needs within the society.

Recently, researchers have begun to recognise the importance of ethical leadership in driving social goals in social enterprises (Parischa, et al., 2018). Parischa and Rao (2018) argue that ethical leaders through promoting a sense of altruism in social enterprises and enhancing the concern for society among employees foster the engagement of social innovation. Their study findings revealed a direct positive linkage between ethical leadership and social innovation in social enterprises. Also, qualitative observations from Svensson and Mahoney (2020) indicates that leadership is a vital intraorganisational condition for developing successful social innovation.

Together, these two categories of factors - individual-related and organisational-related antecedents constitute the antecedents identified from extant literature that triggers the development of social innovation within social purpose organisational forms. In the following section, I review the consequences (outcomes) of social innovation.

2.8 Existing research on consequences (outcomes) of social innovation

Social innovation has divergent consequences for various stakeholders including the focal organisation, the society as well as other parties. Here, the consequences of social innovation have been categorised into two - (i) organisational consequences, and (ii) societal consequences - from my review of extant mainstream literature.

Organisational consequences

Prior research suggests that social innovation is a key component of social enterprises’ initiatives and processes (Phillips et al., 2019; Maclean, Harvey and Gordon, 2013). Generally, the extant literature suggests that social innovation is key for the development of competitive advantage for organisations (Herrara, 2015). Ko et al., (2019) supporting these assertions, indicate that social innovation is likely to play the same role within the context of social enterprises.
For example, Segarra-Ona et al (2017) argue that social innovation can facilitate the reduction in cost and improvement of organisational process in organisations, thereby contributing to corporate sustainability. Such argument is built on the premise that corporate sustainability is mainly driven by social actions relating to environmental and social crises (see Lozano, 2015). Furthermore, existing studies have suggested social innovation as a means of achieving social impact (Voltan and De Fuentes, 2016). For instance, based on a sample of 245 mature social enterprises and 441 nascent social entrepreneurs, Kannampuzha and Hockerts (2015) empirically found that social innovation positively predicted perceived social impact. Sanzo-Perez et al.’s (2015) findings demonstrated that social innovation is significantly related to organisational performance through gaining access to new targets. This corroborates Bouchard’s (2012) argument that social innovation broadens the range of an organisation’s offerings to market segments not earlier covered. Also, empirical findings from Svensson et al. (2020) in their survey of 817 sports development and peace organisations, shows that social innovation practices can strengthen organisational performance.

Societal consequences

Previous research has for long contended that social innovation is a tool that social enterprises can use to attain certain societal outcomes (Von Jacobi, Edmiston and Ziegler, 2017; Maclean et al., 2013). Exploratorily, earlier studies have positioned social innovation as a fundamental driver of sustainability (Baker and Mehmood, 2015), such as sustainable consumption (e.g., Jaeger-Erben, Rückert-John and Schäfer, 2015). Also, observations from Batle, Orfila-Sintes and Moon (2018) suggest that social innovation programs can aid in fostering environmental sustainability.

Moreover, Kolk and Lenfant (2015) research findings shows that alliances built on the precept of social innovation can help close institutional gaps and manage conflict tensions among communities through community development. Likewise, Maestripieri’s (2017) findings indicates that social innovation minimises social and economic gaps by promoting women participation in societies. Furthermore, von Jacobi and Chiappero-Martinetti (2017) using the Extended Social Grid model lens indicate that social innovation contributes to improvement in autonomy of individual and community beneficiaries. Similarly, previous research has shown that local development is a consequence of social innovation. For example, prior studies
demonstrate that social innovation has led to sustainable urban development and governance (e.g., Angelidou and Psaltoglou, 2017; Gerometta, Hausermann and Longo, 2005), and regional and community development (e.g., Quandt et al, 2017; Kolk and Lefiant, 2015). Also, Edward-Schachter, Matti and Alcântara (2012) suggest that social innovation helps to improve the quality of life.

Summarily, while the preceding paragraphs have highlighted the organisational and societal consequences of social innovation, research on social innovation and its outcomes especially in social enterprises remains scarce. In the next section, I review external factors within the organisational environments that affects social innovation.

2.9 Environmental-led factors of social innovation in existing studies

A range of exogenous drivers has been attributed to shaping when and how social innovations are developed and actualised (Bekkers, Tummers and Voorberg, 2013) since it is perceived as a context-dependent construct (Phils et al., 2008). Several scholars have highlighted the influence of an organisation's task environment and institutional conditions on social innovation, especially taking into consideration the social oriented nature of social innovation, in terms of networks and collaborations (Phillips et al., 2019; Voltan and De Fuentes, 2016).

Task environment dynamics

Prior studies have highlighted the role of task environment/inter-organisational dynamics in form of resource dependence in driving social innovations in social ventures (Bekkers et al., 2013; Rodríguez and Guzmán, 2013; Guo and Acar, 2005). For instance, Shier and Handy (2015a) investigated the role of inter-organisational environment dynamics such as collaboration, funding, and organisational demographics on social innovation. Findings revealed that interconnectivity of collaborations is a valuable predictor of social innovation. This is consistent with Nicolopoulou, Karataş-Özkan, Vas and Nouman’s (2017) observation that collaborations and networks foster social innovation in social incubations. Additionally, Shier and Handy (2016a) demonstrate that funders support and degree of marketisation positively predicted the extent to which nonprofits partake in social innovations. Organisational demographics such as size and age were also found to affect social innovation programs and initiatives of organisations (ibid).
Furthermore, prior studies suggest linkages between external relations with stakeholders and social innovation (e.g., Svensson and Hambrick, 2019; Zhang et al., 2017). Previous research indicates that external stakeholders in cross-sectorial partnerships (CSP) competitiveness can help scale social innovation of social enterprises (e.g., Rey-Garcia, Calvo and Mato-Santiso, 2018; Le Ber and Branzei, 2010). Also, Voltan and De Fuentes’ (2016) findings suggest that organisational partnership logics such as flexibility and autonomy can influence the extent to which social innovations can take shape in social enterprises. Besides, empirical findings from Phillips et al., (2019) demonstrate that the stakeholder linkages for identifying innovation opportunities can significantly influence the social innovation of social enterprises.

*Institutional conditions*

Extant studies suggest that external institutional pressures possibly serve as an influencing element of social innovation. Sanzo-Perez et al., (2015) point to the nature of institutional environment within social innovation activities as a possible moderator of social innovation-performance of organisations. For instance, extant literature contends that institutional pressures such as isomorphism (see Deephouse, 1996) and legal culture encourages organisations to adopt new ways of thinking and processes, which directly influences social innovation (Bekkers et al., 2013). However, there are few empirical research studies examining the possible role of institutional conditions on social innovation. The next section presents a review of moderators in extant literature that may influence social innovation.

### 2.10 Moderators of social innovation in existing studies

In this section, I discuss the few moderating variables identified from existing research that explains or directs the strength of the relationship between social innovation and other variables.

Several scholars have suggested that the development of social innovation is likely to be strengthened or constrained by social capital (Parischa and Rao, 2016; Zur, 2016). Besides, extant literature suggests that social capital captures the linkages between social relations and networks among organisations which can enhance the innovativeness and performance of social enterprises (Parischa and Rao, 2018; Rodrigues and Guzman, 2013). Specifically, perceived social capital has been considered as an intervening variable of social innovation in social enterprises.
(Parischa and Rao, 2018). The key argument in this relationship is that perceived social capital can aid in explaining the links between ethical leadership and social innovation, hence, a leader’s characteristics influences the perceptual process of employees’ social capital, these perceptions spur the pursuit of social innovations. Their findings suggest that perceived social capital is directly linked with social innovation. Additionally, Nicolopoulou et al.’s (2017) study suggests that social capital plays an influential role in the relationship between social innovation and incubation activities of social incubations.

Sanzo-Perez et al (2015) contend that the *degree of social acceptance* which indicates the extent to which a social innovation is supported by its stakeholders could affect the construct’s linkage with other antecedents or outcomes in the organisation. This may be because the presence of support of end-users is a key success factor of social innovations (Bekkers et al., 2013).

Moreover, Parischa and Rao (2016) theoretically proposed that employees’ psychological capital is positively related with social innovation. They argue that when organisations invest in psychological capital, this could spur their employees to develop an inclination for social innovation. This can in turn boost organisational outcomes. Also, prior research conceptually suggests that resilience, which is a component of psychological capital contributes to social innovation (Westley, 2013).

Essentially, this line of research has provided theoretical arguments and empirical evidence that show how moderating variables may influence the direction of the relationship between the antecedents-social innovation, and social innovation-consequences in extant literature.

In the following section, I review the existing measures of social innovation in the extant literature.

### 2.11 Assessing existing measures of social innovation

A review of mainstream literature on social innovation reveals that major extant studies mainly approached the construct from an interpretive and qualitative perspective (see Fursov and Linton, 2022; De Wit et al., 2019; Herrara, 2016). However, very few studies exist on measuring of social innovation, albeit with inconsistent and different methods of evaluating the construct (e.g., Segarra-Ona et al., 2017). A reason for this can be the discord on the nature of the social innovation (Taylor et al., 2020; Edwards-Schachter and Wallace, 2017). Particularly, I identify six different social innovation
measures in extant mainstream literature (see Table 2.6 below). I also discuss these measures in the paragraphs below.

**Table 2.6: Existing measures of social innovation**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Dimensionality</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social innovation tendency</td>
<td>Unidimensional</td>
<td>Bulut, Eren and Halac (2013b)</td>
</tr>
<tr>
<td>Social innovation typology</td>
<td>Multidimensional</td>
<td>Shier and Handy (2015b)</td>
</tr>
<tr>
<td>Degree of social innovation</td>
<td>Multidimensional</td>
<td>Dwivedi and Weerawardena (2018)</td>
</tr>
</tbody>
</table>

Bulut, Eren and Halac (2013b) developed a one-dimensional social innovation tendency with 8 items using responses from 767 Turkish university students. Likewise, Ko et al (2019) in measuring social innovation drew on studies from for-profit enterprises to adapt a one-dimension social innovation performance. Additionally, Segarra-Ona et al. (2017) measures social innovation as a one-dimensional scale based on indicative data from Spanish National Statistics Institute survey of 5933 Spanish organisations. Nevertheless, the focus on unidimensional measure of social innovation is a key critique of the above-mentioned studies as they may not exhaustively articulate the true nature of the construct.

Prior research suggests that the social innovation construct is multidimensional (e.g., Foroudi et al., 2021), hence, scholars have begun to focus on such measures in their studies. For instance, Dwivedi and Weerawardena (2018) operationalised social innovation with two-dimensions consisting of ‘service’ and ‘product’ innovation without a rigorous scale development approach. Additionally, the measure neglects the ‘social’ side of social innovation and is a typology of organisational innovation (see Weerawardena, 2003). Also, Sanzo-Perez et al. (2015) employed the Oslo Manual OECD/Eurostat (2005) indicators of innovation as a proxy for measuring social innovation initiatives of Spanish service firms. This measure consisted of four dimensions of; product innovations, process innovations, marketing innovations and organisational innovations. However, this measure has yet to be used in other studies on social innovation. Further, Shier and Handy (2015b) developed a multidimensional
measure of social innovation consisting of socially transformative social innovations, product-based social innovations, and process-based social innovations. However, this measure is also a substitute of the typology of social innovation based on the U.S nonprofits context (see Shier et al., 2019).

Therefore, the reviewed unidimensional measures suffer from construct deficiency (i.e., lacking important dimensions) as they mainly fail to capture the dimensions of the social innovation construct (see El-Akremi et al., 2018). For the multidimensional measures of social innovation, they mainly focus on the typology of social innovation without regards to the higher-order multidimensional nature of the construct (Edwards, 2001). Besides, the multidimensional scales reviewed also fail to give detailed report of the scale development process, thereby making their generalisation to other studies very difficult as there is no evidence to support their psychometric properties such as their convergent and discriminant validity (Golossenko, Pillai and Aroean, 2020).

Together, although these measures of social innovation may have contributed to extant literature, achieving content and construct validity remains an issue because of the poor conceptualisation of social innovation in these studies. Hence, it is imperative that a study’s measure of a construct have a fit with its theoretical underpinnings and intention, as this boosts the content validity of the measure.

In the following section, I elaborate the inherent knowledge gaps I have identified from the extant literature on social innovation based on the integrative review I conducted in this chapter.

2.12 Identification of research gaps

Following my review of extant literature, it is clear that existing studies have helped to galvanise interest about the social innovation construct. Also, this review chapter has demonstrated social innovation is a key activity of social purpose organisations such as social enterprises (João-Roland and Granados, 2020; Phillips et al., 2019). Therefore, the key contribution of this review is that it provides an integrative and consolidated view of the fragmented and inconsistent previous research relating to social innovation. This serves as a future guide for this research to advance knowledge in the social innovation discipline.

Accordingly, this review of existing literature unveils several research gaps related to the social innovation construct. First, the theoretical literature on social innovation is
highly fragmented (Foroudi et al., 2021; van Wijk et al., 2019; Cajaiba-Santana, 2014) which begs the question of how one can apparently articulate the complex nature of the construct. Such fragmentation has contributed to the ambiguous nature of the construct (Angelidou and Psaltoglou, 2017) and some scholars dropping social innovation as a scientific construct (Moulaert et al., 2013). Further, the review of literature illustrates a lack of unified definition for social innovation, which suggests the construct is in a pre-paradigmatic stage and lacks a broadly accepted theoretical basis (see Newbert and Hill, 2014). This limits the rise of a community of scholars attempting at linking social innovation as a social value creation within the scope of social enterprises to establish a strong paradigm (see Gartner 2001). Therefore, developing a more unified definition of social innovation could be a first step in laying a strong theoretical foundation for social innovation within the social entrepreneurship domain.

Conspicuously, existing research studies have used different methods in investigating the social innovation construct and its measurement and/or operationalisation in different settings. Besides, only a handful of studies to my knowledge have particularly focused on developing an umbrella measurement scale for social innovation and unmasking the multidimensionality of the construct, with social innovation in some research being perceived as a unidimensional construct (e.g., Ko et al., 2019; Bulut, et al., 2013b). Such a measure does not comprehensively uncover the multidimensional nature of social innovation as a construct. In this regard, the more recent instrumental views shared by scholarships on social innovation suggests that a multidimensional approach to the construct is needed, as it is largely perceived within the social entrepreneurship domain (see Gupta, Kumar, and Karam, 2020; Dwivedi and Weerawardena, 2018). This suggests that a more precise factor structure is necessary for the scale that intends to measure the social innovation construct.

Consequently, questions arise such as what is the true nature of social innovation? What does its multidimensionality imply? Particularly, how can we measure and model social innovation in such a way that we can comprehensively illustrate its dimensions? These questions remain to a large extent unresolved, which has contributed to the limited growth and understanding of the social innovation construct within the academic and social enterprise community. Based on this paucity of conceptual clarity and the need for an empirical operationalisation and measure of social innovation, I outline the first research question of this thesis as:
1) *What is the nature of social innovation in social enterprises and how can it be conceptualised?*

Further, it is equally imperative to identify the antecedents of social innovation within the social enterprise context. Hence, another gap I identified from the reviewed literature relates to the antecedent conditions (i.e., drivers) favouring and/or hindering the development of social innovation. The review in this chapter revealed that a collection of different factors in extant literature has been attributed as antecedents of social innovation, albeit in contexts such as for-profit organisations (e.g., Altuna et al., 2015) and nonprofits organisations (Shier *et al.*, 2019; Svensson and Hambrick, 2019).

Moreover, exploring the conditions driving social innovation in social enterprises has become a necessity (Ko *et al.*, 2019; Shier *et al.*, 2019). However, it is not specifically clear what these antecedents might be, as extant literature gives theoretical suggestions (see João-Roland and Granados, 2020; Vezina, Selma, and Malo 2018; Zur, 2016) without empirical backing. Besides, several authors have pointed out that while much on what social innovation is has been discussed, there is relatively little interest being paid to antecedent conditions that influence the construct within social enterprises (Taylor *et al.*, 2020; Philips *et al.*, 2015). Undoubtedly, this can limit the proponents of the construct (Mulgan *et al.*, 2007).

Therefore, I argue that very little is empirically known to date on the antecedent factors that make the social innovation construct more or less appropriate. It becomes important to identify and explicate the antecedents driving social innovation. Hence, I express the second research question of this study as:

2) *What are the antecedents favouring or hindering social innovation in social enterprises?*

Finally, previous research has demonstrated the crucial role of social innovation in the society as well as its impact on organisations (e.g., Gupta *et al.*, 2020; Rayna and Striukova, 2019; Sanzo-Perez *et al.*, 2015). However, regardless of the several postulations on the consequences of social innovation and the growing number of studies and discourses surrounding the social innovation construct within the social entrepreneurship landscape, empirical evidence on key relationships between social innovation and organisational-related outcomes of social enterprises remains nascent (Svensson *et al.*, 2020; Lee *et al.*, 2019; Phillips *et al.*, 2015).
Imperatively, due to limited quantitative driven attention to social innovation within the social enterprise context, very little is known about the potential consequences of engaging in social innovation with reference to social enterprises. Plainly, most of the literature in this area is less developed, more exploratory and focuses on conceptual linkages between social innovation and its outcomes within social enterprises (e.g., Cui et al., 2017; Parischa and Rao, 2016). Thus, providing empirical answers to this knowledge gap is crucial as it will uncover additional organisational outcomes related to social innovation. Thus, I outline the third research question of the thesis as:

3) **What are the organisational related outcomes of social innovation in social enterprises?**

Therefore, to the best of my knowledge, there is a lack of research that has empirically examined and operationalised social innovation as a construct within a nomological network of antecedents and outcomes (consequences) within the social enterprise settings. Hence, this study seeks to address this knowledge gap by conceptualising, refining and operationalising the social innovation construct. Additionally, I also seek to investigate the antecedents as well as the organisational-related outcomes of the construct in social enterprises.

### 2.13 Summary

In this chapter, I reviewed the existing literature on social innovation using an integrative review approach (see Cronin and George, 2020). Specifically, I identified and explained the different themes that extant research has delineated social innovation into. Also, I reviewed the antecedents, environmental factors, moderators, and consequences of social innovation as espoused by existing studies. This led to my development of an integrative review model that captures the existing state of knowledge in social innovation research.

However, this drew my attention to the unknown within the social innovation domain particularly with reference to the social enterprise context, which led to the three research questions/knowledge gaps I seek to address in this PhD thesis. In the next chapter, I elaborate on the overall research approach taken to conduct this research.
CHAPTER 3
OVERALL RESEARCH APPROACH

3.1 Introduction
This chapter presents the overall research approach used to answer the research questions of this study. I begin by discussing the research philosophy, and thereafter outline the research design used to collect and analyse the empirical data. Finally, I discuss and justify the chosen research setting for the PhD investigation.

3.2 Research philosophy
Every research inquiry is guided by certain paradigmatic beliefs and assumptions that explains how the world is understood by the researcher and directs how the research question(s) is investigated (Creswell and Creswell 2018; Guba and Lincoln, 2005). Research philosophy is a ‘system of beliefs and assumptions about the development of knowledge’ (Saunders, Lewis and Thornhill, 2019, p. 124). These beliefs and assumptions represent a researcher’s worldview on the nature of reality (ontology), the position of knowledge in the reality (epistemology), and how knowledge about the reality is acquired (methodology) (Creswell and Plano Clark, 2018).

3.2.1 Ontology
Ontology is the aspect of research philosophy that is concerned with the nature of reality and truth (Morgan, 2007). It raises questions about the nature of social entities and what can be known about it (Creswell and Plano Clark, 2018; Guba and Lincoln, 1994). The two main perspectives to understanding the reality of social entities are objectivism and subjectivism (Bell, Bryman and Harley, 2019).

Objectivism is the ontological orientation that truth and meaning of the social world exists outside social actors and is independent of the human influence (Bell et al., 2019). The objectivist view to social world is developed from the natural sciences and claims that reality is a concrete structure that is not influenced by contextual factors (Saunders et al., 2019).

On the contrary, subjectivism views the social world as a socially and historically constructed reality shaped through the interactions of social actors and “within the realm of their own immediate experience” (Morgan and Smircich, 1980, p.494). In
subjectivism, reality of the social world is a projection of the human mind (Cunliffe, 2011) and meaning is in a state of continuous revision (Saunders et al., 2019).

For this research, I have taken the ontological orientation that there are multiple realities in the social world as reality is “personal” (Rosenau 1992, p.22) based on two reasons. First, I consider social innovation a relativist construct which demonstrates the increasing discourse it is generating in the society as well as highlight the breadth of issues influenced by the construct (see Fouroudi et al., 2021). Accordingly, the reality of social innovation could be a ‘work in process’ (see Farjoun, Ansell and Boin, 2015), where the construct may be interpreted in distinct categories and dimensions by social actors (Saunders et al., 2019; Glynn and Navis, 2013).

Second, the multiple realities stand I have taken in this research ensures I can understand the research topic within its social context (Morgan, 2014; Guba and Lincoln, 1994); that is acknowledge not only the experiences of those being studied but also the subjective experience of the researcher while utilising the knowledge gleaned to objectively predict the actions of those being studied. This helps to yield explanatory value for the PhD research as it assists in overcoming the perceptual limitations of using a single reality perspective (Wynn and Williams, 2012).

3.2.2 Epistemology

Epistemology is “a way of understanding and explaining how I know what I know” (Crotty, 1998, p. 3). It is concerned with how people theorise what reality is about. Thus, epistemology focuses on what is or what should be regarded as acceptable knowledge in a discipline and how the knowledge can be communicated (Burrell and Morgan, 2016; Creswell, Goodchild and Turner, 1996). Existing literature indicates that there are four major epistemological worldviews (philosophies) that guide assumptions about the nature of knowledge; including positivism, interpretivism, critical realism and pragmatism (Saunders et al., 2019; Denscombe, 2008; Morgan, 2007).

3.2.2.1 Positivism

Positivism draws on the philosophical stance of the natural sciences and entails working with an observable social reality to produce law-like generalisations. Positivists perceive ‘reality’ as external, determined largely by laws of cause and effect and not influenced by idiosyncrasies of the researcher (Bell et al., 2019). Thus, positivism takes an objectivism ontology to research, believing that a phenomenon
can be directly observed and objectively measured to uncover the truth about social reality (Sekaran and Bougie, 2016). The goal of positivist researchers is to generate and test hypotheses about a phenomenon to verify or refute a theory about it. However, positivism is mainly criticised for a ‘naïve realism’ approach to knowledge by ignoring the impact of context and human experience in producing knowledge (Guba and Lincoln, 1994). This promotes epistemic fallacy by reducing reality to what can only be empirically known (Bhaskar, 2008).

### 3.2.2.2 Interpretivism

Interpretivism is perceived as the opposite to the naïve realism view of positivism and does not consider there is an objective truth in the social world. Rather, interpretivism seek to provide an understanding of the rules people utilise to give meaning to the social reality by exploring what goes on in peoples’ mind based on their interactions and experience (Sekaran and Bougie, 2016). Thus, interpretivism encourage researchers to position themselves in the research study and make sense of the meanings of a phenomenon based on the research participants’ views about the world (Creswell and Creswell, 2018). In an interpretivist approach, knowledge is jointly created from the relationship between the researcher and the research participants. Accordingly, interpretivists often follow a qualitative approach and believe that reality is constantly evolving and discerned in multiple ways through interactions (Goldkuhl, 2012). Therefore, reality is socially constructed in the minds of social actors and is heavily influenced by human or contextual factors. However, it is criticised because it seeks to understand the meaning of social reality based on a small sample size, which makes generalisation of findings difficult (Cohen, Manion and Morrison, 2018). Also, bias manifests in an interpretivist research’s findings as it is influenced by the researcher’s own interpretation or ways of thinking (Goldkuhl, 2012).

### 3.2.2.3 Critical realism

The critical realism worldview emanated in the 1970s as a response to the ‘philosophical wars’ between positivism and interpretivism (Mingers, Mutch and Willocks, 2013; Denzin and Lincoln, 2011). Critical realism was developed by Roy Bhaskar (Bhaskar, 1979) and contends that social reality is a multidimensional open system where knowledge is produced through interrelations between human agency and social structures (McEvoy and Richard, 2006; Reed, 2005). Critical realism closely follows a positivist ontology of objectivism and an interpretivist epistemology that social
reality can be interpreted in multiple ways (Creamer, 2018: McEvoy and Richard, 2006).

Thus, critical realism follows a positivistic realist ontology to gain knowledge about underlying causal mechanisms of a social event and their potential consequences to explicate how things work in the social world (Lawani, 2021; Bhaskar, 2008). This does not align with the ontological view I have taken in this research that there are multiple realities which can influenced by contextual factors. Further, critical realism is mainly suitable to research that involves in-depth historical assessment of social and organisational structures and how these entities experience change over time (Reed, 2005), which is beyond the focus of this PhD thesis. Also, critical realism is critiqued on the grounds that it does not concern itself with making predictions (Backhouse, 1998), only paying attention to the underlying causal mechanisms of events (Wynn and Williams 2012; Moura and Martins 2007).

3.2.2.4 Pragmatism

Pragmatism is a real-world oriented philosophy that deals with applying methods that work to solving research problems and understanding consequences of actions through employing pluralistic approaches (Creswell and Creswell, 2018). It seeks address the dilemma between the dualist views of objectivism versus subjectivism using the credo of ‘what works’, thereby setting aside debates about philosophy (Creamer, 2018; Johnson and Onwuegbuzie, 2004). Hence, pragmatism accommodates the diverse philosophical worldviews by encouraging researchers to focus on the research question rather than paradigmatical differences (Harrison and Reilly, 2011; Teddlie and Tashakkori, 2009).

Therefore, pragmatism is perceived as a properly integrated methodology that incorporates both qualitative and quantitative methods to generate knowledge for understanding the social world (Creswell and Plano Clark, 2018; Feilzer, 2010). Thus, it harnesses the merits of both qualitative and quantitative research, ensuring that researchers are not “the prisoner of a particular [research] method or technique” (Robson, 1993, p. 291). Further, it relies on abductive reasoning by providing room for the researcher to move back and forth between theory and data to achieve a situational fit (Morgan, 2007).
Adopted research worldview

For this research, I adopted a *pragmatist* worldview for several reasons. Pragmatism provides the opportunity to use divergent methods, techniques, and procedures for collecting data. Hence, this research combines both qualitative (in-depth interviews) and quantitative (survey) methods to investigate the social innovation phenomenon. Combining these methods allows me to draw on the strengths of both methods while offsetting their weaknesses all together. This is important given the complexity surrounding the research phenomenon under scrutiny.

Additionally, the worldview allows me to situate the ontological views of my research between the objectivism-subjectivism divide, that is a ‘*objectivist*’ position “where the objective and subjective views meet and are mixed together in various ways and to differing degrees” (MacLeod, 2015, p. 1075). Specifically, during the qualitative phase of the research, meanings were co-constructed by the research participants and me. The meanings co-constructed were later used to develop research hypotheses that were tested in the quantitative phase of research. Hence, the value of both objectivism and subjectivism is enriched by combining them in the research. This is because taking a pragmatism worldview allows me to decipher when to foreground one in the research while holding the other in the background (Huizing, 2007).

Besides, the extant literature in the social innovation field is another motivating factor. Based on the review of existing literature I conducted in the study (see Chapter 2), it was evident that resolving issues in the field on the one hand requires understanding the ‘voice’ and experiences of the relevant participators. On the other hand, it was also deemed important in the extant literature to measure the behaviour, intention and actions of social innovation activities (see Chatzichristos and Nagopoulos, 2021; Shier and Handy, 2015b). Thus, the pragmatism worldview offers the opportunity for bridging this divide and integrating these different approaches to create a better understanding of the research phenomenon (Johnson and Onwuegbuzie, 2004).

Finally, pragmatism ensures I derive and develop a grounded theorising of social innovation based on interview data from practitioners and then apply back the theory to practitioners through collection of survey data to achieve an *intelligent* practice-led theory about the construct of my study (see Sekaran and Bougie, 2016).
3.3 Research design

Research design is the roadmap for answering the research questions. It provides the template for specific procedures and methods for collecting and analysing data in a study (Saunders, et al., 2019). Based on the conceptualised research questions and the pragmatic worldview adopted, a mixed methods design is followed in this study. Scholars have widely employed mixed methods and consider it the third major research paradigm (Guetterman, Babchuk, Howell Smith, and Stevens, 2019; Johnson and Onwuegbuzie, 2004). Mixed methods refer to a “research in which the investigator collects and analyses data, integrates the findings, and draws inferences using both qualitative and quantitative approaches or methods in a single study or a program of inquiry” (Tashakkori and Creswell, 2007, p. 4). Besides, it is considered a suitable fit for pragmatism and ensures pluralistic approaches are employed to aid addressing the research questions (Morgan, 2014; Tashakkori and Teddie, 2010).

Specifically, I adopt an exploratory sequential mixed methods research design because the research problem is unique, and a single data type is not sufficient to address it (Reilly and Jones, 2017; Iacobucci and Churchill, 2010) as the study seeks to better understand the social innovation phenomenon using qualitative data and to measure its magnitude, causes, and effects using quantitative data. My adoption of an exploratory sequential design ensures that the qualitative method (in-depth interviews) is used to develop a theoretical background which acts as a solid foundation upon which the quantitative method (survey) is undertaken to describe the specific linkages between variables in the study. This is because the qualitative phase informs the quantitative phase, as one of the goals of this study involves scale development (Harrison, Reilly, and Creswell, 2020). Precisely, the qualitative phase was undertaken to:

- Conceptualise social innovation, provide an operational definition and capture its aggregate theoretical dimensions
- Inform the overall conceptual framework of the study, including identifying the antecedents and outcomes of social innovation for testing their relationships in the quantitative phase.
- Develop items for measuring the dimensions of social innovation and any other constructs (where the measure is not available in extant literature) in the study.
For the quantitative phase, the reasons are:
- Use the items from the qualitative phase to develop a valid and reliable measure of social innovation.
- Based on the developed conceptual framework, test the hypothesised relationships between the identified antecedents and social innovation.
- Test the linkages between social innovation and its identified outcomes.

Essentially, I conducted the qualitative study to uncover the dimensions of social innovation and develop a process model that captures the relationships between the construct and its antecedents and outcomes (see Figure 5.5 in Chapter 5). Based on the qualitative findings, I carried out two quantitative surveys to develop a multidimensional social innovation measure and empirically examine a series of hypotheses between social innovation and other variables as demonstrated in the conceptual framework of this study (Figure 6.1 in Chapter 6).

Hence, my use of a mixed methods approach ensures I can combine findings of the qualitative and quantitative data in presenting the discussion stage of the research, thereby strengthening the research findings by utilising quantitative results to explain the qualitative findings in general, and any unexpected results (Harrison and Reilly, 2011). This guarantees I give equal priority to both methods towards generating rigorous answers for the research questions beyond what either singular method could have offered alone (Guetterman et al., 2019; Denscombe, 2008). Therefore, my use of mixed methods research design allowed me to blend the best of qualitative and quantitative perspectives for the purpose of breadth and depth of understanding and strengthening the findings of this PhD study (see Figure 3.1).
Figure 3.1: The adopted exploratory sequential mixed methods design

Source: Adapted from Berman (2017).
3.4 Research settings (UK social enterprises)

The research context I selected for this study is the UK social enterprise setting. Research within the social entrepreneurship domain has shown that social innovation is a central activity that binds the activities of social enterprise (e.g., Ko et al., 2019; Dees and Anderson, 2006). In the UK, a social enterprise is an organisation “with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners” (Cabinet Office of the Third Sector, 2006, p. 10). The social enterprise sector is one of the fastest growing sectors in the UK and is estimated to contribute about £60 billion annually to the UK economy (Social Enterprise UK, 2018).

Specifically, social enterprises registered as Community Interest Companies (CICs) in the UK served as the focus of the study. CICs are a legal form of social enterprises specially introduced in 2005 by the UK government for the development of the social enterprise sector under the Companies (Audit, Investigations and Community Enterprise) Act 2004. The CICs were developed by the government to provide a unique form of organisation for social entrepreneurs interested in using a corporate legal entity to carry out activities that could benefit the community (Nicholls, 2009). Additionally, CICs represent a kind of EMES social enterprises in Europe (Defourny and Nyssens, 2012). An EMES social enterprise is a not-for-profit private organisation initiated by a group of passionate, active social entrepreneurs with the explicit aim to benefit the community through the buying and selling of products (including services) directly related to their social aim (Defourny and Nyssens, 2008).

Hence, these social enterprises are expected to design their activities for the good of the community and can be found in every industry focus of the UK economy (Department for Business, Energy, and Industrial Strategy (BEIS), 2016). Further, the Companies Act 2004 established the Regulator of Community Interest Companies (‘the Regulator’) to guide, coordinate and to sustain public confidence in the CIC model through unbiased regulation (Regulator of CICs, 2020). Thus, these social enterprises are structured to be inexpensive to set up and flexible with a ‘light touch’ legislative

---

8 EMES is a French acronym for “Emergence des Enterprises Sociales en Europe.” The translation in English is “The Emergence of Social Enterprises in Europe.”
framework of regulation (BEIS, 2016). Besides, these social enterprises are a form of a limited liability company, and their assets are locked and can be utilised for the benefit of the community (CIC Regulations, 2005). The asset lock is a measure of preventing pure profit-seeking behaviours among CICs.

From the discussions above, I operationalised social enterprises in this PhD study as organisations that engage in trading of innovative products and services and are registered as CICs. Thus, these organisations “trade with a social purpose, or to carry on other activities for the benefit of the community” (BEIS, 2016, p.8). The choice of this setting to study the social innovation construct is driven by several considerations.

First, the bedrock of the activities of social enterprises is tied to the concept of social innovation. The Companies (Audit, Investigations and Community Enterprise) Act 2004 obliges that CICs are established for the ‘interest of the community’ via the marketing of product and services (Office of the Regulator of CICs, 2019). Hence, these social enterprises mainly pursue a social and/or environmental mission through trading innovative product and services to bring benefits to the community rather than to make a profit for the owners. The ‘community’ must be wider than the members (including employees) that make up the social enterprise. Tracey and Stott (2017) suggest that it is important for social enterprises to grasp the concept of social innovation because it can help them to develop the capabilities for combining ideas, people, places and resources to address social challenges.

Second, the choice of social enterprises is driven by the growing popularity of social enterprises through the CICs business model. Recently, it was reported that there are over 23,887 registered CICs in the Companies House register with about 6,838 social enterprises being newly approved as CICs between April 2020 and March 2021 (Office of the Regulator of CICs, 2021). Majority of these CICs are small and medium-sized organisations, however, there are situations where some are large organisations (Boeger, Burgess and Ellison, 2018). This indicates that social enterprises are becoming successful and attractive to a wide range of individuals and organisations that are willing to participate in the delivery of real and tangible benefits to the society (Regulator of CICs, 2020). Hence, their productive activities are heavily influenced by their objective to address an unmet social need or problem through a market-driven approach which the CIC model is suited to accommodate (Ko et al., 2019; BIES, 2016).
Moreover, social innovation occurs mainly in social-focused organisations seeking to create and pursue social value creation through trading of products and services (Biggeri et al., 2017), and CICs as social enterprises fall under this spectrum of organisations (Cornforth, 2020). Extant research suggests these social enterprises are usually perceived as an important source for developing social innovation because of their focus on community benefit and trade dealings to fulfil their social mission (Phillips et al., 2019; Goldstein, Hazy and Silberstang, 2010). For instance, going by the social innovation school of thought (Dees and Anderson, 2006), CICs serve as an agent of change in the social enterprise sector through their characteristics of (a) explicit mission of creating and delivering social value; and (b) identifying and constantly pursuing new opportunities to fulfil their social mission (Stevens, Moray and Bruneel, 2015; Dees and Anderson, 2006).

Additionally, the common denominator that binds both social innovation and social enterprises is that they symbolise social actions (Bonifacio, 2014) aiming to deliver social benefits that are ‘beyond the capability of existing systems’ (Adams and Hess, 2010, p. 139). This is mainly because social enterprises are hinged on the notion that innovative solutions to challenging social problems are hard to come by unless existing market systems are changed (Leadbetter, 2007). Besides, the activities of CICs by their very nature are designed to pass a ‘community interest test’ and be innovative to demonstrate that the purpose of the social enterprise is for community benefit (Cornforth, 2014; Nicholls, 2009). Thus, CICs is a mechanism that could assist in driving social innovations on delivering benefits for the whole society rather than solely for a specific individual (see Phillips et al., 2015; Boschee, 2007). This could possibly assist in enhancing the legitimacy of CICs as social enterprises in the eyes of external stakeholders while also aiding in satisfying the Office of the Regulator by passing a community interest test (Cornforth, 2020; Page and Katz, 2012).

Further, with the continuous rise in the number of new entrants to the UK social enterprise sector due to the increasing social and environmental challenges, competition among social enterprises for funding and other important resources has intensified. Besides, many charity organisations have begun to set up social enterprises because it allows them to become more enterprising and deliver innovative solutions (see Ko and Liu, 2021). It is speculated by the Office of the Regulator that there could be around 30,000 CICs by 2026 (Regulator of CICs, 2016). Thus, an
immediate and fundamental problem being experienced by social enterprises in the UK is how to strengthen their competitiveness (Ko and Liu, 2021). To tackle this problem, several social enterprises have embraced social innovation as a philosophy of their business model to win the hearts of the community they serve and remain competitive. Consequently, the UK social enterprise sector presents a notable context for me to explore the social innovation phenomenon and its linkage to organisational practices of social enterprises.

3.5 Summary
This chapter outlined the research philosophy guiding this study. A pragmatist worldview is adopted, and this favours my use of an exploratory mixed methods research design. This ensures I can combine both qualitative and quantitative methods in addressing the research problem. In the subsequent chapter, I present the qualitative phase methodology in this study.
CHAPTER 4
QUALITATIVE PHASE METHODOLOGY

4.1 Introduction
In this chapter, I present the details of the methodological steps I took to plan and execute the qualitative study. I begin by discussing the qualitative sampling procedures and data collection methods. Next, I present the qualitative data analysis technique employed, criteria for guaranteeing research trustworthiness and a reflective discussion on my role as a researcher during this qualitative study. Finally, I outline the ethical considerations of the study.

4.2 Sampling procedures
Qualitative research compels a researcher to seek for data where it is possible as sampling selection has a far-reaching impact on research quality (Charmaz, 2014). Due to the exploratory nature of this study and the need to tap a wide variety of experiences, I used a combination of purposeful and theoretical sampling approaches in recruiting participants for this qualitative phase of the study. A purposeful sampling is a non-random sampling strategy adopted when participants are selected based on the rationale behind the study (Sandelowski, 1995). The purposeful sampling ensured that I collected interview data from participants that are articulate, reflective, and willing to share exemplary information-rich experiences about the research phenomenon under study (Morse, 2010). Hence, I relied primarily on key informants (i.e., research participants) from the UK social enterprise sector to provide their narratives and experiences of about the social innovation phenomenon in social enterprises. Accordingly, I selected two categories of research participants: participants from social enterprises and participants from academia. I considered interviewing these different groups of participants (i.e., practitioners and academics) essential to the research objective because it assisted in developing a holistic picture of the social innovation construct through synthesising of their diverse viewpoints in the sensemaking process (see Nag and Gioia, 2012). Moreover, interviewing both groups of research participants provided unique and diverse rich information (that might not emerge from interviewing only practitioners in social enterprises) about issues related to the research phenomenon based on their specialism and experience (see Suri, 2011; Kohli and Jaworski, 1990).
Besides, my selection of research participants was built on a criterion sampling tactic (Draucker, Martsolf, Ross and Rusk, 2007), which is useful when conducting purposeful sampling (Patton, 2002). Criterion sampling is a sampling tactic whereby the recruitment of research participants is based on meeting certain predefined features for sampling purposes (Moser and Korstjens, 2018) and has been implemented in previous social entrepreneurship research (Child, 2020; Kimbu, and Ngoasong, 2016). Particularly, I found the criterion sampling tactic helpful in this study in three ways. First, I was able to identify and demonstrate with sufficient clarity the inclusion/exclusion criteria for sampling recruitment and decisions taken in the study. This aids in averting unwarranted generalisation and situating the research within a relevant context (Robinson, 2014). Second, it guided me identifying and recruiting research participants who had appreciable amount of knowledge about the topic of the research. This was vital given that qualitative research usually employs a relatively small sample of cases, and the data take time to process (Morse, 2010). Third, it assisted in establishing rigour in the research process by ensuring robustness in the sampling strategies via the alignment of the research questions and the overall qualitative sampling strategy in the study.

Hence, I developed the following inclusion criteria to select research participants from social enterprises:

- their social enterprise is geographically located in the UK
- their organisation is registered as a community interest company (CIC), which is the most common legal form of social enterprises.
- their social enterprise has attempted to adopt a market-driven, business-like operating style.
- The participant is willing to participate in at least one interview for the purposes of the study.

The academics recruited as a second group of participants were selected based on the following criteria:

- have expertise in the areas of social innovation and social enterprise/entrepreneurship.
- be a UK-based academic.
In total, I interviewed 26 research participants for this qualitative phase of the study. 20 were largely social enterprise practitioners while the remaining 6 research participants were university academic experts.

The first 10 participants were recruited for the qualitative study through purposeful sampling. As I began engaging in initial data analysis and memoing of these early participants’ interviews, it became apparent that I would need to seek participants that could provide the richest and most relevant information about the emerging codes and concepts. Memoing is the reflective technique of writing up the theorising ideas about the generated codes and their interconnections during data analysis while the coding procedures is ongoing (Glaser, 2014). Through memoing, I developed and maintained a relationship with the interview data which helped to shape my theoretical sensitivity to the meanings inherent in the data and directed my further data collection efforts (see Birks, Chapman and Francis, 2008).

Consequently, the purposeful sampling morphed into a theoretical sampling strategy that facilitated the recruiting of new participants that could fit into the “theoretical relevance and purpose” of the qualitative study (Glaser, 1978, p. 42). My use of theoretical sampling at this stage was on the one hand, to avoid a situation of prematurely ending the data analysis procedures. And, on the other hand, to ensure that the relevant research data will drive the analytical directions rather than forcing categories to emerge in the data (Charmaz, 2000).

The theoretical sampling progressed in unison with the interview data collection and data analysis (Gioia, Price, Hamilton and Thomas, 2010). This ensured I could continuously return to specific experiences and incidents within the interview data to evaluate and refine the emerging theoretical relationships with recruitment of participants that were either in support of them or providing differing examples. The sampling of participants continued until I reached a point of theoretical saturation where I was not getting any new categories occurring in the data with subsequent interviews (Charmaz, 2014; Green and Thorogood, 2004). The last two research participants I interviewed were some of the best and most thorough interviews, but very little new information emerged — suggesting that theoretical saturation was achieved as no new emergent categories were witnessed in the data. Accordingly, I had to stop the recruitment of research participants.
Overall, my decision to employ both purposeful and theoretical sampling techniques allowed my overall qualitative sampling approach to achieve maximum variation (Patton, 2002; Lincoln and Guba, 1985), which is a strategy to identify the features and complexity of the phenomenon as experienced by various participants from different contexts (Suri, 2011). Besides, this assisted me during the data analysis to repeatedly compare data across the informants with regards to a specific issue, thereby improving the triangulation of the interview data (Glaser and Strauss, 1967).

4.2.1 Profile of the research participants in the qualitative phase

Table 4.1 provides a profile breakdown of the 26 research participants in the qualitative phase. To uphold their anonymous participation in the study, I used the letter ‘P’ followed by a number from 1 to 26 for participant identification.

The research participants comprise of 9 females and 17 males. Specifically, 20 of the research participants were largely practitioners from senior managerial positions in social enterprises, with 17 being directors/managing directors of their social enterprise (including one that also has a senior academic role in a UK university), 2 held managerial roles in their respective social enterprises while the remaining 1 was a senior consultant of social enterprises who was interviewed to gain a strategic understanding of the issues surrounding the research phenomenon as it pertains to social enterprises. The other research participants included 6 academic experts from different large UK universities. All the research participants were very fluent in English as it is their primary work language. Besides, I interviewed only a single representative of each social enterprise/university – except for the final social enterprise interviewed that had two co-directors as its representatives. They both suggested that they should be jointly interviewed. Also, there was one university where I interviewed two participants, although at separate times and they were from different units.
Table 4.1: Key characteristics of the participants in the qualitative study

<table>
<thead>
<tr>
<th>ID</th>
<th>Gender</th>
<th>Position</th>
<th>Organisation focus</th>
<th>Means of contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Male</td>
<td>Director</td>
<td>Social care</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>P2</td>
<td>Male</td>
<td>Director</td>
<td>Retail and training</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>P3</td>
<td>Male</td>
<td>Director</td>
<td>Hospitality and food</td>
<td>Online</td>
</tr>
<tr>
<td>P4</td>
<td>Male</td>
<td>Director</td>
<td>Environmental/general services</td>
<td>Online</td>
</tr>
<tr>
<td>P5</td>
<td>Female</td>
<td>Director</td>
<td>Health care</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>P6</td>
<td>Female</td>
<td>Academic and Business Advisor</td>
<td>University</td>
<td>Online</td>
</tr>
<tr>
<td>P7</td>
<td>Female</td>
<td>Engagement Manager</td>
<td>Renewable energy</td>
<td>Online</td>
</tr>
<tr>
<td>P8</td>
<td>Female</td>
<td>Director</td>
<td>General services</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>P9</td>
<td>Male</td>
<td>Director</td>
<td>Professional Services</td>
<td>Online</td>
</tr>
<tr>
<td>P10</td>
<td>Female</td>
<td>Academic</td>
<td>University</td>
<td>Face-to-face</td>
</tr>
<tr>
<td>P11</td>
<td>Male</td>
<td>General Manager</td>
<td>Professional Services</td>
<td>Online</td>
</tr>
<tr>
<td>P12</td>
<td>Male</td>
<td>Academic and Consultant</td>
<td>University</td>
<td>Online</td>
</tr>
<tr>
<td>P13</td>
<td>Male</td>
<td>Academic and Consultant</td>
<td>University</td>
<td>Online</td>
</tr>
<tr>
<td>P14</td>
<td>Female</td>
<td>Academic</td>
<td>University</td>
<td>Online</td>
</tr>
<tr>
<td>P15</td>
<td>Male</td>
<td>Managing Director</td>
<td>Education and Training</td>
<td>Online</td>
</tr>
<tr>
<td>P16</td>
<td>Male</td>
<td>Director</td>
<td>Finance and professional Services</td>
<td>Online</td>
</tr>
<tr>
<td>P17</td>
<td>Male</td>
<td>Director and Academic</td>
<td>Community empowerment</td>
<td>Online</td>
</tr>
<tr>
<td>P18</td>
<td>Male</td>
<td>Director</td>
<td>Community empowerment/social economy</td>
<td>Online</td>
</tr>
<tr>
<td>P19</td>
<td>Male</td>
<td>Academic</td>
<td>University</td>
<td>Online</td>
</tr>
<tr>
<td>P20</td>
<td>Male</td>
<td>Managing Director</td>
<td>Professional advisory services</td>
<td>Online</td>
</tr>
<tr>
<td>P21</td>
<td>Male</td>
<td>Director</td>
<td>Business creation &amp; development</td>
<td>Online</td>
</tr>
<tr>
<td>P22</td>
<td>Female</td>
<td>Consultant</td>
<td>Professional advisory services</td>
<td>Online</td>
</tr>
<tr>
<td>P23</td>
<td>Female</td>
<td>Director</td>
<td>Environmental services</td>
<td>Online</td>
</tr>
<tr>
<td>P24</td>
<td>Male</td>
<td>Director</td>
<td>Hospitality and food</td>
<td>Online</td>
</tr>
<tr>
<td>P25</td>
<td>Female</td>
<td>Director</td>
<td>Social inclusion/general services</td>
<td>Online</td>
</tr>
<tr>
<td>P26</td>
<td>Male</td>
<td>Director</td>
<td>Social inclusion/general services</td>
<td>Online</td>
</tr>
</tbody>
</table>
4.2.2 Recruiting the research participants

To recruit research participants for the study, I searched and identified potential research participants through their organisations’ website or social media handles on LinkedIn. This helped me to fully implement my purposeful and theoretical sampling strategies. To gain access to these participants, I sent them a letterhead introduction mail endorsed by my supervisors through my university email account (see Appendix 1). This is because I was keen to apply a professional approach as a recruitment strategy to get participants for the study. The approach helped to assure the participants of my credibility as a doctoral researcher and that of the research too. As soon as they replied and signified interest in participating in the research, I contacted the participants again through another formal email containing the participant information sheet (see Appendix 2), including the consent forms (see Appendix 3) and possible dates for the interview. The information sheet briefed the participants about the goal and process of the research in an accessible language, what was required from their participation, how their data would be used and the supposed duration of the interview.

4.3 Qualitative data collection methods

I collected data through interviews and archival documents in this qualitative phase of the PhD thesis. Below, I elaborate on these data collection methods.

4.3.1 In-depth interview

Interview is a common instrument for collecting data in qualitative research (Aarsand and Aarsand, 2019). It is the hub where the interviewer and the interviewee(s) take part in the co-production of knowledge and stories about a given topic (Brinkmann, 2007; Silverman, 1997). Thus, an interview is a tool whereby at least two people create reality through a conversation (Denzin and Lincoln, 2005).

Specifically, I used an in-depth, semi-structured interview to collect primary data on the phenomena under scrutiny (Bell et al., 2019). In semi-structured interviews, the researcher determines the interview agenda regarding the issues that would be covered, however, the response from interviewees’ dictates the relative importance of the information that is generated (Green and Thorogood, 2004).

I adopted an in-depth, semi-structured interviews for several reasons. The in-depth interviews compared to other qualitative tools such as observations and focus group,
provided an avenue for me to capture a rich account of the individual interviewees’ perceptions and experiences in terms that are meaningful to them. Given that in-depth interview is emergent and exploratory (Saunders et al., 2019), I found it very helpful in uncovering ‘what is happening’ as I collected data from the interviewees ‘voice’ which assisted me in making sense of the research phenomenon and its context. Whereas a focus group interview session would have been difficult to set up as getting potential interviewees to agree on a particular day/time would have posed a challenge to the study. Besides, I would have found it difficult to control the interview process because the focus group members will usually be probing each other’s reasons for holding a certain view which prevents probing issues deeply with individuals (Bell et al., 2019; Crabtree and DiCicco-Bloom, 2006). This would also have made the focus group data difficult and time-consuming to transcribe due to the different voice pitch of the group participants interfering against another.

Also, using in-depth interviews was more appropriate than observation in my study because of its flexibility in data collection and fit to the research objective of understanding the meaning of social innovation (Siedman, 2006). Observation involves the researcher going to the location of the research informants and attempting to partake in their activities to study them (Saunders et al., 2019). For this research, observation was not suitable because I would have had to immerse myself and spend a considerable amount of time in an organisational setting to collect data. The method did not fit well with the research goal and would not have been possible due to the COVID-19 pandemic lockdown when I was at the middle of data collection.

Furthermore, the in-depth interview provided me the room for flexibility and freedom of moving between questions during the interviews to suit the conversation with the interviewees which aided in uncovering themes and other salient factors. This is because the discovery-oriented nature of in-depth interviews assists researchers in moving along with the pace of the interviewee as they feel relaxed in sharing their views about the research issue, thereby making the interviewees’ implicit knowledge more explicit. Thus, it was easier for me to ask interviewees to elaborate on the issues which arose during the interviews.

Moreover, the in-depth interview aided me in seeking additional insights and clarifications about issues raised by the interviewees during discussion without losing
the line of enquiry. The semi-structured nature of in-depth interviews provided opportunities for interviewees to give additional insights into their responses, giving me a leeway to ask further questions in response to the interviewees’ replies since their perception directs the conduct of the interview (Bell et al., 2019). I also found the use of an interview guide helpful in exploring different issues systematically with the interviewees as well as keeping the interview focused on the desired line of action as I was able to raise issues that had not been touched upon (Crabtree and DiCicco-Bloom, 2006; Siedman, 2006).

Lastly, considering that I adopted an exploratory sequential mixed methods for the PhD research (see Chapter 3), the use of in-depth interviews aided in inductively uncovering the dimensions of social innovation, including the identification of the antecedents and outcomes of the construct suitable for the quantitative phase (survey) of the research (see Schensul, Schensul and LeCompte, 1999). This assisted in developing quantitatively driven research hypotheses and understanding the characteristics of the hypothesised variables in the PhD thesis.

The interviews were conducted between October 2019 and November 2020, utilising both face-to-face and online method (e.g., Skype). Research has shown that using both type of interview methods does not affect the substantial quality of qualitative data (Sturges and Hanrahan, 2004; Tausig and Freeman, 1988). Precisely, the face-to-face interviews were conducted at the business office location of the interviewees to make them feel comfortable (King and Horrocks, 2010), except for one that was held at my university. However, owing to the outbreak of the COVID-19 pandemic, a lockdown policy was introduced by the UK government for public safety in March 2020. It became clear that face-to-face interviewing was no longer feasible for data collection, resulting in the conducting of the remaining interviews online. This was not a deliberate decision made in advance but the only pragmatic approach available to hold the interviews in that very specific situation where the health and safety of research participants and myself were paramount. Hence, the online interviews facilitated safe health and breaking of the geographical distance barrier between the interviewees and me, caused mainly by the COVID-19 pandemic (see Deakin and Wakefield, 2014). Furthermore, the use of online technologies made sure that I could schedule interviews at the convenience of an interviewee, thereby facilitating my recruitment of new interview participants.
An interview protocol was developed that contained questions corresponding to the main research questions of the study (see Appendix 4). These questions were designed following the review of literature on social innovation and studies on theory building in related disciplines (e.g., Kohli and Jaworski, 1990). Further, I held discussions with two academic experts to get valuable comments on the structure of the interview protocol. This served as a means for tweaking some questions in the interview protocol to fully reflect the purpose of the qualitative phase in the research. I also conducted a pilot interview with one participant who is a director of a social enterprise to aid in identifying any flaws with the interview design and potentially prepare me to address interviewees’ responses during the main interviews (Brinkmann and Kvale, 2018). I did not include the pilot interviewee responses in the final qualitative analysis. However, the pilot interview helped me to refine some practical techniques such as how I would introduce myself and the project to the interviewees which enhanced my ability to build rapport with interviewees.

Overall, the interview protocol was divided into four parts: the first part covered questions about the activities and features of social innovation focused social enterprises. The second part enquired about the factors influencing social innovation within and beyond the social enterprises. The third part contained questions on situations where social innovation might not be important. Finally, the fourth part focused on questions about the positive and negative consequences of social innovation on social enterprises. Further, I asked several customised open-ended questions during interviews based on (1) emerging trends in the data and (2) the unique vantage points being raised by specific interviewees. This probing technique was adopted to provide the room for the interviewees to share their thoughts about other aspects not specifically covered in the interview protocol, ensuring that I discovered more insights and pursued ideas and issues immediately emerging during the interview (Charmaz, 2014).

Further, I began the interviews by reminding the interviewees of the aim of the study while also informing them about the anonymity and confidentiality of their responses according to the regulations of the Human Research Ethics Committee (HREC) of The Open University. Following this, consent was sought by me and was granted by interviewees for the interview proper to begin. All interviewees gave their consent, with the majority happy to do it verbally. The longest of the interviews took about 100
minutes while the shortest was around 30 minutes. Most of the interviews typically lasted about 45 minutes. With the permission of the interviewees, I recorded the interview digitally, and wrote down field notes (including memos) during and after each interview to summarize the emerging themes and ideas in a research diary. This process guided me in the next interviews for exploring issues and ensured that categories in the data were consistently refined for fit and relevance. Finally, the recorded interviews were later transcribed by me and e-mailed to the participants for comments before they were analysed. This first-hand transcription of the interviews ensured I familiarised myself with the interview data.

### 4.3.2 Archival documents

Archival documents served as a secondary qualitative data source in this research. Archival document is an umbrella term employed to describe a variety of written, visual, digital, and physical material that are relevant to a research study (Merriam and Tisdell, 2016). It consists of information that have been created by individuals and organisations as they go about their business and therefore provide a direct window on past events (International Council on Archives, 2016). Qualitative researchers usually employ archival documents to deepen their insights gained from the interview data collected (see Strike and Rerup, 2016; Ko and Liu, 2015).

Thus, I found it reliable to collect information from archival documents such as social enterprises’ websites, reports, and magazines about the UK social enterprise sector before fieldwork. Also, during the fieldwork, some participants provided me with documents such as internal newsletters and press releases which helped me to get more sense of how their social enterprises conducted their social innovation activities.

The archival documents served two purposes in this research. First, the archival documents compensated for some of the limitations of interview data (Mills and Mills, 2018; Denzin, 1989). I was able to get detailed knowledge about the actions of social enterprises in the qualitative sample and gain rich insights on the prospects and challenges in the social enterprise sector. Second, archival documents assisted me in understanding the ‘language’ of the research participants and their context (Creswell and Creswell, 2018). This helped to shape my focus on the important questions I could ask the research participants during interviews (Mills and Mills, 2018; Strike and Rerup, 2016).
4.4 Qualitative data analysis method

I used the Gioia methodology for analysing the collected qualitative data. The Gioia methodology is a grounded theorising technique developed by Dennis Gioia and his colleagues in the early 1990s that aims to systematically analyse and achieve rigor in the conduct and presentation of theory building about a phenomenon from qualitative data (Gioia, Corley and Hamilton, 2013). The technique has become commonly utilised in management research due to the growing interest of understanding perceptions of organisational actors about organisational concepts (see Chandra and Paras, 2020; Ko and Liu, 2015; Nag and Gioia, 2012).

With Gioia methodology, the researcher focuses on qualitative data (e.g., interviews and archival documents) to develop concepts for understanding research phenomenon (see Nag and Gioia, 2012; Reay et al., 2019). A ‘concept’ represents a notion that clarifies a phenomenon of theoretical interest and is precursory to a construct. The uncovering of concepts is central to theory building and is a blueprint for generating and validating constructs (Gioia et al., 2013). Moreover, Gioia methodology facilitates the generation of convincing new theories in inductive studies. Hence, it encourages inductive researchers to show originality, utility, and prescience in how they theorise about constructs (Corley and Gioia, 2011; Corbin and Strauss, 2008).

The analysis of qualitative data using Gioia methodology usually begins with examining and performing initial coding on the qualitative data (or interview transcripts) to develop a compendium of codes. These initial codes, called first-order codes (based on the research participants’ phrases or terms) are scrutinised, organised, and later themed into a second-order categories based on the researcher’s conceptualisation of the data. Next, if the researcher considers it necessary, the developed second-order categories are aggregated into higher-level descriptors or dimensions based on their theoretical properties. The final stage involves developing a data structure to visually capture the relationships among the generated concepts and dimensions as a foreground to provide a grounded theorising model for the research phenomenon (Gioia et al., 2013; Corley and Gioia, 2011). These steps are elaborated further in Section 4.4.1 to Section 4.4.5 below to demonstrate how I conducted the qualitative data analysis in the study.
Therefore, the Gioia methodology serves a dual purpose of being a means of conducting inductive, qualitative study and a guide to data analysis/presentation in a study. This is because the technique enables researchers to develop a rich, theoretical description of constructs grounded in qualitative data through a methodical and analytic approach (see Nag and Gioia, 2012). This enhances a straightforward presentation of research findings in such a manner that linkages among the qualitative data, emerging concepts and resulting theorised grounded model are precise and unambiguous (Gioia et al., 2013).

My decision to employ Gioia methodology was motivated by four key factors. Firstly, the technique fits into my rationale of the qualitative phase of the PhD by conducting an interpretive analysis of “the actual production of meanings and concepts used by social actors in real settings” about social innovation (Gephart, 2004, p. 457). This is because the technique provides room to theoretically analyse and make sense of the ‘voices’ of people who have practical experience with the research phenomenon. Secondly, the technique allowed me to become a ‘glorified reporter’ while using an inductive approach to demonstrate links between the interview data from ‘knowledgeable agents’ (i.e., the research participants) to develop a grounded theorising of social innovation (see Gioia et al., 2013). Hence, I made considerable efforts to convey the voice of research participants at the initial phase of data analysis and during the reporting phase of the study. Thirdly, the technique ensured I could generate rich theoretical insights into the social innovation process where there is very little extant theorising about it from the perspective of social enterprises (see Burrell and Morgan, 2016; Suddaby, 2006). This speaks to the strength of the Gioia methodology as a flexible technique that creates opportunities to uncover and explicate new concepts rather than substantiate existing concepts (Gioia et al., 2013). Finally, my use of Gioia methodology ensured I could follow a grounded theorising approach, which when complemented by a mixed methods research design is an effective tool to develop and integrate theory from practice as the generated data are emergent, contextual, and situation-specific (see Guetterman et al., 2019) to the settings of the PhD research. Thus, I considered the Gioia methodology as the suitable methodology for analysing and synthesising the large amount of qualitative data I collected into a meaningful account based on the research questions of this thesis.
Further, I used NVivo to assist in the analysis of the qualitative data. NVivo is a user-friendly software developed by QSR International to facilitate the systematic approach to conducting qualitative data analysis (Sotiriadou, Brouwers and Le, 2014). The software package was available in the university software repertoire, and I attended several training sessions on how to use the software to analyse data.

Accordingly, the NVivo software assists researchers to methodically sort, analyse and discover insights from qualitative data. It minimises the amount of manual task and provides researchers with the much-needed time to identify patterns, generate themes and draw conclusions on their research data (Wong, 2008). Also, NVivo does not automatically ‘analyse’ qualitative data, rather it is used by researchers to support the data analysis process (see Flick, 2014).

Nevertheless, I employed NVivo based on three reasons. First, due to large amount of qualitative data collected, NVivo made it easier for me to digitally store and quickly recall the qualitative data during the data analysis (Maher, Hadfield, Hutchings and de Eyto, 2018). I would have found this difficult to do with a manual/paper-based storing and retrieval technique. Second, NVivo enabled me to engage in more complex coding schemes and effective retrieval of the coded data during qualitative analysis (Sotiriadou et al., 2014). This enhanced the quality of the data interpretation by allowing me to link and analyse codes from different interview transcripts in a single analytical space. Third, NVivo ensured that the data analysis procedures were transparent given that I utilised Gioia methodology as the analytical technique which encourages clear reporting and robustness of the research findings (see Ko and Liu, 2021).

Overall, the qualitative data analysis (i.e., Gioia methodology) procedure was done in five (5) stages which I describe in the following sub-sections.

4.4.1 First stage: Developing codes and first-order categories
This first stage of the qualitative data analysis is divided into two steps; (1) open coding using NVivo software, and (2) generation of the first-order categories. In the first step of this stage, the transcribed interview documents were loaded into the NVivo software after multiple re-readings of the transcripts with a minimum of five times. Next, I used the open coding logic (Strauss and Corbin, 1998) at this stage to break down the data analytically and conceptually identify labels for the various participants’ opinion. Open
coding is the process of breaking down, generating, comparing, and categorising a plethora of concepts that closely adhere to the participant’s phrasing in the raw data (Grodal, Anteby and Holm, 2021; Corbin and Strauss, 2008). This involves scrutinising the data line by line or paragraph by paragraph and attaching codes using the informants’ (research participants) terms. I engaged in brainstorming sessions to open the data to different possible meanings that might be contained therein and put conceptual labels on them. This assisted me in minimising the amount of data I had to work with alongside providing a language for discussing about the data (see Corbin and Strauss, 2008).

During this stage, I was very mindful of the different perspectives in which the participants attempted to address social innovation, inside and outside their formal organisational settings. I felt this was the best way to access a variety of meanings at this stage of the data analysis with little preoccupation to the research question.

Using the open coding logic, I specifically coded the documents relying heavily on *in vivo* codes i.e., word- and line-level codes or verbatim statements (Charmaz, 2006) to categorise the terms, phrases or descriptions offered by the interviewees, cycling around social innovation activities within social enterprises (see Appendix 5). This allowed me to stay true and closer to the documents and identify many codes (the process generated more than 400 codes) ensuring they remained grounded in the data with very little attempt to categorise them at this stage.

Following this, I began the second step of the first coding stage which involved generating the first-order categories in the qualitative analysis after reading the coded data multiple times. Here, I applied the constant comparison technique (Glaser and Strauss, 1967) to search for similarities and differences among the generated codes across the transcribed interviews that could be synthesised and organised into higher-level nodes. Constant comparison technique is an important activity in the grounded theorising process. It is the constant coding of new data and comparing them repeatedly with already generated codes and categories for data refinement (Glaser, 1978). Accordingly, the constant comparison technique involves the combination of “systematic data collection, coding, and analysis with theoretical sampling in order to generate theory that is integrated, close to the data, and expressed in a form clear enough for further testing” (Conrad, Neumann, Haworth and Scott, 1993, p. 280). It is
utilised to continually refine categories by identifying the presence or lack of relationships between them. Thus, the aim of carrying out constant comparison is to identify, refine and generate theoretical attributes of a category. I began identifying, classifying and refining codes that were relevant and related to social innovation construct, its antecedents or outcomes as the case may be into specific categories. Also, I used a reflexive memo to assist me in gaining a better understanding of the data and emerging categories at this stage.

Thus, the constant comparison was an iterative process as I was moving back and forth between collecting, coding and analysing the data and consulting extant literature concurrently. I used the following combinations for the comparative technique over time to detect and combine patterns of codes in the analysis:

- sets of data within the same interview;
- data of different interviews;
- initial codes within the same interview;
- initial codes between different interviews;
- data and initial codes of the same interview; and
- data and initial codes between different interviews.

This comprised specific descriptions that supported or explicated any aspect of the phenomenon under investigation. Following this, I used a ‘matching process’ where I interpreted the generated codes and aggregated them based on the patterns I had detected as first-order categories in light of the issues under investigation in the study (i.e., the social innovation construct, its antecedents and constructs). During this step, I also consistently sought to retain the narratives (i.e., informant-centric terms) provided by interviewees as much as possible for the first-level category phrasal descriptors. Also, while doing this, I highlighted some sections from the interviewees’ transcripts which I used for direct quotations to support the empirical analysis of the first-level categories in the writing-up of the findings (Ngoasong and Kimbu, 2016).

Hence, this procedure facilitated the development of a set of first-order categories as the many codes generated in the first step of this stage were minimised to a more manageable number by aggregating similar types of codes into a category and labelled with phrasal descriptors for identification purposes. Overall, I concluded this stage when the coding structure became stable, at which point I was able to generate
a total of 62 first-order categories in the study from the data analysis. Specifically, there were 30 first-order categories relating to social innovation construct (see Figure 5.1), another 20 first-order categories for the antecedents (see Figure 5.2) and, finally 12 first-order categories for the outcomes of social innovation (see Figure 5.3).

### 4.4.2 Second stage: Discovering the second-order themes

This stage involved searching for connections among first-order categories to condense them into more generalisable categories. Hence, I applied an axial coding scheme to understand how the generated first-order categories from the first data analysis stage could be sorted and harmonised into a more abstract level (Harrison and Rouse, 2015; Strauss and Corbin, 1998). The axial coding scheme is the process of comparing, relating or crosscutting between categories after open coding to identify their connections and re-assemble them together into higher-level categories (Corbin and Strauss, 2008). Thus, whereas during open coding I was breaking the data into a plethora of different categories, axial coding involved me identifying patterns between the categories and putting them together into higher-level categories. This process added depth and structure to the data analysis by reducing the categories into a feasible number (Gioia et al., 2013).

Hence, I employed axial coding to compare and connect the different first-order categories through constant comparison technique. Sometimes, I would return to the interview transcripts to check and amend the way I had been assigning the open codes to develop a set of abstract constructs grounded in the data. For instance, during the open coding, constant cycling and refining of the data, I generated 30 first-level categories based on participants’ understanding of individual practices of social innovation activities in their social enterprises. With axial coding, I was able to refine and delineate these first-level categories into fewer (i.e., six), theoretically distinctive second-order themes that were researcher-induced concepts related to social innovation across social enterprises (see Strauss and Corbin, 1998). I also attempted to apply informant-centric terms if those terms could represent these second-order themes.

### 4.4.3 Third stage: Developing aggregate theoretical dimensions

During my development of the second-order themes, I was also examining the possible relationships between the generated themes to understand how to connect
them into an aggregate descriptor/dimension. Thus, the purpose of this stage was to develop overarching dimensions explaining how each of the second-order themes related to each other, which would make up the basis of an emergent framework that captured the experiences of participants.

To achieve this, I applied a selective coding logic which aims at integrating the different second-order themes (categories) that I have developed during my use of axial coding in the second data analysis stage into one cohesive theoretical dimension (Strauss and Corbin, 1998). The selective coding logic is the final coding scheme in the analytical procedure for grounded theorising. Selective coding is the process of integrating and refining the identified categories from the axial coding procedure into a core category (Strauss and Corbin, 1998). A core category represents the category of data that the researcher utilises to synthesise the identified categories into theoretical constructions that mainly explicates the research phenomenon of concern (Kendall, 1999). Accordingly, selective coding is perceived as a continuation of the axial coding at a higher level of abstraction that connects existing categories into a main category that can elaborate the story of the research (Flick, 2014). The task of engaging in selective coding involves using the researcher insights gleaned from data-to-theory process to develop the single reasoning (i.e., an overarching category/dimension) for potentially explaining the research phenomenon. Hence, it is during selective coding that the grounded theorising or re-conceptualisation of the study’s phenomenon takes place. Accordingly, I examined the second-order themes for similarities and differences by using a visual mapping strategy through a review of participants’ opinions to assess its fit to a theory proposed theoretical dimension. The mapping allowed me to see the relative scope and direction of the second-order themes in the data analysis as well as the relationships among them. At the end of this stage, I had developed aggregate theoretical dimensions from the researcher-induced second-order themes that were based on the first-level categories of informant-centric terms.

Throughout data analysis stages, I was actively and constantly calling into question the emerging theoretical meaning of the data by subjecting it to further analyses which led to the development of categories, themes and aggregate dimensions which were derived from the data rather than being forced upon before the data were collected or analysed (Gioia et al., 2010). Additionally, during the constant comparison of codes
and categories, I was very conscious of balancing my objectivity and sensitivity to the data. My objectivity to the data allowed me to have the confidence that the generated categories and themes are a reasonable depiction of the data. Howbeit, my sensitivity ensured that I was creative in the analytical process while uncovering a grounded theorising of social innovation from the data (Strauss and Corbin, 1998).

4.4.4 Fourth stage: Creating the data structure

At the end of my data analyses, I was able to develop a three-level data structure. The data structure is a diagrammatic representation of the derived concepts, categories, and themes in the qualitative analysis (Gioia et al., 2013). There are ‘first-order concepts’ that represent the informant-centric narratives coded through open coding. These are further compartmentalised and linked to ‘second-order themes’ that are more abstract and theoretical. Next, these are grouped into a few aggregate theoretical dimensions that summarise the key elements used in developing the data structure for emerging grounded theorising model of social innovation.

Thus, the data structure illustrates a static figure of how the codes, categories, and themes I generated are linked together. This is pivotal to illustrating the data-to-theorising process and establishing rigour in the research (Grodal et al., 2021; Gehman et al., 2018). Besides, it ensured that I could frame the qualitative data into a logical flow chart, showing the progressive steps from raw data to codes and then unto themes in the data analysis (Gioia et al., 2013). This lays the foundation for developing the grounded theorising about the research phenomenon.

Specifically, I developed three data structures (see Chapter 5) in this qualitative phase of the study. The first, ‘the social innovation data structure’ represents the focal construct under study and provides the backbone for developing a grounded theorising model. The second, ‘antecedents of social innovation data structure’ emerges from participant voices on drivers of social innovation. Finally, the third data structure depicts the uncovered outcomes of social innovation. These data structures were developed through an analytical process of repeatedly working on the raw data, reviewing the categories, themes, and dimensions to understand their interconnections (Figure 4.1 provides a sample data structure). A ‘box and arrow’ is used to show the link from first-order categories to second-order themes and then to aggregate dimensions/descriptors that are derived from the data analysis.
4.4.5 Fifth stage: Developing the grounded theorising model

In this stage, the data structure is transformed into a grounded theorising model that describes the emerging concepts, themes, dimensions, and their dynamic relationships. While the data structure is the ‘schema’ for building the grounded theorising, the developed grounded model shows the ‘internal workings’ of the emergent theory. Thus, the discussion of the grounded theorising entails explicating the connection between the ‘schema’ and ‘internal workings’ with the intention of methodically developing a dynamic and inductive model that epitomises the research phenomenon (see Strike and Rerup, 2016).

Accordingly, the transformation of the data structure(s) into a well-crafted story that captures the research participants’ experience in theoretical terms is utilised to develop the grounded theorising model of the study (see Figure 5.5 for the process model of social innovation in Chapter 5). Additionally, existing literature is consulted during the theory building to improve the articulation of the emergent findings and their connexions (Gioia et al., 2013). The grounded theorising model demonstrates the dynamic links between the emergent categories, themes and dimensions from the data to provide a comprehensive explication of the social innovation phenomenon examined in the study (see Chapter 5). Consequently, the grounded theorising model makes clear the connection between the data and the emergent theory I have developed in the study (see Ko and Liu, 2015; Gioia et al., 2013).
Figure 4.1: Sample data structure

First-order categories

- Creating new income streams for sustainability
- Meeting the social and economic targets
- Keeps the enterprise going in challenging situations
- Fostering growth and expansion of business activities

Second-order themes

- Achieving the enterprise objectives
- Continuous business survival

Aggregate descriptor

- Enhancing enterprise sustainability
4.5 Trustworthiness of the qualitative research

Qualitative research is usually assessed for trustworthiness (rigour) to guarantee the quality of the data interpretation and the integrity of the researcher (Merriam and Tisdell, 2016; Patton, 2015). Establishing the trustworthiness of a qualitative inquiry enhances a reader’s confidence that the findings deserve attention (Shenton, 2004). To ensure the trustworthiness of this study, I applied the five criteria of credibility, transferability, dependability, confirmability, and authenticity (see Lincoln and Guba, 1985). Together with reflections on my role as a researcher, I demonstrate how I met these criteria of trustworthiness below.

4.5.1 Credibility

Seeking for credibility is analogous to internal validity in quantitative research and deals with accuracy of data collection and data analysis procedures (Shenton, 2004). I collected the primary data using an in-depth interview method which is a commonly utilised data collection tool in qualitative research (Morris, 2015). Also, I used archival documents to gain knowledge about the settings of the participants (Nag and Gioia, 2012). Additionally, purposive and theoretical sampling strategies was combined to recruit participants for the study. This ensured that I collected data from diverse participants because constant elements observed in a heterogenous sample provides the opportunity for discovering more credible findings rather than using only constant elements observed from a homogenous sample (Sutton, 1987). To ensure honest feedback from the research participants, I always informed participants that they were free to take part or withdraw from the research at any time without giving me any reason for it. I also reminded them constantly that there were no right or wrong answers to the interview questions (Shenton, 2004). I also carried out member checks which is a “critical technique for establishing credibility” (Lincoln and Guba, 1985, p. 314) by providing the participants with their interview transcripts and opportunity to comment on my data interpretation, which they noted were accurate and understood. Also, my reflexive approach to collecting, coding, and analysing of the data enhances the credibility of this study (Patton, 2015). This is because rigour in qualitative research involves engaging in multiple time-intensive steps (Syed and Nelson, 2015), which can be likened to the memoing, constant comparison technique and refining of codes and categories I did during data analysis. I held several meetings with my two supervisors where they acted as debriefers providing feedback on my coding strategies, analytical
methods, and data interpretation steps. Lastly, I offered the opportunity for peers to scrutinise the qualitative findings through presenting at academic conferences (e.g., British Academy of Management). This helped me to strengthen the arguments of the research findings (Shenton, 2004).

4.5.2 Transferability
Seeking for transferability reflects the extent to which findings of a study in a particular setting is applicable to other settings (Merriam and Tisdell, 2016). This is similar to generalisability in quantitative research (Shenton, 2004). Following the advice of extant literature on achieving transferability (Shah and Corley, 2006), I have provided detailed description of the social innovation construct, the research settings, my sampling criteria, sample characteristics, and data collection and analysis procedures, so that readers can evaluate and associate their own situations to the conclusions I have reached in this study. Additionally, my use of purposive and theoretical sampling ensured that the recruited participants were a diverse group of knowledgeable agents of the issue under investigation (Schutt, 2006). Such sampling strategies were essential to uncovering and maximising the range of relevant information gleaned about the research phenomenon since the theoretical concepts emerging from the data are representative of all the participants (see Guba, 1981). Further, the sampling strategies will assist readers to establish a clear picture of the participants involved because participants are considered a ‘situational factor’ that is relevant to the research (see Campbell et al., 2020; Lincoln and Guba, 1985). Consequently, the rich insights I have uncovered in the research could assist readers in understanding and explaining their experiences and engagement with the research phenomenon (Hay and McKibben, 2021; Merriam and Tisdell, 2016). Also, transferability may also occur due to underlying similarities between contexts (Hellström, 2008; Guba, 1981). The UK social enterprises which served as the settings of this study has some degree of fittingness and similarities to other social enterprises in Europe (see Ko et al., 2019). Hence, the research findings from this qualitative phase of the PhD thesis may be transferred from the UK context to the contexts of other European countries based on the degree of fit between these two contexts.

4.5.3 Dependability
Seeking for dependability is the extent to which the qualitative findings can be reobtained under similar conditions by another researcher (Bitsch, 2005). While it is
difficult to replicate qualitative findings because of the multiple realities and
terpretations involved, scholars suggest that achieving the credibility criterion can
improve the dependability of the research (Shenton, 2004). Thus, I have offered a
detailed illustration of the planning and execution of the qualitative methods, data
collection and analytical process adopted by me to ensure that the study can serve as
a ‘prototype model’ to a future researcher conducting similar studies like mine
(Shenton, 2004). Further, the credibility of the qualitative research as I have
demonstrated above helps to further ensure the overall dependability of the qualitative
phase of this PhD (Lincoln and Guba, 1985).

4.5.4 Confirmability
Seeking for confirmability relates to the degree that the research findings are based
on the experiences and ideas of the participants (Shenton, 2004). During the
interviews, I consistently encouraged the participants to speak freely without
interfering and provide as many examples as possible to drive home their point.
Moreover, I took into consideration the review of literature and the identified research
gaps in the design of the interview protocol. This ensured that I focused solely on the
research questions during interviews and avoided asking the participants leading or
biased questions (Gioia et al., 2013). Also, I have provided a detailed description of
the methodological and coding procedures in the analytical process to illustrate the
‘audit trail’ of how the concepts and categories emerged from the data rigorously (Shah
and Corley, 2006; Shenton, 2004). My supervisors and I met all through the process
of the data collection and analysis via supervision meetings to discuss insights and
any concerns from my chosen methodological approaches. Further, my use of
quantitative data collection as a follow-up to the qualitative data (methodological
triangulation) was purposefully designed to verify or refute the hypothetical
relationships generated from the findings of the qualitative data.

4.5.5 Authenticity
Seeking for authenticity is the extent to which interpretations in the study are formed
from the voices, experiences, and positions of participants (Johnson and Rasulova,
2017; Whittemore, Chase, and Mandle, 2001). Due to the interpretive nature of this
qualitative study and my implementation of purposeful and theoretical sampling
technique, multiple relevant views about the phenomenon under investigation were
sourced from various participants. This ensured that I had a greater appreciation of
different participants’ opinions and judgments and provided room for participants’ voices in the study’s design, data collection and analysis procedures (Johnson and Rasulova, 2017) Also, the participants provided their fully informed consent to participate in the interview data collection. Thus, I adhered to the assurances of confidentiality and anonymity negotiated with participants by anonymising their identification in the reporting stage of the research. Moreover, with the interviews and informal conversations I had with some participants, I believe the study encouraged them to gain more insights about social innovation and raise their level of consciousness about the phenomenon (Yilmaz, 2013).

4.6 My role as a researcher in the qualitative phase

Following the successful outcome of my PhD upgrade report in September 2019, I began attending offline and online workshops on UK social enterprises. This helped me to gain a better understanding of their organisational and social aspects beyond what I had gleaned from desk research, and especially being that I am an international student coming to another country and cultural context. Using this, my insider positionality of the research setting assisted me in obtaining access and developing crucial rapport with the participants during the fieldwork. My knowledge of the UK social enterprise terrain made the participants more open and honest with their feedback to my probing during the interviews. As the interviews and data analysis progressed concurrently, I began developing more confidence in subsequent interviews which greatly helped to improve my interactions with the research participants. This assisted me in collecting a rich data on the participants’ experiences.

However, I was also an outsider as I had no direct experience of how social innovation practices operate in the UK social enterprise setting, coupled with the fact that the area of study was new to me as my previous line of research was Branding and Corporate Marketing. Thus, I had to bridge the lacuna of the diverse concepts emanating from my interactions with the interviewees. My reflexivity came in very handy here as I was very conscious of not imposing my own views on the data rather, to depend on the co-conceptualisation of knowledge from the interviews between the participants and me. This was very important given the research is about telling a meaningful story of social innovation based on the participants’ voices.
Also, I read the seminal work of Glaser and Strauss (1967) on grounded theory. This made me develop the perseverance to suspend my knowledge and uncover the “underlying uniformities” in the set of categories developing from my simultaneous data collection and analysis while using the constant comparison technique and memo writing that could “formulate the theory with a smaller set of higher-level concepts” (p. 110). Additionally, studying the articles of Gioia and his colleagues (e.g., Gioia et al., 2013) gave me confidence in understanding what needed to be done to ensure a rigorous implementation of the research design I had in mind from the onset of the project.

This step was crucial as I realised that I was serving the study in various roles. First, I was an interviewer who asked questions and collected participants’ stories, experiences, and descriptions of social innovation as it occurs in the context of social enterprises. Second, I acted as someone who perceived, recorded and took field notes on the narratives provided by the participants; indicating that “I am an instrument of my inquiry, and the inquiry is inseparable from who I am” (Louis, 1991, p. 365). Finally, I served as a core data analyst who read texts (interview transcripts) and other archival materials multiple times while also interpreting these to provide a rich account of meanings about the phenomena I investigated in the research. Consequently, I was not only the researcher that conducted the qualitative study but a key component of the research who also carried out the interpretation process in the research.

4.7 Ethical considerations

Ethics refers to the standards of behaviour or norms that is required to conduct research in a moral and responsible manner (Cooper and Schindler, 2014). Due to the nature of management and business research, ethical issues emerge in areas relating to the research design, gaining access to research site, the researcher-participants relationships, and reporting the research findings.

To establish the ethical requirements for the study, I read the Open University guidance on research ethics. Based on this guidance, I submitted a formal ethics approval application to the Open University Human Research Ethics Committee (HREC) before approaching potential research participants in early July 2019. The HREC is the ethical review committee responsible for all aspects of ethical review and approval at the university. Additionally, as part of the application, I undertook a data
management plan and risk assessment of the research. Following the review of the ethics application by the HREC, I was granted a favourable opinion (i.e., ethical approval) with the reference HREC/3323/Achi in August 2019 (see Appendix 6).

Further, other important ethical protocols I adhered to in the study to maintain high ethical standards including explaining the study’s benefit, participants’ rights, informed consent, confidentiality and anonymity and data protection measures are discussed below.

Before conducting the interviews, I sought the informed consent of the research participants. I provided the participants with the project information sheet at least a week before the interview was held. This ensured that they had a comprehensive information about the purpose of the research, the details of the researcher and supervisor(s), confidentiality, what their involvement in the study means, and their rights as a participant including the freedom of declining to participate, withdrawing from the research at any time without any justification as well as refusing to answer any question they did not wish to. I also sought and received permission from the interviewees at the beginning of the interviews that the conversations would be recorded. The participants willingly gave their informed consent to partake in the study; for interviews conducted face-to-face, the participants signed the consent forms while for interviews conducted online, the informed consents were verbally given.

For confidentiality, I treated the participation of the interviewees in strict confidence in accordance with the Data Protection Act 2018. No personal identifying information (name and/or organisation) of the research participant were revealed to anyone as they were omitted from the interview transcripts, thesis report, and conference presentations. Regarding anonymity of research participants, I developed a coding identifier for each interviewee during the data transcription and analysis. The identifier began with the alphabetical letter ‘P’ and ended with a single-digit number (i.e., 1, 2, 3 etc) to represent and distinguish an interviewee from another. This also ensured the anonymity of the interviewees and assisted in easy recalling of individual cases during data analysis and reporting stage of the research.

To ensure mutual respect and rapport building, I provided the research participants with a project information sheet and made sure the interviews were conducted at the convenience of the interviewees in a friendly manner. Regarding honesty in
communicating the research findings, as agreed with the research participants, the interview data were used for academic purposes. I shared the findings from the study through conference presentations such as British Academy of Management and International Social Innovation Research Conferences respectively. Further, my use of the ‘data structure’ notion (Gioia et al., 2013) in the reporting stage of the research helped me to demonstrate that the research findings are rooted in the qualitative data collected for the study. This ensured that I acknowledged the sources of the data, and no misleading or false findings are reported.

Moreover, I implemented several security measures for data protection purposes during the fieldwork, analysis, and reporting stage of the research. First, the audio recorded interview files were stored on my password-protected personal computer and were later destroyed after their transcription. Second, the transcribed and anonymised interview data was stored on my password-protected laptop and The Open University One Drive account. This data can only be assessed through my university email account and password. Lastly, I kept the field notes and memos used during data analysis in a securely protected in a sealed bag in my home office. Overall, the ethical considerations in this research helped to boost the quality of the research.

4.8 Summary
This chapter outlined the steps I took to collect and analyse the qualitative data of this study. I conducted 26 in-depth interviews with research participants recruited through a combination of purposeful and theoretical sampling. The collected qualitative data was systematically analysed using Gioia methodology. Further, I implemented several actions to ensure rigour of the qualitative findings. In the next chapter, I present the qualitative findings of this study.
CHAPTER 5

FINDINGS - QUALITATIVE PHASE

5.1 Introduction

This chapter presents the emergent qualitative findings from my analysis of the collected qualitative data. Specifically, I outline the aggregate theoretical dimensions of social innovation as evinced from the analysed interview data. Additionally, I present the findings on the antecedents and outcomes of social innovation that emerged from the analysis. Following the qualitative data analysis and the emergent concepts now fully explained, I subsequently developed a grounded theorising process model of social innovation. The model highlights the deep processes of the interrelationships among the emergent dimensions, antecedents, and outcomes of social innovation with regards to social enterprises. I conclude the chapter by revisiting the vital points discussed therein.

5.2 Theoretical dimensions of social innovation

To understand the concept of social innovation in organisations such as social enterprises and provide answers to research question 1 of this PhD thesis (see Chapter 1), I examined the core domains of social innovation due to its context-specific nature (see Taylor et al., 2020). From the analysis of the 26 in-depth interview data, three aggregate theoretical dimensions of social innovation emerged: (1) social-focused creativity, (2) transformative value, and (3) inclusiveness orientation. In exploring these dimensions, I specify the individual elements/activities that illustrate their contents through a data structure (see Figure 5.1) that articulates the contents of interviewees' opinion on the deep structure of social innovation in social enterprises. The data structure demonstrates how the first-order categories (concepts expressed by, and meaningful to the research participants), and the second-order themes (induced by me from the analytical approach) connects to the three theoretical dimensions of social innovation.

Below, I explicate the three emergent aggregate theoretical dimensions; social-focused creativity, transformative value, and inclusiveness orientation in relation to the social innovation construct according to the data structure.
Figure 5.1: Data structure for theoretical dimensions of social innovation

First-order categories

- Activities reflecting what the organisation is about
- Focusing on achieving a social purpose
- Vehicle for addressing social problems
- Tackling social needs on a wide scale
- Our mission is linked with being socially innovative

- Knowledge is a necessary resource for our activities
- Promoting ideas about social enterprises
- Interacting regularly with people/groups from different knowledge base and cultural context
- ‘Bounce ideas off’ each other in the organisation
- Building information generating mechanism in the organisation

- Using new products and processes to meet social opportunities
- Applying original thinking to our products or processes
- Adapting innovative solutions to new market locations
- Improving on existing solutions to make it more value effective
- Continuously seek out different opportunities and markets

- Aiming to promote positive change in the society
- Committed to creating social value which anchors sustainable change
- Constantly adapt our programs to address changes in the community
- Innovative process can be replicated across the social enterprise sector
- Converting commercial driven activities into wider scale socially driven projects

Second-order themes

- Social purpose-oriented
- Knowledge exchange
- Context-specific novelty
- Transformative value
- Social-focused creativity

Aggregate theoretical dimensions
### Collaborative behaviour
- Developing partner relationships with other organisations/people
- Working cooperatively with the right organisations/people
- Providing collaborative spaces for other organisations/people to work with us
- Engaging in dialogue with stakeholders
- Using feedback from stakeholders to develop our innovative programs

### Inclusiveness orientation

### Community-driven actions
- Interest of the community is at the core of our activities
- Following a bottom-up approach to create innovative activities
- Only doing things that represent the people in our community
- Providing communities with access to specific services
- Innovativeness is for the greater good of the community
5.2.1 Social-focused creativity

Previous research suggests that the decision for social enterprises to engage in social innovation is mainly driven by a social mission – the need to address prevalent social and environmental gaps in the society (Phillips, et al., 2019). In congruence with this viewpoint on social innovation by extant studies, my analysis of the interview data uncovered that the starting point of the social innovation process in social enterprises is social-focused creativity. Social-focused creativity represents the organisational focus on social goals through applying creative approaches that can solve social problems and/or take opportunities of market ‘gaps’ in the society. From a resource-based theory perspective, social-focused creativity constitutes an essential capability for social enterprises toward developing many creative ideas to solve social problems (Ko et al., 2019).

Particularly, I find that two second-order themes emerged from the analysed interview data that demonstrates how social enterprises can tap into their social-focused creativity. The first is social purpose-oriented (seeking to meet social needs/goals), while the second is knowledge exchange (seeking and exchanging knowledge with others; see Figure 5.1). Collectively, these two second-order themes uphold social-focused creativity and shape the creative actions of social enterprises in developing social innovation. I discuss these findings in more detail in the paragraphs below. Also, Table 5.1 provides additional supporting evidence (first-order data) for the social-focused creativity dimension and its inherent second-order themes (social purpose-oriented and knowledge exchange) as illustrated in Figure 5.1.

Social purpose-oriented. Specifically, I discovered that the first second-order theme of social purpose-oriented reflects the efforts of social enterprises to focus on pursuing goals linked to social and/or environmental issues. My analysis of the interview data suggests that there are five elements for assessing the social purpose-oriented nature of social innovation developed by their organisations. The first element is that the social enterprise’s activities reflect what the organisation is about. From the interview data, I found that social enterprises see themselves as an organisational form necessary for developing and engaging in social innovation practices. Hence, engaging in activities that mirror their supposedly organisational mission provides social enterprises with the relevant platform to seek and balance being creative and
innovative to stay true to their character of being immersed in a social mission culture. For instance, a consultant of a social enterprise explained that:

“The mark, the character of a social enterprise is social innovation. It is one side of the coin [which is social entrepreneurship], making money to solve social problems and the other side of the coin is social innovation; developing ideas that work. If it does not work, the social enterprise will cease to exist. So, they to always try to be creative and innovative.” (Participant 13)

The second element is the focus on achieving a social purpose. This reflects the imperativeness of focusing on social issues as a core foundation of the social innovation activities of social enterprises because they are often evaluated by their social actions. This is exemplified in the comment of one of the interviewees:

“We support and promote the idea of making businesses, services and organisations accessible. And we focus on a particular group, so we look at making services and organisations accessible to XXX people. So that’s a specific group that we support” (Participant 8)

The third element refers to the orientation of social enterprises that their activities are a crucial vehicle for addressing social problems faced by people in the environment. This is because many of the representatives of social enterprises interviewed believed that they possess the know-how and high level of confidence in their competence to address the societal problems as it is very reason behind the organisation’s existence as a social enterprise. For example, one of the interviewees expressed:

“Our social goal is to create or help people manage their health across the country independently without needing to have a doctor by your side or a clinician by your side [all the time]. It’s so, so that society knows exactly how to independently support and solve these issues, our role or social enterprise is the vehicle to achieve that social goal.” (Participant 1)

For the fourth element, social enterprises are concerned with tackling social needs on a wide scale level in the community. According to the interview data, engaging in social innovation is initiated by understanding and creating ‘social’ offerings that can meet the needs of people. This is exemplified in the statement of an interviewee:
“For me and for the work we do, I think social enterprise concept is in itself just a broad form of social innovation. And it [social innovation] is trying to sort of to deliver solutions to society’s needs… through undertaking business in a way which is unlike any other… for the benefit of the greater good [of the people] as opposed to primarily commercial interest.”

(Participant 9)

The final element is the perception of social enterprises that their mission is linked with being socially innovative. My analysis of the interview data indicated that social enterprises’ engagement in innovative actions means that they must scan and evaluate social opportunities to see whether it aligns with their business direction before embarking on it. For example, one of the interviewees explained that:

“I think in terms of action, it [social innovation] is actually seeing and having a long-term view of where your business [social enterprise] is going to go; your business plan, your mission & vision and is evaluating any opportunities to see whether it’s going to help you get closer to fulfilling your mission and vision” (Participant 4)

Based on my analysis of the interview data, it is evident that by engaging in these five elements of being social purpose oriented, the social innovation efforts of social enterprises is less concerned about generating commercial profits and more about using creativity to tackle crucial social problems. Accordingly, this demonstrates that social enterprises not only see social innovation as a convention for their organisation, but also as a strategic way of addressing widescale community problems. However, this is not unexpected given that previous research suggests that being social-purpose oriented is the fundamental attribute that differentiates social enterprises from other corporate organisations (Trivedi, and Stokols, 2011). Additionally, it was interesting to uncover that social enterprises believe in developing an overall organisational mission which links back to their social innovation efforts. This ensures that they can align their social innovation practices to their strategic intent, thereby leveraging on it to create a distinctive competence in the marketplace (Weerawardena and Mort, 2012).

Altogether, from a resource-based theory lens, this form of social-focused creativity can be considered an emotional resource (e.g., Cardon, Post, and Forster, 2017) that deals with making sure that social enterprises can develop the altruistic motivations to
be true to their social purpose which is vital to social innovative efforts that can assist in improving society (Erro-Garcés, 2020). Therefore, becoming social purpose-oriented means that social enterprises must engage in activities that reflect what the organisation is about, focus on achieving a social purpose, be a vehicle for addressing social problems, provide offerings that meet social needs for the greater good while also ensuring that their organisational mission is linked with engaging in social innovative efforts.

**Knowledge exchange.** The second second-order theme of knowledge exchange demonstrates the relative importance of exchanging and sharing knowledge between and across social enterprises and other groups to enhance the efficiency in the social-focused creativity process and ensure a culture of continuous improvement in the organisation. From a knowledge-based theory lens, this suggest that knowledge exchange constitutes an important knowledge asset to the social innovation activities of social enterprises (see Grant, 1996; Nonaka, 1994).

Further, in reference to the first second-order theme of social purpose-oriented, the knowledge exchange enables social enterprises to develop a better understanding of their social purpose orientation, as well as provide them the relevant information to develop expertise in focusing and achieving their social enterprise mission. Nevertheless, the influence of knowledge exchange on the social innovation process is distinct from the social purpose orientation of social enterprises. This is because knowledge exchange provides motivation for social enterprises to collaborate with others (Evans, Ermilina and Salaiz, 2020), which limits competition and increases the sharing of vital information with one another (Collins and Smith, 2006).

Moreover, I observed that there are five evaluative elements in this knowledge exchange theme. The first element is the use of knowledge as a key resource for the activities of the social enterprises. This reflects the importance of gaining knowledge for social enterprises towards understanding the local conditions in their community of operation. From the interview data, I found that social enterprises can obtain vital knowledge resources for developing social innovation via interacting with people in the market they serve. This is exemplified in the explanation of an interviewee:

“For the Citizens assembly we just finished for XXX…. They don’t want to introduce new measures in the city without the approval of the citizens. They want to hear the citizens’ voice. So, we sent out 4000 letters asking for
people if they would like to join in [and share their knowledge], and out of which we deliberately select people with a range of views [to gain knowledge]” (Participant 17)

The second element is promoting ideas about social enterprises. According to the interview data, social innovation ensures that the social enterprise business model can become an effective means of conducting business activities. For instance, an interviewee explained that:

“\textit{It [social innovation] is trying to just move business practice in a more positive way than they have been. You know, to show that businesses [in respect to social enterprise] can be successful, and they can be socially and environmentally minded}” (Participant 4)

The third element involves regular interaction with people/groups from different knowledge base and cultural context. Having regular conversations with people and groups who have divergent knowledge assist social enterprises to collect ideas about social innovation. This is exemplified in the comment of an interviewee:

“\textit{It is that cyclical interaction between those different knowledge bases and those different cultures that leads to an [a social] innovation rather than a good idea. The application of knowledge in a system with an idea that sort of fulfils a need, that is what I think social innovation means.”} (Participant 18)

In practical terms, another interviewee explained her own situation:

“\textit{So, over the last 6 months, I have managed to meet [and interact with] so many brilliant people and experts [including business advisors] that they have helped me [gained the knowledge to] get a clear plan in my head of how to do it [social innovation].}” (Participant 5)

The fourth individual element is ‘bouncing ideas off’ each other in the social enterprise. According to the interview data, to become more socially creative and bring about innovative solutions, it essential that social innovation incorporate ideas gained from interacting and exchanging information with other people in the organisation. This can assist in developing optimal innovative solutions in the organisation. For instance, one interviewee commented:
I think the best ideas come when people ‘bounce off each other’. Do you know what I mean by bounce off each other? In conversation, new [social innovation] ideas come not from one person, one individual but from interactions between different individuals because people make each other think about new things [and ideas… So, yeah … in the olden days we call that brainstorming. (Participant 16)

However, this is not an easy task, as there has to be a conducive environment in the social enterprise to ensure that people feel that their opinions are welcomed, and they can express themselves freely.

The final element is building information generating mechanism in the organisation. According to the interview data from several social enterprise representatives, having a means of generating information for use in the social enterprise is essential to developing social innovation ideas. This element is exemplified by the following observation from one of the interviewees:

“Essentially, if you are measuring what you are doing, or listening to people because you are supposed to be helping them, listening to your customers, capturing that, and you are looking at the data and reflecting to understand what’s happening, naturally you will have continuous improvement and change and adaptation [of the social innovation] in the context of what you are working on. So, naturally, if you are then set to act on that information, that insight, then there is the knowledge that comes from that, then you are going to be innovating and changing what you are doing.” (Participant 20)

From the excerpt, it is evident that building information generating mechanism in the social enterprise can aid in acquiring and manipulating information to generate new ideas necessary for social innovation. This signifies that the generation of new knowledge can assist in building upon current knowledge of social innovation in the organisation (see Alcorta, Tomlinson, and Liang, 2009).

Consequently, the findings here relating to knowledge exchange indicates social enterprises recognise that knowledge is a vital aspect of social innovation. This aligns to the knowledge-based theory view of organisations as a repository of knowledge acquisition and sharing (Uygur and Marcoux, 2013; Nonaka, 1994). Recent research that have recognised the role of knowledge in the social innovation process (Mirvis,
Herrera, Googins and Albareda, 2016). In summary, knowledge exchange as a central activity of social innovation means that social enterprises have to recognise that knowledge is a key resource for their activities, promote ideas about social enterprises, interact regularly with people/groups from different backgrounds, ‘bounce ideas off’ people in the organisation, and build information generating mechanism in the organisation.

Together, the first finding from my qualitative analysis of interview data demonstrates that through the second-order themes of social purpose-oriented and knowledge exchange, social enterprises can engage in the process of social-focused creativity. Therefore, the combination of these second-order themes ensures that social enterprises can utilise their social purpose and knowledge exchange ability in their possession to engender their social-focused creativity necessary for developing social innovation.

Table 5.1: Additional evidence for social-focused creativity dimension

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overarching dimension: Social-focused creativity</strong></td>
<td></td>
</tr>
<tr>
<td>• Social purpose-oriented</td>
<td></td>
</tr>
<tr>
<td>- Our activities reflect what the organisation is about</td>
<td>“They [social enterprises] already have a social purpose in mind and at the very very minimum they have captured that [in their social innovation] and they declared it through their governing document and that is a key part of those things we look at to begin with at all levels of accreditation.” (Participant 9)</td>
</tr>
<tr>
<td></td>
<td>“I see the word ‘social innovation’ in the context of charity and social enterprise. I don’t see it as a term in its own right. We can see it in terms of social impact because that is often how organisations like ours are measured.” (Participant 2)</td>
</tr>
<tr>
<td>- Focus on achieving a social purpose</td>
<td>“We have always expected [social] innovation to be part of being able to deliver on our mission [as we’re looking for a very different energy system in the future].” (Participant 7)</td>
</tr>
<tr>
<td></td>
<td>“The majority of any profit they [social enterprises] generate in any year is always going towards supporting either their social purposes or that of others.” (Participant 9)</td>
</tr>
</tbody>
</table>
- Vehicle for addressing social problems

“I suppose social innovation is something in society that's different, and you want to solve a problem through social enterprise. So, I suppose my social innovation is [aiming to solve a social problem] allowing certain people to cook.” (Participant 3)

“Social innovation is a new idea or new process, new methods, new activities to solve these social problems in an innovative way… Yes, in doing so, I think that social innovation can create its own social impact in our community and society.” (Participant 6)

- Tackling social needs on a wide scale

“Their [the social enterprise] innovation is simply that they are using the proceeds of that to put towards a related [social] cause. They have reinvested that money to kind of tackle housing shortages and homelessness in the town. So, the [social] innovation is how they are running their money and maybe some innovation in the way they are actually delivering those services” (Participant 20)

“We are all passionate about helping people, being immersive, you know things like that [to help improve the society].” (Participant 5)

- Our mission is linked with being socially innovative

“I can give advice to those company and they will do more and better social outcomes but how am I as a company doing that? So, the obvious thing will be to be a social enterprise and put your profits back into your social outcomes, that's one view. The other view is but surely you will want more social value consultants to give social value advice to companies and the public sector” (Participant 16)

“I mean it is more typical for a social enterprise to be [social] innovative than other social purpose organisations. So, there is more scope [for our social enterprise] to do something new just simply by existing whereas if you are saying a charity or a business, it is often more likely that it is being done before.” (Participant 20)

**Knowledge exchange**

- Knowledge is a necessary resource for our activities

“There is still a lot of work to be done to get mass knowledge and I mean mainstream knowledge of what a social enterprise [innovation] business model is all about. But if you succeed in achieving that [using that knowledge], then it demonstrates to the world that there are other ways of doing business [to solve social problems]” (Participant 4)

“I did a start-up programme there [at the school of social entrepreneurs] called scale-up programme [to gain knowledge on social innovation] for leaders who want to scale up [the social innovation of] their enterprises.” (Participant 3)

- Promoting ideas about social enterprises

“I mean if your social innovation is linked to a negative demand, then of course you [social enterprise] have to be very good at communicating [sharing knowledge] about it… Despite the negative demand, individuals should engage with what you are trying to do and therefore making your idea develop into a proper social innovation.” (Participant 14)

“So, the practicalities [of our social innovation] is that we can support people with [our knowledge] and then present those ideas to other people in the neighbourhoods to allow the participatory budgeting to work.” (Participant 17)
- Interacting regularly with people/groups from different knowledge base and cultural context

  “Having business professionals being able to advise [and interact with] helped me… and I started up by going to local free events and often through the British library, where there were business stuffs that were amazing. They have got loads of resources which I had no idea about [that helped me gain knowledge].” (Participant 5)

  “What we propose to housing offices, to social workers and people that do not know, is that we say ‘knowledge will give you confidence which will make you feel purposeful and positive in your work. And then the person who hoards feel supported and undistorted, and therefore we work together [by sharing knowledge] rather than against [to provide solutions].” (Participant 23)

- ‘Bounce ideas off’ each other in the organisation

  “To me it [social innovation] comes about with bringing groups of people together [to collect knowledge]. It is an entrepreneurial process of gathering resources [including exchanging ideas] beyond one’s own capabilities [in the social enterprise].” (Participant 17)

  “Experience [knowledge] in a specific field is crucial to actually come up with a proper solution [social innovation]; And that those organisations [social enterprises] that run this kind of [knowledge-based] social innovations tend to be more successful because of their tested knowledge; the tested experience that individuals bring [via exchanging ideas] to the [social] innovation process.” (Participant 14)

- Building information generating mechanism in the organisation

  “In terms of the social enterprises though, most specifically it [social innovation] is sort of getting your head around [seeking knowledge] about what it actually means to be a social enterprise which ideally should involve wherever possible a level of stakeholder engagement [for knowledge exchange].” (Participant 9)

  “So, [our] social innovation can come through participatory budgeting for instance where you invite local people to come up with ideas [and knowledge] that could transform their neighbourhoods.” (Participant 17)

The next subsection discusses the second emergent theoretical dimension of social innovation from the qualitative data analysis.

5.2.2 Transformative value

With the importance attached to the use of social focused-creativity to pursue and develop social innovations as highlighted in the preceding section, social enterprises also have to design social innovation programmes that are embedded with transformative capabilities through changing of societal practices. Therefore, the second theoretical dimension that emerged from the qualitative data analysis is transformative value. It reflects the development of context-specific initiatives that ensures social enterprises can be a cornerstone for driving change and improvement in the society. Accordingly, the knowledge-based theory indicates that knowledge gleaned by social enterprises from their organisational routines and resources
(including capabilities) is capitalised on to develop transformative value creation (see Felin and Hesterly, 2007; Grant 1996). Thus, from a knowledge-based theory perspective, creating transformative value is a strong rationale behind the activities of social enterprises (cf. Woiceshyn and Falkenberg, 2008).

Specifically, the analysed interview data suggests that two second-order themes; (i) context-specific novelty, and (ii) anchoring change are under this transformative value dimension. Further, I provide additional supporting evidence of first-level data for these two second-order themes as shown in Table 5.2 and is keyed to Figure 5.1.

**Context-specific novelty.** The first second-order theme of context-specific novelty illustrates the capability of social enterprises to develop novel or original approaches in their social products and services towards exploiting societal market gaps. More importantly, I observed five types of specific actions through which context-specific novelty takes place.

The first element involves the use of new products and processes to meet social opportunities by the social enterprises. Findings from the qualitative analysis of data suggests that social enterprises viewed their social products and processes as a means of taking advantage of social opportunities in the marketplace. For example, one of the interviewees provided the following explanation:

“*The way I started… I saw a lot of people watching television; cooking programmes and a lot people watch people programmes as you probably know in the UK and a lot of people buy cooking books but then… they are not doing it. So, we get people to do (cooking) through our classes. And from that, we see other benefits… which includes building confidence, and connections, and better health and embracing self-esteem.*” (Participant 3)

The second element is applying original thinking to the products or processes of social enterprises. I discovered that an aspect of social innovation in social enterprises involves the application of original thinking to their development of social products and process to ensure that they are ready for the ever-changing and dynamic business and social environment. This is exemplified in the following explanation offered by an interviewee:
“I think being creative [and original] is, is the top thing you need to [engage in social innovation] .... There is a lot of unknown and there is a lot of uncertainty on whether it is actually going to solve the social issue that you are going for. So, you need to be very open minded and consistently be creative.” (Participant 1)

Such an approach to social innovation ensures that social enterprises can connect the dots and create new ideas and solutions that can address possible social problems emerging in the society which cannot be addressed with a ‘mindset of yesterday’ in the organisation.

The third element involves adapting innovative solutions to new market locations by social enterprises. According to the interview data, social enterprises leverage on their existing solutions to create adaptive offerings that they perceive as social innovation for new markets. This is captured in the following vignette from an interviewee statement:

“You [social enterprises] can take social innovation from one area and bring it into another but it requires the ability and the confidence of the actor [the social enterprise] to be able to synthesise that idea and adapt it [to new markets]. Because the truth is it [social innovation] might need some adaptations in the local context.” (Participant 13)

Accordingly, the adaptation of socially innovative solutions to local market context is a vital feature of social innovation because the prevailing social opportunities and social problems in the society are context-specific. This is in line with observations in recent research on adapting existing social innovation to new local context to make it successful (e.g., Domanski, Howaldt and Kaletka, 2020; Westley and Antadze, 2010).

The fourth element involves improving on existing solutions to make it more value effective. Most of the research participants interviewed noted that social innovation mainly stems from making alterations to existing social products and services to ensure that it can be delivered in a more beneficial manner. For example, one of the interviewees explained how their view of social innovation is in the organisation:

“For me, our social innovation is probably adapting something that already exist to try and improve it and to try make it more effective.... So, unlike
invention which I think is creating something new, I see [social] innovation as being adapting and changing something that already exist.” (Participant 4)

The fifth element involves social enterprises continuously seeking out different opportunities and markets. The emphasis here is on searching for relevant social opportunities and issues to address on a continuous basis. In some of the social enterprises, this element of transformative value was seen as the ability to identify ‘gaps’ as exemplified in the following account of an interviewee:

“I think what it [our social innovation] means is that it is about identifying gaps; it is sometimes about identifying new markets or new opportunities where the gaps were not clear.” (Participant 22)

He further explained the situation in their social enterprise:

“So, if we only have social innovation that fill gaps, we will accelerate less. If we define new frontiers, it is a bit different to addressing the needs we are already aware of that are already clearly defined if you see what I mean. So, to me, [our] social innovation can be divided into frontiers (new market frontiers, in fact) and addressing most current short-term, and mid-term needs.” (Participant 22)

From the evidence above, social enterprises are constantly on the lookout for opportunities to accomplish their social innovation task. At one level, this could be addressing the immediate social needs of groups they serve, and at the other level, this could involve entering new market frontiers.

Overall, the findings suggest that social enterprises recognise that context-specific novelty is an important aspect of their social innovation. From a knowledge-based view, this requires social enterprises to possess and correctly apply domain-relevant knowledge of ‘how things are done’ to succeed on their context-specific novelty (Dewett and Williams, 2007). Consequently, the context-specific novelty theme under transformative value dimension requires that social enterprises use new products and processes to meet social opportunities, apply original thinking to their products or processes, adapt their innovative solutions to new market locations, and only improve
on existing solutions to make it more value effective, but also continuously seek out
different opportunities and markets.

**Anchoring change.** Whereas the first second-order theme under transformative
value – *context-specific novelty* – illustrates the importance of developing specific
novel social products and initiatives by social enterprises, the second second-order
theme, *anchoring change*, represents the element of social innovation that initiates
and sustains valuable changes in the society such that it becomes the norm. Evidence
from the analysed interview data suggests that anchoring change theme is especially
important given the constant challenges that societies face and the different
opportunities that could arise for social enterprises to ensure their survival. From a
knowledge-based theory lens, this means that social enterprises need to use their
knowledge resources to develop a structured coordinated plan that can assist in this
process (cf. Dewett and Williams, 2007). Specifically, I discovered that anchoring
change occurs via five elements that can increase the social enterprise chances of
engaging in social innovation.

First, social enterprises aim to promote positive change in the society. From the
interview data, I found that the act of promoting positive change in the society via
programs and initiatives implemented by social enterprises constituted social
innovation. For example, one interviewee commented that:

“**It [social innovation] is something that makes a difference, something that
makes change happens for the best; change for the better. So, that is how
I see social innovation. It is pragmatic, it is about solution that address
societal challenges.**” (Participant 13)

From this interview excerpt, it is evident that making positive change in the society is
an aspect of social innovation. Previous studies suggest that social enterprises
perceive themselves as change agents that utilise their social entrepreneurial activities
to provide systemic transformations (Garrigós-Simón, González-Cruz and Contreras-
Pacheco, 2017; Zahra, Gedajlovic, Neubaum and Shulman, 2009).

Second, there is the element of being committed to create social value which anchors
sustainable change. According to the interview data, social enterprises perceives that
the social value they created makes them cornerstone for ensuring realistic changes
in the society. This is exemplified in the comment of one of the interviewees:
“If I create social value [social innovation] but I do not anchor it, I will not create sustainable change, and therefore I will not change the status quo for good, right? So, there is difference between something that always return to its original state as soon as your influence is removed and something where the state has changed. It is a bit like the difference between solid and liquid state, you know when in Physics there is change between solid and liquid state. So, what I say is the best type of social innovation is the type that changes the state [of things]” (Participant 21)

In other words, the innovative programs of social enterprise possess some form of social value that can ensure societal changes introduced are credible and sustained over time. Extant research has pointed out that anchoring sustainable social change constitutes an element of social innovation because of its ability of transforming people, structures and policies towards improving the quality of life (Howaldt and Schwarz, 2017; Shier, and Handy, 2015b; Perrini and Vurro, 2006).

The third element is social enterprises have to constantly adapt their programs to address changes in the community. The adapting of existing programs ensures that social enterprises can design flexible social innovative approaches towards their target community. This is exemplified in the remarks of one interviewee:

“Lots of people when they think of XXX people, they tend to think about the medical model…. We [adjusted to] focus more on the social [innovation] model which is more about recognising that everybody is different [to implement change].” (Participant 8)

The fourth element involves developing innovative processes that can be replicated across the social enterprise sector. According to the interview data, the act of engaging in social innovation also subsumes the efficiency of replicating innovative processes by social enterprises. For instance, an interviewee explained:

“They are ideas that developed in other areas, so the innovation is not an innovation of idea, it is an innovation of place. We have taken something that works in XXX where one of our partner/director has worked and said we can adopt those and make it work in the UK. So, the innovation is not necessarily a new idea, but seemingly bringing that idea into practice here in the UK.” (Participant 17)
In part, the replication of social innovation provides opportunities for social enterprises to scale their processes into other contexts. Hence, replicating a particular social innovation in the sector on the one hand, signifies that it has been successful to some extent. On other hand, it implies that the replicated social innovation has been perceived by relevant people to be legitimate and produce social value (see Vassallo, Prabhu, Banerjee and Voola, 2019).

Lastly, there is the ability of social enterprises to convert commercial driven activities into wider scale socially driven projects. My analysis of the interview data reveals that social enterprises believe that social innovation also embodies the ability of turning viable commercial business activities into ‘social’ ones that can generated value for the society. For example, an interviewee commented that:

“So, effectively it [social enterprises] is a business, so it still needs to be commercially viable and I think that the social innovation comes from how can we make this community better through our accessible [commercial] services and how can we support them as they grow and as they change hopefully for the better.” (Participant 1)

Such a perspective to social innovation provides room for social enterprises to balance their commercial activities via making their services accessible to people, and in the process embed it with social value and benefits.

Therefore, the anchoring change outlook to social innovation involves social enterprises promoting positive change in the society, making a commitment to creating social value which anchors sustainable change and constantly adapt our programs to address changes in the community. Additionally, it signifies that the social innovative process of organisations can be replicated, and that social enterprises can convert commercial driven activities into wider scale socially driven projects.

Together, the second finding from the qualitative data analysis shows that through the themes of context-specific novelty and anchoring value, social enterprises can engage in the process of developing transformative value.
**Table 5.2: Additional evidence for transformative value dimension**

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative Quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overarching dimension: Transformative value</strong></td>
<td><strong>Context-specific novelty</strong></td>
</tr>
<tr>
<td>- Using new products and processes to meet social opportunities</td>
<td>“We developed a [new] way to take what private health professionals process will be with a private clinic, and we developed that into a wide method of training. So that we can train individuals in what they would rather than a 2 year wait” (Participant 1)</td>
</tr>
<tr>
<td></td>
<td>“It has to be new [either in product or service], and it has to have in its core; beyond the fact that it the aim to make people’s life better. Well, if it doesn’t have this side, it is not social innovation.” (Participant 10)</td>
</tr>
<tr>
<td>- Applying original thinking to our products or processes</td>
<td>“We do look out for opportunities where and how we can try out innovation where we have [original] ideas of how to work towards that mission of a zero-carbon energy system which is good for people and for the planet.” (Participant 7)</td>
</tr>
<tr>
<td></td>
<td>“[Our] social enterprise is being innovative when it looks at a problem, it looks at the ways different people are addressing those problems but maybe it comes with a new way of addressing the problem.” (Participant 4)</td>
</tr>
<tr>
<td>- Adapting innovative solutions to new market locations</td>
<td>“Most people tend to take a more societal perspective… [for instance], if you know you see something [a social product or service] in the UK and you get it to another country and implement it there, then that would be a social innovation for that country from a society perspective.” (Participant 14)</td>
</tr>
<tr>
<td></td>
<td>“I mean there are different ways of top-down and bottom-up [social] innovation but both has the same the manifestation [which is] that it does not have to be new. It has to be novel not new; novel to the context or the people you [the social enterprise] serve, to have an effect that is net positive.” (Participant 21)</td>
</tr>
<tr>
<td>- Improving on existing solutions to make it more value effective</td>
<td>“We deal with what a person needs rather than solutions for them... We always work with people or each individual in a different way [to enhance value]. So that the [social] innovation needs to be there naturally” (Participant 26)</td>
</tr>
<tr>
<td></td>
<td>“I think if you are taking an innovation [a new social product or service] from a city and deploying it in a town [a small new context], then you would be innovating on that. It [social innovation]is an iterative process…. It is what we do with it that makes it innovative [value effective] and how you apply [improve] it.” (Participant 20)</td>
</tr>
</tbody>
</table>
- Continuously seek out different opportunities and markets

“It [social innovation] is actually seeing an opportunity but then being able to evaluate it as to whether that opportunity is really going to help your business.” (Participant 4)

“We always looking for opportunities [and markets to expand to] and I think where social innovation comes in is that you will be able to make opportunity out of almost anything.” (Participant 1)

- Anchoring change

  - Aiming to promote positive change in the society

“Social entrepreneurs [and enterprises] are trying to achieve positive social change. And we want to do that by supporting XXX people to be more of themselves... People try to define them by their race or disability or whatever or a combination of that. So, we make them think of positive things and develop the confidence so that they can do to in order use their creativity [or innovation].” (Participant 25)

“If social innovation is employed rightly [by social enterprises], then the society can be changed. We can [begin to] say it is social change” (Participant 6)

  - Committed to creating social value which anchors sustainable change

“We are normally interested of providing [social] innovative ways of providing voices to people who don’t normally have their voice heard and to think of new ways of providing social value to people.” (Participant 17)

“It [social innovation] has to have some added [social] value, and that is very important.... They [social enterprises] do this to exalt [change] the economy or for some social problems like for example what we are experiencing now [that is COVID-19 pandemic] and so on and so forth.” (Participant 22)

- Constantly adapt our programs to address changes in the community

“What makes a social enterprise [socially] innovative is the dynamic of how the business is managed and the power and prowess to adapt to new things. And they have to do that all time because you know things change so quickly [in the society].” (Participant 22)

“The society changes fast. We have to be flexible and adaptable at the heart of what we do; that is to support our own people, who feel marginalised and excluded, and with reasons for that in an innovative way.” (Participant 25)

- Innovative process can be replicated across the social enterprise sector

“Sometimes new ideas [social innovation] may not be the solution, but the solution would be to borrow [replicate] an idea from another part of the world where it is working. So, for example, people say that they saw the Microfinance initiative in Bangladesh from Prof Muhammad Yunus and they used that model in other parts of the world. So, it is not a new idea but it a kind of recycled idea” (Participant 13)

“Very importantly, the last bit [of social innovation] is about making us what you have written when you have done your [social innovation] or just so you can replicate them.” (Participant 22)

- Converting commercial driven activities into wider scale socially driven projects

“Well, just the nature of what the social enterprise does is apparently [socially] innovative because what motivated me is obviously these lack of access to all these amazing new advances in healthcare and technology. Yes, there is all these things people aren’t able to access and often the ones that are benefitting the most are those that are
accessing them. So that was the main reason that motivated me to start the social enterprise in the first place.” (Participant 5)

“You [social enterprise] need to adjust your offer [that is, social products and services] if you want to make sure that anyone and everyone [in the community] can access a service.” (Participant 8)

The subsequent section elaborates the third emergent theoretical dimension of social innovation based on my analysis of the qualitative data.

5.2.3 Inclusiveness orientation

Finally, from the interview data, I identified another emergent aggregate theoretical dimension of social innovation that assists social enterprises to gain legitimacy through collaboration and provision of access to certain services for the community they operate in. Hence, social innovation actions are largely targeted at ensuring inclusiveness for the good of the community. This is evidenced in the statement of an interviewee:

“I think what social enterprises do [social innovation] or what social innovation does is that it takes that private scheme and develops it into a larger scale that has a much easier way of accessing it (Participant 1)”

Therefore, the third theoretical dimension of social innovation that emerged from the interview data is termed inclusiveness orientation because several of the interview participants consistently mentioned ‘community’ and ‘involvement’ as they describe the essentials of the social innovations developed by their organisations. Recent advancements in resource-based theory suggest that inclusiveness orientation constitutes an important emotive resource for social enterprises because they can leverage on it to gain a strategic social advantage (Ranjatoelina, 2018). Further, from the interview data analysed, two distinct second-order themes emerged under this theoretical dimension: (i) collaborative behaviour and (ii) community-driven actions. Below, I elaborate on these second-order themes of inclusiveness orientation. Further, I provide representative additional evidence of the first-level data for these two second-order themes in Table 5.3 and is keyed to Figure 5.1.

Collaborative behaviour. Collaborative behaviour as the first second-order theme of inclusive orientation focuses on behavioural actions that involve working together with
other individuals and groups in a way that can aid in developing new understandings in the social enterprise. Previous research on resource-based theory suggests that organisations have to develop partnerships with potential collaborators to build and accumulate resources necessary for an inclusive social innovation (cf. Peerally, De Fuentes and Figueiredo, 2019). Moreover, the interview data reveals there are five elements that social enterprises can use to assess the quality of their collaborative behaviour to improve their chances of developing social innovation.

The first element is to develop partner relationships with other organisations/people. According to the interview data, social enterprises perceived that developing relationships with other organisations is a recipe of social innovation. For example, one of the interviewees commented that:

"We work with businesses, and we work with schools, and different organisations. And every piece of work that we do with that organisation, we commit [our resources] to paying for a certain amount of sessions for XXX [the community] to get the needed support [via our social innovation]"

(Participant 1)

Specifically, the interview extract demonstrates that cultivating a habit of partnering with organisations is an important aspect of social innovation. Under the resource based-theory, previous research has shown developing partner relationships with other organisations does not only serve as an important element of collaborative behaviour, but also aid in developing new and relevant organisational resources that can strengthen social innovation activities (Ko and Liu, 2021; Ko et al., 2019).

The second element is working cooperatively with the right organisations/people. Based on my analysis of the interview data, working cooperatively with the right organisations provides more opportunities for social enterprises to seek for willing actors and obtain resources such as knowledge that can contribute to their social innovation process. One of the interviewees provided the following viewpoint:

"If you approach other people from their point of view and you explain your purpose and what you are trying to achieve but then show how it is in their interest to get them involved then that’s another way of trying to get them more involved. So, I think an [social] innovator of an organisation sees
another organisation and gives them an approach which is in their self-interest to get involved and to support the common cause” (Participant 4)

Relevant previous research indicates that organisations engaging in social innovation initiatives seldom work alone as they require knowledge inputs from other organisations and groups to navigate the process (von Schnurbein, Potluka and Mayer, 2021; Shier and Handy, 2016b). Moreover, from a resource-based view, such cooperative working can become an essential capability for social innovation through assisting in generating the much-needed normative and cultural-cognitive support for social enterprises (Ozdemir and Gupta, 2021).

Third, is the element of social enterprises providing collaborative spaces for other organisations/people to work with them. My analysis of the interview data suggests that social enterprises view collaboration as an important activity of social innovation. In particular, the interview data indicated that since social innovation is about the society, it would be very difficult to actualise without the element of collaboration. For instance, one of the interviewees explained his situation:

“We are working closely with a big organisation XXX. So, I got the connection through someone that knows the Marketing Director of the organisation, and now the organisation has seconded a manager to me because I asked to [collaborate with them]. So, my [social] innovation is also not just through what we do, but also my approach [collaborating]”

(Participant 3)

By providing these collaborative spaces for working together, social enterprises are presented with the opportunities of sharing the risk associated with developing social innovation with their collaborators (Phillips et al., 2019).

The fourth element involves social enterprises engaging in dialogue with their stakeholders. According to the interview data, dialogue with stakeholders guides the social innovation process of many social enterprises. This is exemplified in the comments of an interviewee:

“We are guided [in our social innovation] by our users. They are our stakeholders. So, if there is a barrier [a social problem] or there is something that needs to be addressed, then people tend to let us know. They let us
This suggests that through dialogue with stakeholders, social enterprises can implement social innovation that accommodates the needs and inclinations of the community it serves (Murphy and Coombes, 2009). Past research has suggested that social innovation requires constant interaction with and learning from groups and organisations beyond the social enterprises' boundaries (Svensson and Hambrick, 2019; Phillips et al., 2015). Thus, by engaging in dialogue with stakeholders, social enterprises have opportunities for seeking new ideas, glean new knowledge and improve their learning on social innovation.

The fifth element involves social enterprises using feedback from stakeholders to develop their innovative programs. Based on my analysis of the interview data, social enterprises often sought for and embed the feedback of stakeholders into their social innovation. They perceive the feedback as an important asset of developing successful social innovation. For example, one the interviewees explained the process of collecting stakeholders’ feedback in their social innovation process:

“So, the deliberative process we use such as citizen juries and citizens assembly are very much about how citizens can influence [through feedback], and direct public resources generated through taxation to solve the [social] problems they face. Because often the problem is not the lack of a resource but the lack of the institutional response [to those problems].” (Participant 18)

This form of feedback assists social enterprises in making modifications to their social innovation efforts, which can minimise the risk of problems arising during the implementation phase of the said innovation. The interviewee above further provided the following example:

“So, those deliberative spaces [with our stakeholders] are good for enabling lived experiences to stand alongside intellectual or other forms of knowledge [for our social innovation purposes].” (Participant 18)

Hence, an approach to collecting stakeholders’ feedback as described in the interview excerpt above demonstrates that feedback from stakeholders is a vital element of the
innovative programs as it ensures that when implemented, it reduces the ‘rigidity’ often associated with one-sided social innovation that is mainly driven without knowledgeable input from stakeholder groups (Phillips et al., 2015). Thus, social enterprises can come up with successful social innovations that assimilates the feedback from stakeholders into the innovation process.

Together, the collaborative behaviour theme requires that social enterprises develop partner relationships and work cooperatively with other organisations/people, provide collaborative spaces for other organisations/people to work with them, engage in dialogue with stakeholders and finally, use the feedback from their stakeholders to develop innovative programs and initiatives.

**Community-driven actions.** Further to the first second-order theme of collaborative behaviour that brings about social enterprises’ working together with others, the interview participants also expressed that their social innovation actions are usually an after-thought facet of people’s conditions in the community. I have termed this ‘community-driven actions.’ From a resource-based view, prior research indicates that such actions that make social enterprises responsible to their communities constitute an essential capability for their organisational sustainability (Branco and Rodrigues, 2006). Moreover, the interview data suggests that there are five specific activities carried out by social enterprises to initiate this community-driven actions theme.

The first activity involves social enterprises putting the interest of the community at the core of their organisational activities. This reflects the presence of a co-dependence relationships between events in community and the social innovation initiatives of social enterprises.

“What it [social innovation] does is that it also creates a stronger bond and link [with your community] and therefore let your concept live beyond the organisational entity, the brand or the team; making it something more timeless. Because it [social innovation] is evolving and responsive and it is part of something rather than just being a hat at the top of it, it is organ, a part of an organism [the society] if you what I mean.” (Participant 21)

Accordingly, this provides an institutional lens to social innovation as its success depends on the co-evolutionary relationship between social enterprises and the community. Thus, the development of a successful social innovation does not come
about in isolation, as it is a response to the events in the community (see von Jacobi, Nicholls and Chiappero-Martinetti, 2017).

The second activity is ensuring that social enterprise follows a bottom-up approach to create innovative activities. According to the interview data, social innovation is also generated from other less powerful social actors in the society, giving them the opportunity to become the ‘loci’ of innovation for the social enterprises. This is exemplified in the remarks of an interviewee:

“It isn’t just that we [that is, the social enterprise] does something [social innovation] valuable in terms of the [social] products that we sell or produce, there is a degree of co-production by involving service users in the product… it [social innovation] is self-developmentary for people from that community [of service users].” (Participant 2)

Such an approach to social innovation offers people the opportunity to participate in the development of social products and services that can assist in addressing their social needs. This can be analogised to the notion of user-led innovation (Baldwin and Von Hippel, 2011). This ensures that social innovation goes beyond merely solving a social need as it uses people’s agency and knowledge to determine how they can self-determine ways to see changes in their social environment (Pellicer-Sifres, Belda-Miquel, López-Fogués and Boni Aristizabal, 2017; Crocker, 2008).

The third activity is that social enterprises only do things that represent the people in their community. My analysis of the interview data suggests that when social enterprises engage in innovative activities that represents their community, it draws them close to the community. This provides social enterprises with more opportunities for developing successful social innovation. One of the interviewees recalled that:

“I think social innovation brings you close to your community when it works. It can only work because you have been close to your community. If you do not; you are not close to community or context that you serve, you will not innovate anyway, not successfully.” (Participant 21).

Thus, the route for developing successful social innovation is for social enterprises’ innovative activities to be implicitly driven by the community they serve. Through being close to the community, social enterprises are not only able to come up with innovative ideas, but also successfully develop social innovation.
Once the activities of social enterprises have been designed to epitomise the community, the next essential (fourth) activity involves providing the communities with access to specific services. From a resource-based theory perspective, this is not a simple exercise as it requires that social enterprises commit their resources and capabilities in ensuring that the needs of people in the community can be met (Descubes, Timsit and Truong, 2013). This is exemplified in the remarks of an interviewee:

“For me, social innovation [means...] is basically using existing resources but we combine them in order to achieve some kind of benefit for society but in a wider scale so that it doesn’t just benefit a few but preferably a large group of people” (Participant 14).

For the final activity, I encountered social enterprises where the interviewees observed that their innovativeness is for the greater good of the community. The interview data revealed that one approach of doing this, is ensuring that the innovative programs of the social enterprise are designed to bring about social progress of the society. An interviewee explained their situation:

“Well, the way that the XXX project looks at it [social innovation], is that the principal aim of the innovative energy investment is to provide benefit which are not principally concerned with making profits but are concerned with some form of social betterment.” (Participant 12)

Particularly, this finding is in line with previous research which recognises that main interest of engaging in social innovation is for the social betterment of the community (Descubes, et al., 2013). Therefore, the community-driven actions of social enterprises are evaluated through the criteria of ensuring the interest of the community is at the core of their activities, the organisation follows a bottom-up approach to create innovative activities, the organisation would only do things that represent the people in our community, they also provide communities with access to specific services, and finally, the social enterprises’ innovativeness is for the greater good of the community. Consequently, this translates to the development of inclusiveness orientation in the social innovation endeavours and initiatives of the social enterprise.

Together, the second-order themes of collaborative behaviour and community-driven actions represent the extent of the inclusiveness orientation behind the social
innovation efforts of social enterprises by people within community.

Table 5.3: Additional evidence for inclusiveness orientation dimension

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative Quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate dimension: Inclusiveness orientation</strong></td>
<td></td>
</tr>
<tr>
<td>- <strong>Collaborative behaviour</strong></td>
<td></td>
</tr>
</tbody>
</table>
|   - Developing partner relationships with other organisations/people | “So, I think it [social innovation] is looking for opportunity which is usually about 'how can we involve other people in the cause' [...] … because my background is in marketing, and my marketing to anybody is to say, 'what is in it for me, what is my gain? how are they are going to benefit from what I’m talking about’?” (Participant 4)  
   - Working cooperatively with the right organisations/people | “For some of our bigger [social innovation] projects, we would have struggled on it if we weren't in partnership with our local networks” (Participant 17)  
   - Providing collaborative spaces for other organisations/people to work with us | “We are able to then tap into the organisation’s [the organisations we work with] corporate social responsibilities or able to support our community more actively and actually be able to quantify where the money goes, and what we will be able to be doing with it.” (Participant 1)  
   - Engaging in dialogue with stakeholders | “At the moment, I’m working with an organisation [another social enterprise], I have set up a very good XXX project. They want to [you know], see the project in every local community where women and girls are being excluded or not being included in the public life.” (Participant 13)  
   - Using feedback from stakeholders to develop our innovative programs | “Social innovation is all about collaboration. It is not a competition. If people want to compete or if you compete, it will be hard to achieve social innovation… So, of course, collaboration is very important for social innovation” (Participant 6)  
     - “I suppose it [our social innovation] comes over as a collaboration [with other people]” (Participant 4)  
     - “Our social enterprise has developed into other areas such as deliberative democracy and participatory budgeting because they are spaces for people to get involved [in our social innovation] at larger scales on how society works including their neighbourhood or community.” (Participant 18)  
     - “It [social innovation] is about good research and getting your ears to the ground and understanding whether there is both a need or existing momentum and then once you have decided if it’s worth a deep dive, you need to establish who your other actors already involve.” (Participant 21)  
     - “With my critical [academic] lens, whenever I see a [social] problem, I seek and get feedback from people [our stakeholders] that it is a problem [that requires solution].” (Participant 17)  
     - “We do social medias [on our innovation], and we get a lot of feedback from that. Very recently, we had a little piece on XXX TV…. and that achieved an enormous amount of response from the public… So, we try and get feedback as much as possible…” (Participant 2) |
| - **Community-driven actions** |                          |
- The interest of the community is at the core of our activities

“So, I do community sessions with service users. It’s part of the [social innovation] plan; as in my focus on therapy aspect of the enterprise... We were all excited, everyone was excited and was at the same page altogether” (Participant 5)

“It [social innovation] is trying to use capitalism (sorry to use that term), for the benefit of the greater good [of the community] as opposed to primarily commercial interest. So, at basic level that’s what social innovation means to a social enterprise (community interest company) in all its form.” (Participant 9)

- Following a bottom-up approach to create innovative activities

“Most successful social innovations are actually bottom-up, it has to come from the ground, it has to come from the people. This is what I think about social innovation” (Participant 10)

“And if we are talking about social innovation as opposed to specific business innovation, then that innovation doesn’t have to be within a social enterprise. It could be within a community, working with a group of people but who don’t identify themselves as a social enterprise or such” (Participant 4)

- Only do things that represent the people in our community

“There also needs to be a demand for it, for that activity [social innovation]. It needs to be a local priority for the local residents, it is local. So, if you take for example in City X, they [a social enterprise] might say homelessness, housing and caring for vulnerable children is our priority... So, it needs to be relevant to peoples’ priority.” (Participant 16)

“Helping the community or society that is the central thing about [our] social innovation.” (Participant 6)

- Providing communities with access to specific services

“So, most profoundly XXX use their language and simply by using a different language, that then means that what you and I take for granted are simply not accessible. So, we are here to kind of raise awareness and help organisations adjust how they provide services.” (Participant 8)

“What could be more social [innovation] than providing healthcare, but ultimately the motive of [the social enterprise] doing that is primarily to help people?” (Participant 9)

- Innovativeness is for the greater good of the community

“If you look at our [social enterprise’s] mission statement which is ‘we can do that here’, which is the sense of confidence [we instil in our community] that enables people to become [social] innovators” (Participant 18)

“Social innovation is creating something good for everyone, it is not excluding some part of society with some certain group of people.” (Participant 6)

5.2.4 Commentary

The findings I have discussed so far in this chapter provides a more nuanced understanding of the emergent three aggregate theoretical dimensions of social innovation which includes social-focused creativity, transformative value, and inclusiveness orientation. Consequently, I offer the following operational definition of social innovation:
Social innovation represents a social enterprise’s context-specific programs and initiatives that are built on the foundation of social-focused creativity with the aim to enhance the current position of the organisation and its stakeholders through attributes of transformative value and inclusiveness orientation.

This operationalised definition suggests that social innovation in a social enterprise setting operates on a continuum as organisations differ in the extent to which they are social innovation-oriented. Therefore, the operational definition captures the facets of social innovation and provides an opportunity to develop an appropriate measure for the construct (see Chapter 8). This can aid in evaluating the degree to which a social enterprise is oriented towards the development of social innovation.

Summarily, this section of this chapter reveals that from my analysis of the interview data, three theoretical dimensions of social innovation emerged; (i) social-focused creativity (ii) transformative value (iii) inclusiveness orientation as demonstrated in Figure 5.1.

In the next section, I elaborate on other qualitative findings relating to the antecedents and outcomes themes that emerged from the data analysis.

5.3 Other relevant qualitative findings

Beyond the qualitative findings presented in the previous section on social innovation and its dimensions, my analysis of the interview data also led to the discovery of another 15 second-order themes that I compartmentalised into eight aggregate descriptors based on their underlying commonalities, indicating the deep structure of the data analysis as recommended by previous studies (Gehman et al., 2018; Gioia, et al., 2013). Figures 5.2 and 5.3 in this chapter provides a way of discerning how all the themes and aggregate descriptors are linked to each other.

The following sections explicate these themes and aggregate descriptors either as antecedents or outcomes of social innovation in social enterprises. Specifically, Section 5.4 focuses on the interview participants’ views of the antecedents of social innovation, which includes 10 emergent specific antecedent themes grouped under five aggregate descriptors. Next, for Section 5.5, the interviewees’ opinion on the organisational related outcomes of social innovation in their social enterprises led to development of five further themes which I compartmentalised into three outcome
aggregate descriptors. Further, in each of the sections, my analysis of the interview data was also supported with insights derived from the extant literature.

5.4 Antecedents of social innovation

This section focuses on findings relating to the antecedent factors that influence the ability of social enterprises to develop and implement social innovation. Following my analysis of the interview data, I identified 10 antecedents that triggers social innovation. I further compartmentalised these antecedents into five distinct aggregate descriptors – (i) directors’ cultural capital; (ii) social entrepreneurial passion; (iii) human resources decisions; (iv) access to funding resources; and (v) social connections – to capture them at a more abstract level based on their underlying commonalities. Figure 5.2 presents the data structure, showing how I progressed from the informants’ views to the specific antecedent themes and aggregate descriptors. In the subsequent section, I explicate the identified antecedent drivers according to their thematic grouping and show how they are related to social innovation.
Figure 5.2: Data structure for the antecedents of social innovation

First-order categories

- Possessing the needed education
- Leveraging on people’s or personal lived experiences
- Prior work experience

- Possessing visionary leadership character
- Ability to learn is important
- Having a high degree of personal commitment

- Possessing the entrepreneurial drive
- Understanding the risk-taking

- Employees with shared organisational vision

- Welcoming to people of different orientations and background
- Having a divergent thinking in the enterprise

- Hiring people with the needed skills

Second-order themes

- Directors’ Exposure
- Directors’ personal values

Aggregate descriptors

- Directors’ cultural capital
- Social entrepreneurial passion
- Mission-focused employees
- Staff diversity
- Staff skills

Human resources decisions
- Presence of start-up capital
- Having external funding sources
- Becoming sustainable is crucial to funding

- Funders understanding of innovation
- Funders are conscious of projects

- Community understanding of innovative projects

- Developing ties with local groups/agencies
- Support from networking with other organisations

Available finance

Funders’ perception

Community readiness

Social support

Access to funding resources

Social connections
5.4.1 Aggregate descriptor 1: Directors’ cultural capital

Directors’ cultural capital represents the experiences and values of the top management in social enterprises. From the interview data, I found that when the top management of the social enterprises possess strong cultural capital, it encourages them to find ways of addressing a social gap or market opportunity they have identified either from their values, personal experience or from the lived experiences of other persons they have had a conversation with in the past. From a resource-based theory perspective, this is in consonance with Henry, Newth and Spiller’s (2017) exposition that cultural capital is an essential entrepreneurial resource for developing social innovation as it allows organisations to become embedded with their social context and design initiatives that reflects their cultural values. Specifically, my analysis of the interview data identified two specific antecedent factors of social innovation under this directors’ cultural capital descriptor: directors’ exposure and directors’ personal values. In the next sub-section, I elaborate these two antecedent factors in detail.

5.4.1.1 Directors’ exposure

In this study, directors’ exposure relates to the educational, lived experiences and prior work experience of the directors/managers of social enterprises. The interview data analysed indicated that if the directors are well exposed and experienced, this will help the social enterprises in coming up with social innovation initiatives as they are able to increase their managerial knowledge and expertise collected via social innovation (see Table 5.4 for additional supporting evidence for the findings and is keyed to Figure 5.2). From a resource-based theory lens, this indicates that managers accumulated knowledge and expertise acquired through education and experiences are vital managerial resources that increases their chances of sensing opportunities for new innovations in the organisation (Helfat and Martin, 2015a; Castanias and Helfat, 1991). Also, from the knowledge-based theory perspective (Grant, 1996), the knowledge element of directors’ exposure will assist social enterprises into converting their directors’ accumulated experience into social innovation.

Specifically, I found out that directors’ exposure can affect social innovation in three different ways (see the first-order category in Figure 5.2). Firstly, by having directors that possess the necessary educational expertise, social enterprises can develop the capacity to develop and manage their activities such as social innovation. For
instance, a director of community empowerment and social economy focused social enterprise explained:

“So, I was basically trying to take the learning from how you might develop entrepreneurial business support into the social enterprise and community sector. And during that time, that gave me the opportunity to help, support and coordinate the XXX Social Enterprise Network.” (Participant 18)

From another perspective, a senior academic and consultant to social enterprises remarked:

“I was speaking to someone this morning that wants to start an NGO, one of the key things is he lacks the experience and also the education or the knowledge or competency of setting it up, but he has the passion. So, many social entrepreneurs have the passion, but they don’t have the cultural capital in terms of the education and experience to run the social enterprise. So, a lack of capacity could be another factor that stifle social innovation internally. So, some of the things… I’m doing is that training and human capital development needs to be critical to the success of social enterprise.” (Participant 13)

This reflects that the expertise of directors of social enterprises are vital in developing and managing social innovation in the organisation. This can be linked to the knowledge-based theory of organisations (Grant, 1996) given that managerial expertise based on their social entrepreneurial knowledge can assist social enterprises to improve and deliver on their social products/service (Ko and Liu, 2021).

Secondly, acquiring greater directors’ exposure is facilitated by the directors’ lived experience or knowing people in the community that have encountered social challenges. An interviewee offered a good illustration:

“if you have gone through something negative that you haven’t been able to find a solution for within society. So, there is no service to support it or there is no knowledge from people around you to be able to help you solve that issue. So, then I see social innovation as people going through something like that and needing to then solve that issue on a wider scale. For example, I wasn’t able to get support for my health and I understood that an awful lot
more of people are in that position. So, I created a solution around it [health]; being able to do it on a wide scale.” (Participant 1)

The social innovation developed follows the specific challenges of the complexity of the social problem he (this director) has faced, thereby showcasing the linkage between directors’ exposure and social innovative ideas behind many social enterprises. This is understandable as relevant research suggests that the motivation of social entrepreneurs towards developing social value is usually ignited by their sympathetic experience of seeing people go through social problems that they (social entrepreneurs) have previously gone through (Cardon, Glauser and Murnieks, 2017; Ruskin, Seymour and Webster, 2016). Hence, having diverse directors with experience of different social problems can enhance the social enterprise’s emotional connection towards their target communities. Inherently, this can act as ‘emotional resources’ from a resource-based view that boost their prospect of the social enterprise’s spotting areas of social innovation opportunities and developing social products and services to meet these opportunities (see Ko et al., 2019).

Finally, I uncovered that having directors in social enterprises with prior experience of working in organisations that deal with social problems can drive social innovation. Previous research demonstrates that prior work experience of directors can be valuable for nurturing creativity, which is a fundamental component of social innovation (see Section 5.2.1) as well as making investment decisions on the social innovation initiatives of their organisations (cf. Helfat and Martin, 2015b). An interviewee from an environmental services social enterprise provided the following example:

“The reason I started [engaging in social innovation] was I was working as something a de-clutterer [professional organiser], and that is somebody who helps someone who might have a room that is a bit messy or a garage that they want to empty... So, that was what I did for a couple of years which is nice and interesting because I like people. So, I get to meet people, and that is good. But then, I was contacted by a charity, and they said, ‘we have got this lady that we are working with, who has had her children removed from her house by social services because her home is deemed unfit for children to grow up in’. And I went ‘oh wow, this is totally different” (Participant 23)

As this excerpt illustrates, prior work experience provides role familiarity for directors
which makes their transition into developing social innovation through their social enterprises efficacious. This mirrors the suggestion from extant research that staff members with prior work experience can aid social enterprises to improve their organisational activities (Ko and Liu, 2015). Accordingly, I extend this line of thought by suggesting that directors have a greater likelihood of recognising social innovations ideas with potential when they come across it, owing to their prior work experience.

Therefore, I conclude that findings here add to existing literature by extending the role of managerial and knowledge resources under the resource-based theory (Castanias, and Helfat, 1991) to demonstrate that directors who possess a high degree of exposure (that is, educational, lived experiences and prior work experience) will be able to identify ideas and generate social innovative ideas as they will be able to scan the environment and collect information that can spark and maximise the probability of success for social innovation in the social enterprise.

Table 5.4: Additional evidence for directors’ exposure

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate descriptor: Directors’ cultural capital</strong></td>
<td></td>
</tr>
<tr>
<td>Directors’ exposure</td>
<td></td>
</tr>
</tbody>
</table>

- Possessing the needed educational expertise

  “My background is in health and going back to get some education… with that I started getting out there and putting things into practice. So that gave me the confidence to go out there and do things. So, with 6 months doing a diploma, attending workshops, doing research and making business plans.” (Participant 5)

  “I used to work at the Citizens Advice Bureau. So, I’m legally trained [educated], that’s kind how I started it at the Citizens Advice Bureau… And it wasn’t until I met XXX people that I realised how much of a barrier life is to be honest.” (Participant 8)

- Leveraging on people’s or personal lived experiences

  “It emerges directly from somebody understanding that there is an issue; either from them personally or they see other in their community experiencing and then they apply that lived experience to others they have available in order to try and bring social improvement.” (Participant 18)

- Prior work experience

  “The current social enterprise [and its innovation] is a result of my experiences. I guess so, I had started businesses before as a consultant and have also helped others to start their businesses. So, that part was not daunting to me… So, absolutely your background and your position and your knowledge...” (Participant 15)
5.4.1.2 Directors’ personal values

Directors’ personal values reflect the extent to which desirable end states of directors towards innovation in social enterprises influences their choices or actions. Values refer to the “global beliefs about desirable end states or modes of behaviour that underlie attitudinal processes” (Tomczyk, Lee and Winslow, 2013, p.67). Prior research has demonstrated that the personal values of directors are vital to the success of organisational activities (e.g., Tang, Tang and Cowden, 2017). This is because they reflect stewardship resources under the resource-based theory lens that can imbibe a culture of growth in social enterprises (Bacq and Eddleston, 2018).

From the analysis of the interview data, I discovered that directors’ personal values towards innovation is influential in identifying and implementing opportunities related to social innovation in the organisation (additional supporting evidence for the findings is shown in Table 5.5 and is keyed to Figure 5.2). This is consistent with findings from Ruskin et al (2016) that the personal values of social entrepreneurs influence their social value creation decisions of their organisations. This is because the values of executive officers such as directors affects how they appraise the internal and external environments as well as make strategic decisions in the organisation.

Particularly, the interview data suggests that the personal values of directors towards innovation contributes to the social innovation process of social enterprises in three ways. To begin with, I discovered that when directors possess the much-needed visionary leadership character, this enhances their personal values for innovation which in turn drives the social innovation process and behaviour in the organisation. For instance, one of the interviewees explained that:

“A chief executive in a company whether bigger or not that actually knows where the organisation needs to go but, I suppose is brave enough to steer the organisation to new territories is something that in my opinion and in my experience will help with the process of social innovation [and enterprise]. So, if you have someone at the helm that is very stiff and they just want to do what they’ve always done no matter, or you may have heard board that doesn’t let you do anything… You certainly need someone visionary in order to succeed with social innovation. If you don’t have the someone visionary
whether it is because of their previous experience or because they know organisation so well or because of their very nature, I don't think social innovation is going to be a big thing for that organisation” (Participant 22).

Evidently, this indicates that leadership skills are essential to envision change and build a culture of social innovation such that the organisation can develop the right social innovations and, in the process, fulfil their potentials (Svensson and Mahoney, 2020; Jaskyte, 2015). Impliedly, this is akin to stewardship resources under the resource-based theory that highlights how the internal values of social enterprises can contribute to their capability to respond to social problems and opportunities (Bacq and Eddleston, 2018).

Secondly, I uncovered that when directors possess the ability to learn about events in their environment, this reinforces their personal values which in turn, can ensure the development of social innovation in the social enterprise. This is due to the directors’ ability to improve his/her social-change orientation which could affect the focus of the organisation. However, if this is not well managed, it can limit social innovation in the organisation as there is a tendency for directors to delve into other areas of the business where their attention is also needed. This is because they are usually responsible for decision making on all facets of the organisation (Shier and Handy, 2016a). For example, an interviewee commented that:

“As the business gets busier, I want to learn more on business, so I suppose I’m drawn more into a lot more areas on business so that kind of affects my time to think about how I want to be more innovative. That does not help sometimes. You know as you get busier you have left time to be more innovative. So, I’m hoping that won’t happen, but it does happen. I’m being called into more directions than I was, I think I had more time before as now we are getting busier, so my time is needed in all sorts of areas, so that’s a challenge.” (Participant 3)

Finally, I found that the commitment levels of directors of the organisation is also represents their personal values for innovation. Such that, it can strengthen the ability of social enterprises to engage in social innovation. As one interviewee explained:

“When I very much started, hoarding behaviour did not have a definition. So, I had to fight to make people believe that it was a disorder, so that was
difficult. But then definitions came in, one came in the USA in 2013 and 2018, for the rest it has been acknowledged. By 2022, it will be recognised everywhere else as well as America. So, that made it slightly easier but also, my customers who are local authorities and housing are famously wary of [social] innovation because they are stale and steady and risk-averse, and the word innovation frightens them, they do not embrace it... So, I have had to do a lot of reassuring, demonstrating through practice, and coming up with ‘so, this is why this project will be fantastic for everyone because I’ve got a body of evidence that I can then take…” (Participant 23)

From the fragment of evidence above, being committed means that directors can internalise their personal values and use it to clear any doubts about social innovation of the social enterprises. Prior research has accentuated the importance of commitment from top management in the innovation process (see Bettencourt, Bond, Cole and Houston, 2017; Daellenbach, McCarthy and Schoenecker, 1999). The findings here indicate that directors should be willing to put in the extra effort over time to ensure that their social innovation is successful. Consequently, such high levels of personal commitment can spread in the organisation, thereby engendering social innovation because top management engrain their values on organisations through their actions (Tomczyk et al., 2013).

Thus, directors’ personal values towards innovation can assist in establishing a social innovation culture in social enterprises. From a resource-based theory lens, this adds to existing theoretical insights on stewardship culture as a vital resource for social enterprises to thrive (Bacq and Eddleston, 2018). Also, the findings here enrich current understanding on managerial resources under the resource-based theory (see Helfat and Martin, 2015a; Castanias, and Helfat, 1991) by demonstrating that directors’ personal values toward innovation possibly translates to social innovation. Accordingly, this is because directors’ personal values towards innovation via their visionary leadership skills, learning and putting in the required commitment ensures that social enterprises can develop and implement effective social innovation. Therefore, I conclude that when social enterprises have directors with strong personal values towards innovation, this will inevitably translate to the design and execution of social innovation initiatives that can successfully meet emergent social needs or opportunities in the society.
### Table 5.5: Additional evidence for directors’ personal values

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate descriptor: Directors’ cultural capital</strong></td>
<td></td>
</tr>
<tr>
<td>• Directors’ personal values</td>
<td></td>
</tr>
<tr>
<td>- Possessing visionary leadership character</td>
<td>“It [social innovation] requires leadership skills in terms of not trying to be the hero but trying to be the enabler and it also needs a wide range of resources which aren’t just finance” (Participant 18)</td>
</tr>
<tr>
<td>- Ability to learn is important</td>
<td>“In my journey, I then started to learn xxx language because I felt that it was my responsibility that I was going to be part of this organisation that is non-judgmental, open to everybody etc, then I should take the responsibility and learn xxx language. And my manager at the time agreed, you know they paid for me to do xxx language. So, I learned, I did the different levels of xxx language in order for xxx people to access the service.” (Participant 8)</td>
</tr>
<tr>
<td>- Having a high degree of personal commitment</td>
<td>“Well, I’m still learning myself what all of these [social innovation] means. Like I said before I never thought I’d be a business manager let alone an entrepreneur or a social innovator and I’ve been a finalist on some of awards on innovation: British Entrepreneurial Award of the Year.” (Participant 5)</td>
</tr>
</tbody>
</table>

#### 5.4.2 Aggregate descriptor 2: Social entrepreneurial passion

Social entrepreneurial passion reflects the feeling of social enterprises to be drawn towards specific social entrepreneurial activities they find important and choose to do. Generally, the interview data suggests that social enterprises find it meaningful to engage in the activities that can benefit the society as it represents the rationale behind their existence. Prior research suggests that passion is a deep-rooted element in the
practice of social entrepreneurship and social enterprises (Ruskin, et al. 2016). From a resource-based theory lens, this is because it is vital to their self-identity as social enterprises and serves as an ’emotional resource’ behind their social innovation (see Ko et al., 2019).

Based on the insights from the analysed interview data, I uncovered and compartmentalised two antecedent factors of social innovation under this social entrepreneurial passion aggregate descriptor: entrepreneurial mindset and mission-focused employees. I explicate these antecedents in the following sections.

5.4.2.1 Entrepreneurial mindset

Entrepreneurial mindset reflects the behaviour of social enterprises to sense and act on existing opportunities in the environment. According to McMullen and Kier (2016, p. 664), entrepreneurial mindset is the “ability to identify and exploit opportunities without regard to the resources currently under their control”. The analysis of the interview data suggests that if a social enterprise possesses entrepreneurial mindset, this will assist in developing the relevant social innovation that can take advantage of social opportunities/problems in the environment (additional supporting evidence for the findings is shown in Table 5.6 and is attuned to Figure 5.2). Thus, the interview findings suggest that entrepreneurial mindset gives room for social enterprises to seek and recognise where there are opportunities for creating social innovation.

In the data analysis, I uncovered that entrepreneurial mindset is relevant to social innovation into two ways. First, entrepreneurial mindset ensures that organisations possess the much-needed entrepreneurial drive to see the vision and develop the energy to towards the creation and implementation of new ideas and creative solutions. I use the term ‘entrepreneurial drive’ to indicate the desire for innovation and risk-taking propensity by the social enterprise to grow the organisation (Armstrong and Hird, 2009). For instance, an interviewee explained that:

“So, very often social enterprises are driven by personal desires. That is, if somebody wants to set a social enterprise, they don’t want to set up a business to provide a service. They want to specifically set up a social enterprise and that individual desire that makes it a social enterprise and not a business. I’m just thinking about my own example. So, 3 years ago I was a private consultant but delivering social value and then I set up a social


"enterprise delivering social value. I could have carried on without it but it was my desire to make it a social enterprise as suppose to a standard business." (Participant 16).

Implyedly, entrepreneurial mindset brings a growth-oriented perspective to social enterprises which promotes social-focused creativity, and in the process ensures continuous social innovation to keep the organisation competitive (cf. Zupan, Cankar and Cankar, 2018; Hitt, Ireland, Sirmon and Trahms, 2011; Ireland, Hitt and Sirmon, 2003).

Second, entrepreneurial mindset allows social enterprises to understand there is a risky element associated with venturing into social innovation. One of the interviewees commented that:

"There is a mindset of needing to be entrepreneurial, and yes there is risk that is involved with that, but you need to make sure that your mindset changes sooner rather than later where you are commercially running your business. So that you can sustain your staff, your system and processes and get the right people in that can help you with those." (Participant 1)

Previous research indicates that entrepreneurial activities involve uncertainties as organisations invest resources on their activities without being sure of positive returns (Weerakoon, McMurray, Rametse and Arenius, 2020). As such, through entrepreneurial mindset, social enterprises can develop the ability to be dynamic, flexible, and self-regulating even when operating in uncertainty (Svensson and Mahoney, 2020; Haynie, Shepherd, Mosakowski and Earley, 2010).

Together, these findings here indicates that entrepreneurial mindset involves the application of the entrepreneurial passion that allow social enterprises to seek market opportunities that can put it in a favourable position towards engaging in social innovation (Kuratko, Fisher and Audretsch, 2020). This is congruent with Svensson and Mahoney’s (2020) findings that the social entrepreneurial conviction of managers ensure that organisations can spot opportunities for social innovation. From a resource-based theory lens, this implies that entrepreneurial mindset can be considered a vital resource for generating of creative ideas in the social enterprises, thereby enhancing the opportunity to develop social innovation (see Cardon et al., 2017a). Consequently, I conclude that findings here enrich our understanding of the
resource-based theory (Barney, 1991) by showing that when social enterprises have a strong entrepreneurial mindset, they can identify social problems, recognise social innovation opportunities, and pursue the most attractive ones with passion.

### Table 5.6: Additional evidence for entrepreneurial mindset

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Social entrepreneurial passion</td>
<td>&quot;I think everyone has ideas like this, I’m not saying it’s possible for everyone to do it. But if people were more aware about this and they have a mindset that they can do it, and then it is a good idea not to discredit themselves.&quot; (Participant 5)</td>
</tr>
<tr>
<td>• Entrepreneurial mindset</td>
<td>&quot;If you get lost in the social entrepreneurship world, you can begin to feel that it is your right to do other good things to other people but actually you have to question how you do good things with other people.&quot; (Participant 18)</td>
</tr>
<tr>
<td>- Possessing the entrepreneurial drive</td>
<td>&quot;It is important to not over promote it [social innovation] so that it doesn’t become, for lack of better words ‘too sexy’ or too cool to be engaged in that field. So, you don’t pull people and organisations into field that they are not made for or where they just don’t have the relevant knowledge, experience, expertise and so forth to be in.&quot; (Participant 14)</td>
</tr>
<tr>
<td>- Understanding the risk-taking</td>
<td>&quot;The social entrepreneur’s mindset could stifle social innovation because maybe they have this one idea and they run out of energy. But if you have been in an organisation for a long time, sometimes it is difficult to leave. Also, if it is something a person has personally set up, they often don’t trust other people to continue with the organisation.&quot; (Participant 4)</td>
</tr>
</tbody>
</table>

#### 5.4.2.2 Mission-focused employees

Mission-focused employees describes having organisational members that understand the social enterprise’s values and are actively involved in designing and attaining organisational goals. According to the interview data, when social enterprises have organisational members that are devoted to the organisational activities, it can stimulate the creation of social innovation in the organisation (additional supporting evidence for the findings is shown in Table 5.7 and is related to Figure 5.2). Previous
research indicates that employees can become learning agents of organisations, thereby assisting to develop and modify existing social innovation to reflect their new knowledge and insights (cf. Wang, 2008). This is in line with the knowledge-based view that considers ‘knowledge’ as the most important resource in organisations (Nonaka, 1994).

Specifically, I discovered that mission-focused employees influence the process of social innovation in two ways in the social enterprise. According to the interview data, mission-focused employees ensures that organisational members have shared vision with the social enterprise. This provides room for employees to understand what is expected of them by the social enterprise. For example, one of the interviewees remarked:

“I think the inherent values of your team, culture. So, I think innovation is not just a process or an outcome but also a culture. So there needs to be a desire and a common understanding of what it means, what your common definition is as a team as well what your strengths are. I think a factor is clarity of purpose, so understanding the needs of your purpose pretty well.” (Participant 21)

Similarly, another interviewee revealed instances where it was valuable to have organisational members (employees) that know what their expectations are. She commented:

“So as a team, you feel stronger, and you are more likely to get the funding as well because they don’t want one person saying ‘trust me I know what I’m doing’. They want to see that you have got a team of consultants or experts, so I have got an accountant, I have got staff ready to go and things like that because no one wants to give you the money if you are going to turn around and declare bankruptcy the next year.” (Participant 5)

Evidently, this indicates that when members of a social enterprise work together for the collective vision, they can attain their desired objectives. This fosters team orientation and cooperation in organisations (Ojha, Acharya and Cooper, 2018). Accordingly, having organisational members who understand what is expected of them provides a unified direction such that it becomes less difficult to know what to learn and do as there is congruity in the organisation (Bertella, Lupini, Romanelli and
Font, 2021; Sinkula, Baker and Noordewier, 1997). From a knowledge-based theory perspective, this can facilitate sharing of knowledge between employees which can assist in developing a strong focus on social innovation and bringing about a communality of purpose in the social enterprise (Paillé and Halilem, 2019; Grant, 1996). This aids in mitigating potential miscommunication and strengthening the understanding among the organisational members on the goals of the social enterprise (Strese, Keller, Flatten and Brettel, 2018). This is important given that without the presence of mission-focused employees in organisations, it becomes very challenging for employees to recognise what to learn (Nguyen, Ngo, Bucic and Phong, 2018). This can impede social innovation since converting knowledge into creative ideas becomes problematic due to divergence between employees’ interests and that of the social enterprise.

Consequently, presence of mission-focused employees fosters a bottom-up approach for establishing a shared mission within the social enterprise, thereby advancing the active involvement of organisational members in the identification and implementation of the social enterprise goals (Wang and Rafiq, 2009). This likely facilitates the successful development of social innovation as there will be an organisational-wide support for the initiative. Hence, I conclude that findings here extend our understanding of how mission-focused employees can improve the propensity of social enterprises to engage in successful social innovation.

### Table 5. 7: Additional evidence for mission-focused employees

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate descriptor: Social entrepreneurial passion</strong></td>
<td></td>
</tr>
<tr>
<td>• Mission-focused employees</td>
<td></td>
</tr>
<tr>
<td>- Employees with shared organisational vision</td>
<td>“You know starting out you might not be able to do nice things and go out for dinners or have big social events [with your staff] because you know it is tight. So, you need to have people around you who are of the attitude that our social aim is more important than me getting my money now.” (Participant 1)</td>
</tr>
<tr>
<td></td>
<td>“I mean, like our employees, all of them have the same kind of merits, some slightly more than others. All of them have the same aspects, all of them produce a useful product that involved people with lived”</td>
</tr>
</tbody>
</table>
5.4.3 Aggregate descriptor 3: Human resources decisions

Human resources decisions relate to the recruitment and staffing of social enterprises. Human resources take a very central role in social innovation-related activities outcomes in organisations (Adla, Gallego-Roquelaure and Calamel, 2019). According to the interview data, I uncovered that the human resources decision relating to staffing in the organisation stimulates the social innovation process. This is because the careful selecting and recruiting of competent staff is essential for creating conditions to attain success in social innovation endeavours of the organisation (Jiang, Wang and Zhao, 2012). Specifically, the analysis of the interview data indicates that there are two antecedents under the human resources decisions descriptor. These include *staff diversity* and *staff skills*. In the section that follows, I describe these antecedents in detail.

5.4.3.1 Staff diversity

Staff diversity represents the degree of differences among the organisational members of the social enterprise. It embodies the differences in the stable personal attributes of people in relation to their demographic background, functional or educational background (Tasheva, and Hillman, 2019). The analysis of the interview data suggests that diversity of organisational members is vital resource that can encourage social innovation (see additional evidence to support this qualitative finding is presented in Table 5.8 and is keyed to Figure 5.2). From a resource-based view of the organisation, previous studies indicate that diversity is a leading source of value creation in the organisation due to its link to creativity and innovation (Bocquet, Le Bas and Poussing, 2019; Østergaard, Timmermans and Kristinsson, 2011).

Accordingly, the interview data suggest that staff diversity plays an influential role in social innovation via two means. Firstly, a higher level of staff diversity ensures that social enterprises can welcome people with organisational members with different backgrounds. For instance, an interviewee explained:

“We have people [staff] who have lived experience of homelessness or addiction or whatever it may be who work in our catering business or who work in our card-making business or our tool shop. So, it is self-developmentary for people from that community, it both produces useful
things which have in themselves have unique [social] value and its sells them, produces them with the co-production of people who have lived experience.” (Participant 2).

Another interviewee offered a different example to the need for welcoming people with differing orientation:

“I was born in Africa and came to the UK. I think there is an interesting thing about people who operate from different spaces. You know the fact that I had this outsider view of my own community I think helped in order to maintain and sustain me when people around me might say well you are not like us if you want to put it that way. So, I think that issue of people who are slightly outside the community but very committed to it is really important. So, it sorts of allows you to own some of the emotional baggage that comes with it.” (Participant 18)

On the other hand, a high level of staff diversity ensures there are people in the organisation that can think divergently on creative ideas. This can contribute to developing social innovation in the social enterprise. For instance, an interviewee who is an academic and consultant to social enterprises offered the following example:

“If you’re running a social enterprise and you only have the same people in that organisation, it stifles innovation. So, you need to bring in different age groups, the genders and race, everything needs to put in to build a successful team. So, one of thing I tell social enterprises is don’t have a board of people that speak like you, talk like you, behave like you, eat like you and do every other thing like you, No. what you need to do is to look for people that challenge you, people that can say why are you doing this?, and then you have to give an explanation. I think a big issue for social innovation is diversity… In the UK today... we are not including a diverse group or a diverse sector into our practice, and our management… That stifles innovation” (Participant 13)

Both aspects of staff diversity represent the fact that whenever social enterprises are welcoming to people with different background or divergent thinking on creative ideas, they are more likely to develop successful social innovation. From a resource-based theory lens, the presence of diverse staff members can assist in balancing the
strategic focus of social enterprises, and in the process contribute to social innovation (see Talke, Salomo and Rost, 2010). The reason is that staff diversity ensures that organisations have people with different frames of reference when attributing meanings to the complex social problems emanating from the environment. Thus, a low degree of staff diversity in the social enterprise can be expected to stifle creativity and the development of social innovation. This is understandable given that from a resource-based theory perspective, the extant literature contends that diversity is an important aspect of human resources in organisations as it reflects their concern for the societal issues (Cooke, Xiao and Chen, 2021; Xiao, Cooke, Xu and Bian, 2020).

Accordingly, analysis of the interview data suggests that staff diversity influences an organisation’s level of creativity which can spur their social innovation. This is mainly due to social innovation being a social process that involves interaction and participation among individuals with a range of perspectives and characteristics to problem solving. Hence, the findings here extend the resource-based theory literature to social enterprises by demonstrating the ‘value-in-diversity’ premise (see Yang and Konrad, 2011b) that successful social innovation can be developed through having diverse staff that understand the needs of the external environment.

Table 5. 8: Additional evidence for staff diversity

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Human resources decisions</td>
<td></td>
</tr>
<tr>
<td>• Staff diversity</td>
<td></td>
</tr>
<tr>
<td>- Welcoming to people of different orientations and background</td>
<td>“There is myself, and one other person who is of xxx, every other person is XXX [in the social enterprise]” (Participant 8)</td>
</tr>
<tr>
<td></td>
<td>“Started hiring people with a certain type of xxx because they can focus on numbers better than anyone else because they are very very targetish in the sense. And there is nothing new to offer people with XXX jobs, there is nothing new that banks hire people that are good at numbers but the fact that this people will be offered the job… for that particular purpose, that was innovation” (Participant 22)</td>
</tr>
</tbody>
</table>
5.4.3.2 Staff skills

Staff skills describes the capacity of people in social enterprises to possess the understanding and basic know-how for their work role. According to the interview data, I discovered that beyond recruiting a diversified staff to gain a range of perspectives on social problem solving, staff skills can also accentuate the ability of social enterprises to develop social innovation (see also additional supporting evidence for the findings in Table 5.9 and is keyed to Figure 5.2). From a resource-based theory perspective, this reiterates the suggestions from prior studies that skills of organisational members provide the basis for organisations to develop the social-focused creativity and adaptive responses to the opportunities in the environment (cf. Liu, Gong, Zhou and Huang, 2017; Amabile and Pratt, 2016).

Specifically, the analysis of the interview data indicate that social enterprises can develop social innovation having staff that possess the competence essential to innovation process of the organisation. For example, an interviewee commented that:

“Can I say, I haven’t studied any business course ever in my life. I don’t know how to do a spreadsheet… But I have connected with people who help me in my business, who are very skilful to do that for me. One of my directors, my finance director used to be a director at XXX Bank, So I have been very good at finding people who can do the things I can’t do…. Because I’m not a businessman but I have a vision, so to make that work I have had to tap into other people’s expertise to make the vision happen.”

(Participant 3)

Another interviewee offered a different example to highlight the need for staff with the right set of skills:

“I think sometime there is a limitation of skills of the employees… So, in terms of skillset, both myself and the other person are fairly adaptable. So,
we can use our skillset I guess in a number of different ways, but our other colleagues are sometimes limited.” (Participant 8)

Evidently, this signifies that the development of social innovation requires people with the right skills and expertise to contribute their own quota to the activities of the organisation. Hence, the skills of staff make them the centre of the flow of information in organisations, since they usually exchange knowledge with other internal members of the organisation (Ko and Liu, 2015; Yang and Konrad, 2011a). Ultimately, this makes staff skill levels vital to the social innovation process. Therefore, it is essential that staff are motivated to develop and learn new knowledge and competencies that can assist in delivering the social innovation objectives of organisation (Preenen, Dorenbosch, Plantinga and Dhondt, 2019).

Consequently, the findings here extend the views of proponents of the resource-based theory that staff skills is an essential resource for organisations (e.g., Delery and Roumpi, 2017; Boxall, 1996) by illustrating that when social enterprises have staff with the relevant skills, it can facilitate successful social innovation.

Table 5. 9: Additional evidence for staff skills

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Human resources decisions</td>
<td></td>
</tr>
<tr>
<td>• Staff skills</td>
<td></td>
</tr>
<tr>
<td>- Hiring people with the needed skills</td>
<td>“You ideally want the directors to have [different] qualities which means they are gonna be good at running the business. It is no good just going to the first person in the street, in the area or community you support and say you are gonna be a director. Because if they don’t really understand what that role is gonna involve, they can’t really bring any skills that are going be useful at the table. And then it’s not likely to be a very positive experience for them or for the business.” (Participant 9)</td>
</tr>
</tbody>
</table>

5.4.4 Aggregate descriptor 4: Access to funding resources

Access to funding resources is the ability of social enterprises to obtain the required finance for carrying out their activities. The presence of financial capital is crucial to the smooth running of a social enterprise’s operations. Hence, having access to
funding resources can encourage social enterprises to proceed with their activities. Previous research indicates that financial resources is one of the most important resources for ensuring growth and meeting entrepreneurial goals (Wiklund and Shepherd, 2005). These resources include the capacity of the social enterprise to generate funds internally as well as secure funding from external funders. Consequently, my analysis of the interview data suggests that there are two antecedents under this access to funding resources aggregate descriptor. These are available finance and funders’ perception. These are discussed as follows.

5.4.4.1 Available finance
Available finance represents the existence of internal financial resources that allows a social enterprise to conduct its business activities. From the resource-based theory perspective, finance is the most common form of resource and can be readily transformed to other forms of resources, hence, resource constraints in other parts of the organisation can be ameliorated by the presence of available finance (Wiklund and Shepherd, 2005). From my analysis of the interview data, I found that the presence of available finance stimulates organisations to develop social innovation as they will have the capacity to search for and invest in opportunities without too much hesitation (see also the additional supporting evidence for the findings in Table 5.10 and is keyed to Figure 5.2). This is consistent with the prior research suggestion that the presence of finance in the organisation allows firms to invest and develop innovative products, services, and initiatives (Memon, An and Memon, 2020; Ayyagari, Demirgüç-Kunt and Maksimovic, 2011).

Specifically, I discovered that available finance influences the social innovation process of social enterprises in three important ways. To begin with, the presence of capital gives social enterprises to engage in social innovation projects that they believe are worth pursuing. An interviewee commented that:

“Social enterprises need to also have some of funding and way of acquiring resources. So, they need to have a dual capability, it is not just being active in some social area, they need to find ways in which they can actually fund these activities… you can have any [social innovation] goals you like but if you don’t have any resources [any fund], then you are very limited in what you can do. So, if you look at successful social enterprises, they not only
are socially oriented, they also have a commercial capability in the sense that they can find flows of funding to meet their financial requirements.”

(Participant 12)

However, there are times where other aspects of the social enterprise activities might also require the use of such capital, thereby limiting the available finance the organisation can invest in their social innovation projects. For instance, one of the interviewees explained:

“Well, there is always money (laughs). Yes, always money. How we can use money differently or more purposefully, I think. I hate wasting money on and I know it sounds very bizarre but even renting out this makeshift office. I kind of think like right, if we didn’t have this office, how can we use this money more constructively, what could we do? So, it is even the basic stuff that we are kind of thinking like if we cut money there, because then we will have more money to do this project or this project. So, yeah money is always an issue or looking up ways we can use to increase up our revenue.”

(Participant 8)

Evidently, this indicates from a resource-based theory lens that having financial capital available ensures that social enterprises have the autonomy to take risks on their social innovation via experimenting with novel solutions and exploring different opportunities in the society (cf. Parida and Örtqvist, 2015).

Further, when social enterprises have external funding sources such as grants and contracts, they obtain the needed finance to engage in social innovation activities. For example, an interviewee commented:

“In fact, in our [social enterprise] case we received grant that helped to do some innovative activity, to run a parley, matching community organisations to business. That was very welcoming and very helpful. So, yeah absolutely. Finance and grants for innovation is hugely valuable”

(Participant 16)

However, he further explained that social innovation should not be too dependent on external sources such as grants because it is insufficient to secure the financial future of social innovations:
“A grant should not make the recipient dependent, shouldn’t become dependent on that grant. So, a grant should never be more than I don’t know 20% of an income of an organisation. But it enables [social] innovation and not such that they would hold to become dependent on it because that grant will disappear as it is not a sustainable funding” (Participant 16)

Another interviewee explained how the cut in external funding sources impacts on social innovation:

“A lot of social enterprises have a mix bag of finances which means that they used to depend quite a lot on grants for example or contracts [that, we don’t consider them to be grants]. We consider them to be income, but contracts with local authorities for example. And with the austerity, a lot of local authorities have had to snip, snip and snip and often they don’t give a lot of notice. So, having finance that can help them [social enterprises] and that they can rely on to propel to push forward these innovations is a major major external factor.” (Participant 22)

Previous research indicates that social innovation initiatives require external funding support to be successful as it serves as an incentive for social enterprises to make positive social impacts (Chan, Chui, Chan, and Yip, 2019; Tjornbo and Westley, 2012). These external funding sources provide social enterprises with the slack to meet up with the financial requirements of innovative activities and cover other overheads in the organisation (Stevenson, Kier and Taylor, 2021; Meyer, 2003). From resource-based theory lens, such financial resource slack can provide the freedom to pursue social innovation activities that are vital to the organisation (cf. Lee, 2015; Del Canto and Gonzalez, 1999).

Moreover, the interview data revealed that finding ways to create sustainable finance can assist social enterprises to possess the available finances to engage in social innovation. In relating the need for sustainable finance to non-sustainable forms such as external funding sources, an interviewee commented:

“We don’t get any [external] grant support, or any charity support and we have to trade to pay our staff. This has become very acute because of the corona virus, all of contracts have been cancelled because they are all face-to-face. We are very glad that over the past 10 years we have put surplus
Evidently, the availability of finance for social enterprises is connected to their ability to engage in and sustain their social innovation initiatives as it ensures that the organisation can manage its daily affairs, invest and can tolerate a long-term return on its projects (Grande, Madsen and Borch, 2011). Therefore, findings here add to the resource-based theory viewpoint in extant literature (e.g., Sanzo-Perez et al., 2015) that available finance is a prerequisite for successful social innovation initiatives by social enterprises.

<table>
<thead>
<tr>
<th>Table 5. 10: Additional evidence for available finance</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Aggregate descriptor: Access to funding resources</th>
<th>Second-order themes and First-order Categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Access to funding resources</td>
<td>Available finance</td>
<td>“Sometimes I think that having a little money to start [social innovation] is probably more helpful than having too much money because if you have too much money it doesn’t force you into making really quite hard decisions” (Participant 4)</td>
</tr>
<tr>
<td></td>
<td>Presence of start-up capital</td>
<td>“A lot of social enterprises find it difficult to innovate because they don’t have the fiscal resources to do it. Because it’s very risky, okay so they innovate in what they do but then won’t jump into something too new, something big, if you see what I mean.” (Participant 22)</td>
</tr>
<tr>
<td></td>
<td>Having external funding sources</td>
<td>“So, I can train, I can mentor, I can support, I can work [on social innovation] … because I have got some [external] funding to survive on. But I have had to wait 11 years to get it. It is a long time, but I decided I was going to stick it out. So, I have, and it has worked in the end.” (Participant 23)</td>
</tr>
<tr>
<td></td>
<td>Becoming sustainable is crucial to funding</td>
<td>“There are instances of social enterprises that I know that do rely on the Big Lottery fund, and getting funding from organisations like Charitable organisations and their funds quickly run out. And they have no idea, you know where the next pot of money is coming from. The way that I see social enterprise needing to run, and part of social innovation, it has to be creating financially viable services that you could offer as part of your services, the way that you run your business, the way that you run your social enterprise. So, I think...”</td>
</tr>
</tbody>
</table>
5.4.4.2 Funders’ perception

Funders’ perception reflects the perceived degree of merit funders place on the innovation activities of social enterprises. Social enterprises need to develop social innovation initiatives that are novel and meaningful relative to existing options (Davis, Hmieleski, Webb and Coombs, 2017), to eliminate any potential external misperception about the social innovation initiatives (Zhao and Han, 2020). The analysis of the interview data suggests that the perception of funders affects their intention to fund social enterprises, and this could impact on the social innovation initiatives by the organisation (see also additional supporting evidence for the findings in Table 5.11 and is keyed to Figure 5.2). Drawing from the knowledge-based theory lens (Grant, 1996), this indicates that receiving funding support requires social enterprises engaging in intense communication with funders to ensure they understand what the social innovation is all about before committing their financial resources to the initiative (see Scheuerle and Schmitz, 2016).

Particularly, I discovered from the analysed interview data that funders’ perception influences social innovation practices in two ways. First, social enterprises can influence funders’ perception when the funders have a good understanding of the purpose of their social innovation. For instance, an interviewee explained his situation:

“The factors are whether funders [if you have grant funding on social impact investment] actually understood you and understood your innovation process. If they don’t or if they don’t care, they tend to focus on delivery because they tap themselves on the shoulder and also feel satisfied and communicate the impact that they have had. Whereas if they do that and on top of that they understand your journey (not just the project) … they should also be happy to dedicate some funds towards that.” (Participant 21)

This evidently indicates that in searching for funds from funders, social enterprises need to articulate the positives behind their social innovation and its efficiency. Existing research suggests this can assist in minimising acceptance problems often
experienced with social innovation from external funders (Scheuerle and Schmitz, 2016; Harris, 2010). This is because social innovation programs are occasionally funded by groups seeking to affirm that their invested funds or grants are actually being put to use efficiently and generating the intended impact (Lee, et al., 2021).

Second, I found out that because funders are conscious of social innovation projects, they invest their money on, this can significantly influence the development of social innovation in social enterprises. An interviewee narrated his experience:

“I’m involved in a thing called XXX, which is bringing older men together to work in communal workspaces. So, it is what they would do in their own XXX, but we are doing it together in other XXX. Now, the Big Lottery have funded quite a lot of XXX development, so they have put money to help XXX develop. But funders tend to want new ideas, new things to put their money into. So, they will get to a stage probably quite soon where after a couple of years they will stop putting money into XXX even if they are successful and they will then start money in new areas or areas they think are new areas. So, I have seen quite a lot of funding trends whereby some particular activity gets a lot of funding initially, then as more and more people come for money to the same source, they are less less successful because that funder wants to go off and do something new.” (Participant 4)

Previous research suggests that due to the perception of funders about innovation, they usually lean towards financing breakthrough ideas rather than scaling up (Han and Shah, 2020). While this can assist in developing new social innovation, however, it can serve as an impediment to also scaling it.

He further explained that funders are usually conscious of the risk associated with investing their money on social innovation:

“So, funding bodies are looking for new ideas and, in that sense, they are looking for innovative ideas. So, maybe social innovation is helped or hindered by the funding that is available to take those risk. Because to me, social innovation is about risk taking, it’s saying we want to develop this idea, but we are not sure it’s gonna work so we need to try the idea to see if it’s gonna work or not. So, it may well be that they need the money to take
a risk, but funders will only put money into some calculated risk because they don’t want to waste their money.” (Participant 4).

Evidently, this indicates that funders are willing to support social innovation initiatives that can meet their own expectations and are relevant to the society. This is due to funding bodies perceiving social innovation as risky because ‘failure is usually more common than success in these endeavours’ (Westley, Antadze, Riddell, Robinson and Geobey, 2014, p. 235). From the knowledge-based theory perspective, this suggests that funders need viability information about social innovation activities to reinforce their cognitive frame that it is legitimate to provide financial backing (Yang, Northcott and Sinclair, 2017; Paiva, Roth and Fensterseifer, 2008). This minimises the funders financial risk and their unwillingness to provide funds for the social enterprise (see Zhao and Han, 2020). Also, it could assist funders to develop an understanding of the breadth of the potential impact of social innovation developed by social enterprises (cf. Scheuerle and Schmitz, 2016).

Together, these findings here highlight the role of the knowledge-based theory to social enterprises use of knowledge (information) to develop favourable perception from funders about a social enterprise’s problem-solving ability is fundamental to getting positive funding decisions, which can be a driving force for successful social innovation. Consequently, I conclude that funders’ perception is an important antecedent that exerts influence on the social innovation efforts of social enterprises.

Table 5.11: Additional evidence for funders’ perception

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Access to funding resources</td>
<td>“[Funding] agencies want solutions, but by their nature, they will not embrace [social] innovation. But having said that, the city council said to me the reason why we are now funding small social enterprises and local sector groups is because they do bring [social] innovations. Whereas the big bodies/enterprises, they always get the funding because they always know how to complete the funding application process, but they never bring in innovation.” (Participant 23)</td>
</tr>
<tr>
<td>Funders’ perception</td>
<td></td>
</tr>
<tr>
<td>Funders understanding of innovation</td>
<td></td>
</tr>
</tbody>
</table>

147
Funders are conscious of projects. “Sometimes that [social innovation] counts against them [social enterprises], in that you will get banks and other people who might loan or invest in the company, they look at model and they think that if they are going to be mixing making profit to social purposes, that’s gonna affect what I get out of it. Or they don’t believe that they are going to exist or be there to be commercially successful and they don’t want to invest in it.” (Participant 9)

5.4.5 Aggregate descriptor 5: Social connections

Social connections as an aggregate descriptor reflects the perceived interactions and relatedness social enterprises have with their community and networks. The interview data indicated that social connections ensures that social enterprises can relate with the social environment, ensuring they are not disconnected which in turn facilitates the development of social innovation. Previous research suggests that establishing social connections with community stakeholders is crucial for developing and implementing social innovation (Ulug and Horlings, 2019; Malek and Costa, 2015). Accordingly, I found that there are another two antecedents of social innovation under the social connections aggregate descriptor. These are community readiness and social support. They are discussed as follows.

5.4.5.1 Community readiness

Community readiness represents the perceived willingness of a community to engage with a social enterprise on its activities. It captures the extent to which a community is adequately prepared to accept the social innovation programs (Stith et al., 2006). According to the interview data, a community’s readiness can determine whether a social innovation is successfully implemented and accepted by the community (see also additional supporting evidence for the findings in Table 5.12 and is keyed to Figure 5.2). This is congruent with suggestions from relevant past studies that for social innovation such as community intervention programs to have a greater potential for success, it needs to be thoughtfully planned to involve participation from the community (see Ibrahim, El-Zaart, and Adams, 2018; Thurman, Edwards, Plested, and Oetting, 2003).

Specifically, I discovered that the community understanding of innovative projects influences social innovation. Hence, social enterprises need to involve their respective communities to ascertain their level of readiness to accept social innovation. For
instance, an interviewee explained how their social innovation was impacted on by community understanding of the project:

“Yes, occasionally we have taken projects where nobody has come forward. So, we were asked to undertake a project, it was a contract with XXX University. We were asked to undertake a project around health services in XXX city and we couldn’t recruit anybody. We sent out 4,000 letters and we didn’t get any meaningful responses; we had only 2 people respond. So, what we did was to go back to the funders and say we would like to narrow this down to one district of the community and we would like to spend a month, sending some staff there to meet people from health, people from the local charities who support people with XXX. So, when we send out letters, people know who we are, they have heard of us and they trust us.” (Participant 17)

Impliedly, from a knowledge-based theory lens, this indicates that knowledge management is vital to ensuring community readiness for social innovation (cf. Aranda, and Molina-Fernández, 2002). He (the interviewee above) further provided an example of what his social enterprise has learned when working with communities:

“We can’t just parachute into a community and expect people to go ‘oh yeah that sounds great’. Rather people are going to go ‘who are you? There is already people here who provide services and we work in partnership with them for those services’. So, the project ended up costing us more money… A big problem with social innovation is how do these people know who you are…. Some of our bigger projects we would have struggled on it if weren’t in partnership with our local networks” (Participant 17)

From a knowledge-based theory perspective, this means that social enterprises need to make sure that timely and correct information about their social innovation is provided to the community (see Arocena and Sutz, 2021). Accordingly, this can engender a strong community structure, which is essential for social innovation to reach its potential. For example, another interviewee commented:

“You know when you have strong community structure, I think it help drives social innovation, I think the idea could spread. When you don’t have that it becomes difficult because you would not have many supports. Well, we
don’t know at which level, but I think a social structure that is not able to change, it doesn’t see when it can change…. If social innovation is to become the structure, become the norm… then you probably need having a society [community] that is willing” (Participant 10).

Evidently, communities need to be responsive to these social innovation initiatives for it to be effectively executed (see Khatun, Heywood, Ray, Bhuiya and Liaw, 2016). Thus, social innovation must be based on the existing realities of a community to have a greater potential for success.

Accordingly, this finding here highlight the role of social enterprises use their knowledge resources to ensure that when a community believes that social innovation is needed, feasible, and desirable, this improves chances of developing and implementing effective social innovation by social enterprises. This is because presence of community readiness can increase the odds of social innovation success. Consequently, these findings indicates that community readiness plays an influential role in the development of social innovation by social enterprises.

Table 5.12: Additional evidence for community readiness

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Social connections</td>
<td></td>
</tr>
<tr>
<td>• Community readiness</td>
<td></td>
</tr>
<tr>
<td>- Community understanding of innovative projects</td>
<td>“I think that sometimes social innovation can be a little bit too forward thinking for the community because you are solving a problem that hasn’t been solved yet. So typically, people won’t be able to or they won’t have any experience of seeing that benefit, so they might be scared of it, they might be unaccustomed to it or they might not understand” (Participant 1)</td>
</tr>
</tbody>
</table>

5.4.5.2 Social support

Social support describes the perception that the social networks of the social enterprise encourage and support the activities of the organisation. My analysis of the interview data indicates that if social enterprises receive social support from their networks, this will motivate them to engage in social innovation initiatives (see also additional supporting evidence for the findings in Table 5.13 and is keyed to Figure
5.2). From a resource-based view, previous research emphasises that social networks can shape the innovation processes of organisations (Parida and Örtqvist, 2015).

Specifically, the interview data indicates that social support influences the social innovation process in two ways. Firstly, developing ties with local networks and agencies can assist in engaging in social innovation. For instance, an interviewee explained that:

“Local movement will be more important [in situations where government is not interested in social innovation]. Gathering people [or groups] who believe in these activities, or the importance of these activities will be more important in that context. So, in this context, collaborations and partnerships with local organisations are more potent.” (Participant 6).

Having this form of social support can provide a low-risk environment for social enterprises to engage in social innovation initiatives. This is exemplified in the comment of another interviewee:

“The most important thing [for social innovation], is to provide space and low risk environment for people to try it and see what happens. So, setting up this social enterprise that I did I think was innovative, but there was a risk. And the risk was I supposed to be…my income. So, that you know, there is the social enterprise supports infrastructure in and around City X who provided me (although it was more to do with personal contacts in the social enterprise) with office space and the infrastructures to start.” (Participant 16)

Evidently, this indicates that the ability to create relationships and receive support from local networks is important to social innovation success. From a resource-based theory perspective, this suggests that assistance and encouragement from an organisation’s network can strengthen social innovation (cf. Parida and Örtqvist, 2015; Arya and Lin, 2007).

Secondly, receiving support from the network of ‘other’ organisations can sharpen the social innovation of social enterprises. For example, one of the interviewees explained his situation:

“I have had the support of connecting to like-minded people through an organisation called The School of Social Entrepreneurs. In practical, these
are social enterprises but as a person you’d probably call me a social entrepreneur… they support people like me who wants to change something in the society… They are funded by big organisations to help people like me to start-up and to change something” (Participant 3).

Receiving this form of support from organisations can enhance the flow of knowledge between these social actors that can assist in developing social innovation (see De Noni, Orsi and Belussi, 2018). It can also sometimes compensate for lack of support at the institutional level (Sun and Cao, 2015) necessary for social innovation. From resource-based theory lens, social support ensures organisations engage in social interaction with outsiders which can improve the extensiveness and value of knowledge in the organisation (see Parida and Örtqvist, 2015). Thus, it is imperative for social enterprises to seek ways of persuading their networks to support their social innovation and organisational activities.

Together, my analysis of the qualitative findings enrich the extant literature by illustrating that when social enterprises receive high levels of social support, it is more likely to develop and implement effective social innovation via the useful assistance and encouragement received from their networks.

Table 5.13: Additional evidence for social support

<table>
<thead>
<tr>
<th>Second-Order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Social connections</td>
<td></td>
</tr>
<tr>
<td>• Social support</td>
<td></td>
</tr>
<tr>
<td>- Developing ties with local groups/agencies</td>
<td>“However, if you identify key stakeholders, look for the local leaders, the local chairman, the mayor, the police people and if you engage with them with the [social] innovation and you pilot it with them and they see that it works, it would be easy to disseminate that to total population and scale up that [social] innovation or to cause systemic change when you have engage with the champions or the key stakeholders.” (Participant 13)</td>
</tr>
</tbody>
</table>
| - Support from networking with other organisations | “A big cultural organisation has approached us and said that they would like to take that model [our social innovation] and use it as part of their packages so that if somebody applies say for instance from Cape Town to work with young people, they can use our model of our working. So, here is a new idea that has been put into practice, it has been tried and it’s gathered imagination
In the next section, I discuss the five emergent outcomes of social innovation.

5.5 Outcomes of social innovation

This section focuses on the outcomes of engaging in social innovation by social enterprises. Based on the analysed interview data, I identified five distinct organisational related outcomes of social innovation from the data analysis. These outcomes have been categorised under three aggregate descriptors; (i) *enhancing enterprise sustainability*; (ii) *believing in the enterprise*; and (iii) *working under pressure*. These are discussed in detail below. Figure 5.4 represents the data structure for these outcomes of social innovation.
Figure 5.3: Data structure for the outcomes of social innovation

First-order categories

- Creating new income streams for sustainability
- Meeting the social and economic targets

- Keeps the enterprise going in challenging situations
- Fostering growth and expansion of business activities

- Increasing enthusiasm about the business model
- Gaining the trust of service users
- Talking about what we do proudly

- Providing development to people
- Promoting a sense of self-belief in the community

- Having so many tasks to deal with
- Feeling of being burnt out
- Chances of mission drift to appear effective

Second-order themes

- Achieving the enterprise objectives
  - Enhancing enterprise sustainability

- Continuous business survival

- Building enterprise reputation
  - Believing in the enterprise

- Community impact

- Work pressure
  - Working under pressure

Aggregate descriptors
5.5.1 Aggregate descriptor 6: Enhancing enterprise sustainability

Enterprise sustainability describes the ability of a social enterprise to achieve its social purposes and remain financially stable in the light of market competition (Darcy, Hill, McCabe, and McGovern, 2014; Wallace, 2005). Hence, enhancing enterprise sustainability reflects the viability of social enterprises as a result of their engagement in social innovation practices. Findings from the qualitative analysis reveals that two specific outcomes of social innovation fall under this aggregate descriptor: achieving the enterprise objectives and continuous business survival.

5.5.1.1 Achieving the enterprise objectives

Achieving the enterprise objectives represent the potential and ability of a social enterprise to effectively achieve its performance targets (Glaveli and Geormas, 2018). From a resource-based theory perspective, these performance targets are usually reliant on the social innovation capability of the organisation to address the challenges in the society (Bhattarai, Kwong and Tasavori, 2019; Sanzo-Perez et al., 2015). Findings from the interview data suggest that social enterprises actively engage in social innovation to attain operational objectives and enhance the social effectiveness of the organisation (see Table 5.14 for additional supporting evidence of the findings which is keyed to Figure 5.3). These has two aspects. First, I uncovered that through social innovation, social enterprises are more likely to identify and develop new income streams to ensure ongoing sustainability their organisations. For example, an interviewee expressed that:

“They [social innovation] also may very often create new income streams which in turn makes them [social enterprises] more sustainable which in turn helps them reach further social outcomes, if you see what I mean. So, that is positive.” (Participant 22)

Further, findings from the interview data indicate that by generating income streams from social innovation, social enterprises can increase their customer (beneficiary) base which translates to economic returns for the organisation. This is exemplified in the comment of an interviewee:

“Well, I guess… if [social] innovation were commercially oriented, then it would be driving more income, it would be helping them [social enterprises] maybe increase their number of customers that they work with or number of
repeat customers, customer loyalty. Those sorts of targets and it is going to be more beneficial in terms of financial returns either short, medium or long-term and perhaps in doing so that will also going to be some of those metrics that will also mean that they are rich in terms of their message.” (Participant 20)

Second, social innovation practices provide room for social enterprises to be more likely to meet their set social and economic targets. For instance, an interviewee observed that:

“If we do well, the whole sector does well. And I don’t know if you mean that it has an economic outcome as well because of course it [our social innovation] employs people and it helps them to get more trained and more knowledgeable to deliver the sector’s activity [social outcomes]. Yes, well actually that’s an aspect that I hadn’t thought about.” (Participant 16).

This is unsurprising, given that from a resource-based view, prior research indicates that social innovation is perceived as a critical resource of social enterprises interested in delivering social and economic values to its stakeholders (Vezina et al., 2017; Sanzo-Perez et al., 2015). Thus, possessing a strong social innovation resource enhances a social enterprise’s ability to achieve its objectives.

Therefore, from a resource-based theory lens (Barney, 1991), the interview data demonstrates that social innovation can help social enterprises to increase their client base and, in the process, improve their chances of attaining the organisational objectives. These findings extend the current understanding in extant literature relating to resource-based theory (e.g., Sanzo-Perez et al., 2015) by recognising that through social innovation, social enterprises can develop new income streams for their business and improve their chances of meeting their business targets.
Table 5. 14: Additional evidence for achieving the enterprise objective

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aggregate descriptor: Enhancing enterprise sustainability</strong></td>
<td></td>
</tr>
<tr>
<td>- Achieving the enterprise objective</td>
<td>“I think that I’ve had a pretty big impact in particularly what I’m doing… I know that in the business world and to make social enterprise work, you need that data, and numbers or figures [income] so I get all the feedback I need every day.” (Participant 20)</td>
</tr>
<tr>
<td>- Meeting the social and economic targets</td>
<td>“We were able to get people into employment, so we know obviously through people’s employment how much we contributed to the economy rather than what was taken out through benefit.” (Participant 8)</td>
</tr>
<tr>
<td></td>
<td>“It is very useful for us to have been an [social] innovator and it is very useful for the movement because it makes us get the word out about these new ways of working that are effective. And yes we have been going for long, the evidence-base builds up and show its usefulness, effectiveness. So, yes, innovation can be a great thing” (Participant 17)</td>
</tr>
</tbody>
</table>

### 5.5.1.2 Continuous business survival

Continuous business survival is defined as the ability of an organisation to continue its business operations of rendering a product or service to the market. Consequently, the data analysis indicates that continuous business survival is as a result of social enterprises engagement in social innovation. According to the interview data, social innovation ensures that social enterprises can follow and fulfil their social mission, this will ultimately assist the firm in keeping their operations going for a foreseeable future (see also Table 5.15 for additional supporting evidence of the findings which is keyed to Figure 5.3). This indicates that social innovation can assist organisations to develop crisis-specific initiatives that address urgent contextual conditions and mitigate the consequences of such crisis on the organisation (Scheidgen, et al., 2021). Besides, prior research relating to resource-based theory indicates that social innovation is an essential resource for the survival of social enterprises (Vezina et al., 2017; Sanzo-Perez et al., 2015).
Through the patterns in the interview data, I discover two elements of continuous business survival. First, a greater social innovation capability ensures that social enterprises would be able to keep their business going even in challenging situations. For instance, an interviewee expressed that:

“So, I suppose for my social enterprise, I’m proud of what it does, I’m going to keep doing it even in difficult times such as COVID-19 at the moment. You know we are using our skills, we are giving our time away now. We have seen other social enterprises or other enterprises seeing ways to sustain themselves through their language and they seem selfish. We are trying to seem mutual in the way that we communicate in this difficult time.” (Participant 18)

As this example demonstrates, social innovation creates a culture of resilience in the organisation which enhances the social enterprise chances of ongoing survival. This is in line with the observation of Campos-Climent and Sanchis-Palacio (2017) that social enterprises as agents of change usually utilise a resilient business model through their innovation activities to thrive during economic crisis. What I find noteworthy here is that social innovation also provides social enterprise with a toughness mentality because of their interest in addressing societal problems. To illustrate this point further, another interview commented that:

“The great thing about social enterprises is that we do not take no for an answer, and I think that’s social innovation. So, when we see a problem, we are looking at how can we take on resources from any other areas. I don’t know if you have read the work of Schumpeter on innovation, he looked at the innovation side – we call it Schumpeterian economics- he brings in the innovation side of entrepreneurship and it is about making things happen. So, if you look at entrepreneur, he does not take no for an answer, he works outside the box to make sure that he achieves his objectives, and he has to constantly innovate to be on top.” (Participant 13)

Evidently, this demonstrates that even with limited resources, social innovation could motivate social enterprises to engage in behaviours that ensure the steadiness of their operations (see Descubes et al., 2013). This suggests that social enterprises that behave more like social innovation-oriented ones tend to be able to seek more ways
of keeping their business ongoing than those that do not. Accordingly, this suggests that social innovation can assist in keeping the operations of social enterprises going during hard economic times.

Second, the analysed interview data also reveals that by engaging in social innovation, social enterprises can foster their organisational growth and expand their activities. This might require the social enterprise to establish new market routes through their social innovation activities. For instance, an interviewer commented that:

“Yeah, our [social] innovation is getting bigger; we are getting more staff. We are growing, and once we get the right income streams, we will grow even bigger. So, we are expanding now to City X and Town Y. Actually, we have been offered to work in City X too. So not just Town Y, so we are pushing ourselves to Town Y and City X. I was in City X last week for work, so you might see my social enterprise soon.” (Participant 3)

Another interviewee offered a different perspective:

“I think absolutely, it [social innovation] keeps us growing and our community improving. So, we increasingly get better at the type of support we offered four years ago and the same category is now infinitely better than we did at the beginning. Our expertise grows, our quality of work grows, our funding grows because people see our stability and also our progressiveness.” (Participant 21)

This suggests that the growth and expansion of a business’ activities is built on the experience of a social innovation-oriented social enterprise. Consequently, from a resource-based theory perspective, when a social enterprise is distinctively competent in social innovation, they find it less demanding to identify areas of growing their internal operations while also expanding their business activities into different market and geographical locations (see Sanzo-Perez et al., 2015). This is because as organisations seek and convert societal needs into opportunities, they can develop new markets (King and Tucci, 2002), and in the process competitive advantage (Weerawardena and Mort, 2012). Overall, drawing from the resource-based theory, evidence from the interview data indicates that social innovation is important resource for the continuous business survival of social enterprises. This adds to our understanding of the role of social innovation in social enterprises.
Table 5. 15: Additional evidence for continuous business survival

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Enhancing enterprise sustainability</td>
<td></td>
</tr>
<tr>
<td>• Continuous business survival</td>
<td>“We can’t always provide the service that people expect and want because of financial limitation…. I think that what has kept us going apart from that we are all very motivated is the fact that we are quite flexible, and we quite support groups so when they have identified a need, we would then work out ways that we could help or support groups.” (Participant 8)</td>
</tr>
<tr>
<td>- Keeps the enterprise going in challenging situations</td>
<td></td>
</tr>
<tr>
<td>- Fostering growth and expansion of business activities</td>
<td>Most likely it [social innovation] help them grow, makes it easier for them to fund raise or get funds depending on the type of funding mechanism they are using. So, I would say the majority of cases will have a positive impact.” (Participant 14)</td>
</tr>
</tbody>
</table>

5.5.2 Aggregate descriptor 7: Believing the enterprise

Believing the enterprise reflects the perceived feeling that the organisation can do what its mission states. Based on the interview data I collected from representatives of social enterprises, there are two primary outcomes of social innovation that I have compartmentalised under believing the enterprise description. The first is building the enterprise reputation while the second is community impact. Each of these are explained in the following sections.

5.5.2.1 Building the enterprise reputation

Enterprise reputation refers to the cumulative perceived degree to which a social enterprise is held in high regard or esteem by its external stakeholders (Roberts and Dowling, 2002). Consequently, the interview data suggests that when social enterprises engage in social innovation initiatives, this assists in building a strong reputation for the organisation (see also Table 5.16 for additional supporting evidence of the findings which is keyed to Figure 5.3). This is consistent with observations from previous research that the underlying quality of an organisation’s efforts determines its reputation (see Dangelico, 2015; Roberts and Dowling, 2002).

Importantly, the qualitative analysis demonstrates that there are three elements for evaluating a social enterprise’s reputation. The first is increasing enthusiasm about
the business model. The interview data indicate that when the social innovation is successful, it serves as a means for developing a strong feeling of active interest about social enterprises and their activities. An interviewee related the following:

“I think because our work is innovative, because it is using new models of practice, it catches the imagination of people. It encourages an enthusiasm around it. The participatory budgetary is now totally international – in the XXX city budget has about 1% that is distributed to participatory budgetary… It is all over the world, both in large and small scale. Because we have been in from the beginning of this movement, we very much call to the whole international development, that is very useful for our business.” (Participant 17)

Thus, social innovation can help in institutionalising social enterprises as a recognised way of using business activities to be socially responsive, thereby translating to legitimacy for the business model. For instance, another interviewee expressed that:

“Yeah, but it’s for the model to become more acceptable and may become ones which more people might follow. Because they can see it makes business sense, but it also makes sense in terms of why the society, and how people behave and how they relate to each other. “(Participant 4).

From a knowledge-based theory perspective (Grant, 1996), extant research indicates that social enterprises exist as a knowledge repository (Uygur and Marcoux, 2013). This suggests that social enterprises are becoming innovation champions which can make them become more strongly recognised for developing and implementing their social innovation initiatives (see Molloy, Bankins, Kriz and Barnes, 2020).

Once the enthusiasm about the social enterprise has been cultivated, the next attribute is to gain the trust of its service users. This is not usually straightforward because trust involves service users believing that the actions of social enterprise would be beneficial rather than detrimental to their own interest. Thus, social innovation should be specifically tailored to the needs of its beneficiaries to ensure it reflects positively on the reputation of the social enterprise. An interviewee explained that:

“I guess a positive consequence is that we are a trusted organisation. So, from a community perspective, we are a trusted organisation. So, if there is
any issue that arises, we tend to be first organisation rather than the Council’s contracted organisation, we are usually the first to know about and we quite often say to the contracted organisation ‘I think you know there was this issue?’ yeah, at that point depending on the issue we then have to refer, sorry you told us that’s great, unfortunately our hands are tied and you have to go through the Council’s contracted service. So, that’s a positive.” (Participant 8)

Essentially, this indicates that social enterprises need to develop social innovation that can meet latent needs of service users and in the process gain their trust. Drawing from the knowledge-based theory, this also implies that social innovation is a critical relational resource that social enterprises can use to build trust through their organisational practices. As such, it can act as means of interacting with stakeholders (in this case, service users) and developing a reputation of trustworthiness and reliability (Spear and Bidet, 2003).

Third, by becoming responsive to societal issues via social innovation, social enterprises can talk proudly and spread the word about what they do. I used the term ‘talk proudly’ because the interviewees consistently indicated their social innovation is seen as creditable and this leaves them with a feeling of satisfaction when speaking about their social enterprise. Prior research suggests that people find it acceptable when having conversation about social enterprise (Thompson, 2008) because it appears as something innovative and problem-solving (Levander, 2010). To illustrate this point, an interviewee stated:

“No some people like to look and say oh look that’s great because [social] innovation seems to be popular among policymakers and certain thinktanks. So, we sometimes you know talk about that proudly; and say look this shows that social enterprises are innovative now.” (Participant 11)

He further explained that these talks help to them to provide an acceptable explanation for their social enterprise activities:

“So, why we should be like we are more innovative than you? But fine you know it is of interest to some people. So, it helps us make the case of social enterprise and obviously, you know of course I’m not denying that innovation can be valuable, but you know I’m interested in progress and
making the world a better place. So, sometimes that is bringing entirely new ideas, things that haven’t been tried into new context before. So, yeah you know we do talk about that [our success] sometimes.” (Participant 11)

This aids a social enterprise in painting a picture of ‘who we are’ (Gioia, et al., 2013) and ‘what we do’ (Ravasi and Phillips, 2011) about their activities. Invariably, these ‘talks’ contribute gradually towards the cognitive formation of organisational identity about social enterprises (Cornelissen, Akemu, Jonkman, and Werner, 2021). Additionally, the resource-based theory suggests that corporate reputation is an external benefit for organisations that engage in socially responsible actions like social innovation (Branco and Rodrigues, 2006).

Overall, evidence from the qualitative analysis indicates that social innovation provides grounds for enhancing the enterprise reputation of the social enterprise. Hence this extends current literature by demonstrating that successful social innovation boosts the reputation of the social enterprise.

**Table 5.16: Additional evidence for building the enterprise reputation**

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Believing the enterprise</td>
<td></td>
</tr>
<tr>
<td>• Building the enterprise reputation</td>
<td></td>
</tr>
<tr>
<td>- Increasing enthusiasm about the business model</td>
<td>“For us it would be lovely if we made any money, but in practice it’s more about for us the exposure it gives to the charity, and the training of the people we work with and the products that we sell.” (Participant 2)</td>
</tr>
<tr>
<td>- Gaining the trust of service users</td>
<td>“Well, I think we [our social enterprise] have built a reputation, trust… You know people bring us works, bring us suggestions, bring us ideas I think we have greater influence than our scale would suggest should happen and that has come because of the identification with our social enterprise. We have a longevity now.. Fundamentally people trust us to act according to our values and we do.” (Participant 18)</td>
</tr>
<tr>
<td>- Talking about what we do proudly</td>
<td>“Social entrepreneurs who keep themselves updated with the trend, they tend to adopt social innovation into their business, and they also tend to speak to more people who work in the social enterprise sector, that’s another way of keeping keep themselves updated with the trend. And also, they can motivate each other to do more of these activities.” (Participant 6)</td>
</tr>
</tbody>
</table>
“I think in social innovation where you aim for social change, for disruption, you need to be heard. You will never be heard if you go in contrast, you need the society with you… You have an idea to bring forward, the only way to do it is to actually make people believe in you.” (Participant 10)

5.5.2.2 Community impact

Given the context of this research, community impact represents the effect that the actions of social enterprises have on people in the community. Based on the interview data, I uncovered that when social enterprises engage in social innovation initiatives, this will generate positive impact in the community (see also Table 5.17 for additional supporting evidence of the findings which is keyed to Figure 5.3). This is in accordance with Rahman, Taghizadeh, Ramayah and Alam’s (2017) observation that social innovation actions of social enterprises can bring prosperity and development to members of a community. Hence, this contributes appreciably towards making social enterprises believe that their social innovation initiatives translate into positive community impact. This is evident in the statement of an interviewee:

“I think that social innovation can create its own social impact in our community and society. It can also get together with people and country in using it to solve social problems we face. So that’s how I see it.” (Participant 6).

Moreover, according to the interview data, two types of actions take place to signify community impact. First, social innovation practices provide the room for social enterprises to contribute constructively to the development of people in the community. This is mainly because social innovation is a means for social enterprises to engage directly with their community (Oeij, Van Der Torre, Vaas and Dhondt, 2019; Malek and Costa, 2015). One interviewee noted:

“Positive aspects obviously is that we get a lot of reward out there in this kind of stuff. Because clearly with our service users, we see them getting jobs and feeling happy doing their jobs and contented by working, which is obviously beneficial. If we see all the customers experiencing the benefits of using our services, you get masses of reward out of that. So, obviously
yes what we do is fantastic, I’m incredibly proud of all the projects.”
(Participant 2)

Here, the interviewee above reflects on the social innovation of her social enterprise and conveys positive thoughts about their contribution to the community. From a resource-based theory lens, this may aid the social enterprises to acquire new resources and capabilities related to their know-how and corporate culture (Branco and Rodrigues, 2006). Another interviewee, provided an example of how his social enterprise has made impact in the community:

“For example, we are working with a company who has 300 employees, a lot of them has XXX issues and we are working to help the leadership of that company and the employees themselves be able to use positive strategies, positive tools in order for them to be more self-sufficient with managing their illness. So, over the course of the year, we are spending between 10 and 12 days with them. […] So not only are we able to support these 300 employees in a wider and long-term scale but also off the back of the work we are doing with company we are able to put XXX through one-to-one support that otherwise they won’t be able to get.” (Participant 1)

Second, social innovation ensures that social enterprises can promote a sense of self-belief among members of the community. An interviewee explained:

“I mean if social innovation is effective [successful], what it will do is to make people’s life better. I see that in many different ways. So, you know I think we kind of need to unpick what we mean by the social bits. For me social innovation is things which enables people to sustain their position, understand their environment and develop their skills, have greater sense of self-belief and a greater awareness of self-identity in order to take action.”
(Participant 18)

Another approach of ensuring a sense of self-belief is by making people in the community feel relieved of the burdens they face. For example, an interviewee commented:
"I get to see the impact [of our social innovation] every single day. I get to see people forget their pain, they start breathing easier and smile more. And that of course is all the impact and assurance I need." (Participant 5)

Evidently, the interview data aligns with argument from previous research that social innovation is focused on initiatives that can foster vigour in the community (Baker and Mehmood, 2015; Maclean et al., 2013). Consequently, by supporting constructive development of the community and advancing a sense of belief in people, social innovation facilitates the improvement of the quality of life of individuals and communities.

Therefore, social enterprises through their engagement with social innovation not only seek to improve service users in the community but also to influence the sense of self-belief of the people especially in communities where there is less presence of the public sector and market initiatives. Together, findings from the interview data indicates that social innovation ensures that social enterprises can make positive contributions to the people and local communities in which they operate.

Table 5. 17: Additional evidence for community impact

<table>
<thead>
<tr>
<th>Second-order themes and First-order categories</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate descriptor: Believing the enterprise</td>
<td></td>
</tr>
<tr>
<td>• Community impact</td>
<td></td>
</tr>
<tr>
<td>- Providing development to people</td>
<td>“It is about jobs, sometimes it is about creating opportunities, sometimes it is about reducing the damage to the environment, sometimes it is about building community cohesion…” (Participant 11)</td>
</tr>
<tr>
<td></td>
<td>“It [social innovation] is about people having access to a more diverse social ecosystem so that they have more opportunities to sustain themselves through relationships with more people that might offer them social gifts or social goods as well as financial gifts.” (Participant 18)</td>
</tr>
<tr>
<td>- Promoting a sense of self-belief in the community</td>
<td>“I think, and there is very much about… ‘looking at individuals and saying actually what skills do you have, you know that you can show people, you can do things’. I always say it is about this saying, ‘give a man a fish, he eats for a day; teach a man to fish, he eats for life’. So, it’s [social innovation is] that kind of thing.” (Participant 8)</td>
</tr>
</tbody>
</table>
5.5.3 Aggregate descriptor 8: Working under pressure

Further to the other outcomes that have emerged from the qualitative data, I also discovered that engaging in social innovation led to managers/members of the social enterprises to be working under some form of pressure. This is discussed under the following theme of ‘work pressure’.

5.5.3.1 Work pressure

Work pressure reflects the general intensity associated with work demands arising from the quest to develop social innovation in the social enterprises. Thus, the interview data indicate engaging in social innovation leads to work pressure in the organisation (further supporting evidence for the findings is shown in Table 5.18 and is keyed to Figure 5.3).

From a resource-based theory perspective, it can be argued that social innovation is a resource-consuming activity for social enterprises (cf. Wiklund and Shepherd, 2005). Accordingly, social enterprises may seek to protect their valuable resources. However, the loss of such resources may engender work stress (see Chen and Powell 2012). Particularly, work pressure focuses on the work stress that social enterprises have to deal with when they have fewer resources than necessary to develop and manage their social innovation process. This is exemplified in the following statement of one of the interviewees:

“So, there’s a degree to which the pressure is much upon the staff who work on it [social innovation]. Like me and my catering manager also comes from a non-client background and work over the odds, over the hours to keep it going. So, there is a lot of internal burden created on staff which are major, so that’s a negative.” (Participant 2).

Prior research indicates that in sectors where creativity and innovation are vital resources, individuals are likely to be under enormous work pressure to perform (Schweizer, 2006). Specifically, the interview data indicates that engaging in social innovation somehow has a negative light on people in social enterprises such that they begin to experience work pressure. This can occur in three different ways.

First, the interview data demonstrates that developing social innovation leads social enterprises’ managers having so many tasks to deal with. For instance, an interviewee who noted that they spend a considerable amount of time doing several tasks:
“My customers who are local authorities and housing are famously weary of [social] innovation because they are stale and steady and risk-averse, and the word innovation frightens them, they do not embrace it.... So, I have had to [spend time to] do a lot of reassuring, demonstrating through practice, coming up with ‘so, this is why this project will be fantastic for everyone because I’ve got a body of evidence that I can then take and interviewing all the people involved; social workers, housing, health workers, firefighters and people with hoarding issues.” (Participant 23)

Second, the qualitative analysis also shows that managers have a feeling of being burnt out due to efforts they give to ensure that their social innovation has meaningful impact on the society. This because many of them feel they are personally responsible for the wellbeing of the society. For example, an interviewee explained that:

“Essentially, you are trying to be there for an entire group of society which in our is around about 16million people. So, there is a lot of pressure on the people running the social enterprise to be socially innovative and I think that that has a long-term impact on mentally, emotionally, financially and because ultimately there will be sacrifices they will make, they wouldn’t expect anybody else in the organisation to. So, there has been instances you know... where I have had to pay me, so I haven’t been able to pay myself for a few months and then has a knock-on effect on my housing and everything else.” (Participant 1)

Third, I also discovered that being under work pressure increases the chances of experiencing mission drift due to social enterprises. Mission drift refers to the perceived discontinuity between a social enterprise’s action and its initial focus on social mission (Grimes, Williams and Zhao, 2019). From a resource-based lens, losing such ‘emotional resources’ like social mission may be demotivating for members of the social enterprise (cf. Rothbard, 2001). Thus, they may begin to feel that they are incapable of controlling the pressures they face to deliver their social innovation objectives. One interviewee expressed that:

“Innovation [social innovation] done well doesn’t often have negatives if we assume that doing well mean that those things I said before are covered up. But innovation that is missing some of the key things in terms of the
deliverability of it can have lots of negative impact across the organisation. It could drown and swamp the organisation, where you have mission drift and employees feeling like that they don’t know what they are supposed to be doing, to beneficiaries and customers not knowing what the organisation is doing or stand for.” (Participant 20).

These findings are in line with third sector organisation literature which suggests that these organisations are facing increasingly work pressure to reach their goals due to changes in funding scheme and cooperation arrangements with the public sector (Pape et al., 2016).

Consequently, social enterprises are faced with burnout due to the increasing tasks of looking for resources to ensure their social innovation is effective. This can result in abandoning social objectives due to pressure, in preference to only profit-seeking activities (Ramus and Vaccaro, 2017). Therefore, evidence from the interview data adds to our understanding that developing and maintaining social innovation can lead to work pressure in social enterprises.

**Table 5. 18: Additional evidence for work pressure**

<table>
<thead>
<tr>
<th>Aggregate descriptor: Working under pressure</th>
<th>Representative quotes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Second-order themes and First-order categories</strong></td>
<td><strong>Representative quotes</strong></td>
</tr>
<tr>
<td>• Work pressure</td>
<td></td>
</tr>
<tr>
<td>- Having so many tasks to deal with</td>
<td>“If you are driven by desire to innovate, then it can be negative. You can spend all the time [doing many stuffs and] looking for the next big thing and never really do anything really good because you are kind of chasing that shiny [social] innovative idea that never quite lands.” (Participant 20)</td>
</tr>
<tr>
<td>- Feeling of being burnt out</td>
<td>“You get rejections from grants; you get rejections from proposal. But also, your own wellbeing suffers, you got to think of your own wellbeing, your own health is very important. Yeah, all those sorts of things.” (Participant 3)</td>
</tr>
<tr>
<td>- Chances of mission drift to appear effective</td>
<td>“There are people who are just using the social enterprises moniker as a sales label and are of course trying to drift…. they may think there is a market niche where there is less competition [pressure] than in the commercial sector… I think in that case it is not really social innovation..” (Participant 21)</td>
</tr>
</tbody>
</table>
In the next section, I develop a process model of social innovation that captures the connections between the concepts discussed so far in this chapter.

5.6 Developing a grounded theorising process model of social innovation

Thus far, I have provided an in-depth analysis of the interview data relating to the theoretical dimensions of social innovation (see Section 5.2), its antecedents (Section 5.4), and outcomes (Section 5.5). Accordingly, I assimilate the various emergent dimensions and themes displayed in Figures 5.1, 5.2 and 5.3 (i.e., the three data structures) to develop an emergent organising framework that provides a skeletal representation of the discussions in this chapter (see Figure 5.4).

However, throughout the analysis of the interview data, the evidence suggests there are connections between the various themes of social innovation (as explained in Section 5.2 in relation to the data structure captured in Figure 5.1), and the other qualitative themes I explicated on the data structures (Figures 5.2 and 5.3 respectively) relating to the emergent antecedents and outcomes of social innovation.

Considering this, I develop an inductive model (see Figure 5.5) that assimilates and highlights the dynamic connections among various themes and dimensions of social innovation to illuminate a process model of social innovation within social enterprises; how social innovation is developed, manifested, and implemented in the organisation.
Figure 5.4: An emergent organising framework of the linkages among the concepts

Social-focused creativity
- Social purpose-oriented
- Knowledge exchange

Transformative value
- Context-specific novelty
- Anchoring change

Inclusiveness orientation
- Collaborative behaviour
- Community-driven actions

Antecedents

Outcomes
Figure 5.5: A process model of social innovation in social enterprises

Antecedents
Directors’ exposure
Directors’ personal values
Entrepreneurial mindset
Mission-focused employees
Staff diversity
Staff skills
Available finance
Funders’ perception
Community readiness
Social support

Social-focused creativity
Social purpose-oriented
Promoting the creation of innovative solutions

Transformative value
Context-specific novelty
Creating grounds for using innovative solutions to anchor change
Opportunities to engage with groups to facilitate building social innovation

Inclusiveness orientation
Collaborative behaviour
Facilitating actions that support working with the right people and organisations
Community-driven actions
Creating grounds for a bottom-up approach in the organisation

Outcomes
Social enterprise objectives
Continuous business survival
Social enterprise reputation
Community impact
Work pressure

Knowledge exchange
Generating information from diverse perspectives

Anchoring change

Promoting the creation of innovative solutions
Creating grounds for using innovative solutions to anchor change
Creating grounds for a bottom-up approach in the organisation
Opportunities to engage with groups to facilitate building social innovation
Facilitating actions that support working with the right people and organisations
Creating grounds for a bottom-up approach in the organisation

Social-focused creativity

Transformative value

Inclusiveness orientation
Antecedents of social innovation (Box 1)
Section 5.4 sets out a picture of the antecedents of social innovation following my analysis of the interview data. This sees the identification of a set of 10 diverse antecedents including directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, staff diversity, staff skills, available finance, funders’ perception, community readiness, and social support. Accordingly, this indicates that there are different means (factors) by which the process of social innovation can be initiated within social enterprises.

Additionally, the interview data captures a shared understanding of these various antecedents of social innovation while also laying emphasises on specific elements (first-order categories) within each of the antecedent by demonstrating how the interviewees expressed their connections with social innovation. Consequently, the starting point for the grounded theorising process model is the identified antecedents of social innovation. Collectively, the 10 antecedents provide the basis through which social enterprises can create conditions for initiating the development and implementation of a successful social innovation process.

Next, I discuss the linkages among the various emergent concepts and dimensions of social innovation.

Connections among the dimensions of social innovation (Box 2)
Recall that in Section 5.2 of this chapter, I identified three emergent aggregate dimensions of social innovation – social-focused creativity, transformative value, and inclusiveness orientation. Specifically, I identified two germane second-order themes (subcomponents) of social-focused creativity, which included –social purpose-oriented, and knowledge exchange. Also, I highlighted and discussed context-specific novelty and anchoring change as the two second-order themes of transformative value dimension. Further, I elaborated on inclusiveness orientation dimension, including its two second-order themes of collaborative behaviour and community-driven actions.

Additionally, an in-depth look into the interview data suggests that the social-focused creativity dimension (including its two second-order themes), has linkages with the two second-order themes of context-specific novelty and anchoring change embedded within transformation value dimension, along with the inclusiveness orientation
dimension (either through its two second-order themes of collaborative behaviour or community-driven actions).

Consequently, I follow suggestions from previous research (e.g., Nag and Gioia, 2012) to capture the linkages among the concepts, themes and dimensions of social innovation as demonstrated in Figure 5.5. Hence, because inclusiveness orientation is the third dimension of social innovation, I track the paths to either of its two subcomponents of collaborative behaviour or community-driven actions from the connections between the second-order themes of social-focused creativity and transformative value dimensions. Below, I explicate these linkages among the concepts as follows.

From my analysis of the qualitative data, I found a connection between social-purpose oriented and context-specific novelty. Specifically, I uncovered that the emphasis on being social purpose-oriented allows organisations to strengthen their capacity to engage in context-specific novelty. Such connections assist social enterprises in understanding the type of social product and service activities that fits into their business model (Klein, Schneider and Spieth, 2021). This is exemplified in the following illustration capturing this connection as provided by an interviewee about a social innovation focused organisation:

“They have a strong social purpose, and they have a very strong environmental purpose [social purpose-oriented] which is to produce products that clean the air [context-specific novelty] … Now, that’s a very environmental purpose and the health of people but that’s their business…”

(Participant 4)

From this interview excerpt, the social purpose of an organisation serves as a foundational element for developing innovative social products and initiatives. Thus, this provides opportunity for organisations to leverage on the social purpose component of their social-focused creativity and carefully interlace it with their social product and service innovation development activities (see Vilá and Bharadwaj, 2017). Consequently, those social enterprises that focus on this type of linkage are more likely to gain some form of competitive advantage over those that do not.

Furthermore, I found a connection between the ability of social enterprises to collect and share knowledge with other organisations and groups (knowledge exchange), and
its ability to act as an instrument of positive change in the society (anchoring change). To that end, the knowledge exchange component can serve as a foreground for enhancing the anchoring change component of social innovation. For instance, an interviewee provided an example of how knowledge exchange is aiding their efforts to institute positive change in the society:

“I mentioned the XXX that thought of a new way to support local people and provide young people with face-to-face activities that they wouldn’t get otherwise [in order to bring about positive change]. That’s a new way of working from us [the social enterprise], it involves me physically going to meeting, helping, and putting things into the right processes [through my knowledge] so that it [the social innovation] is eventually viable and so on.” (Participant 17)

He further explains how knowledge exchange is vital to the social innovation process:

“What I’m very excited about is that the [social] innovation may be picked up to roll locally, nationally and internationally once we get the model right. So, that is a very fantastic model of social innovation for me; somebody has a bright idea [for positive change], we have the capacity or the knowledge to help them put that idea into practice” (Participant 17)

Impliedly, when social enterprises take knowledge as a resource for social innovation, it needs to build an environment that encourages the creating, sharing, and leveraging of the knowledge exchange process. This ensures that the information generated from this process can be utilised to bolster the social enterprises’ ability to recognise and drive positive change in the community. Therefore, knowledge exchange is essential because it provides a link for social enterprises to collect and share knowledge with other organisations and groups, and possibly turn the knowledge into a key resource for social innovation.

Similarly, I also found that context-specific novelty can provide opportunities for social enterprises to improve their innovativeness, which can strengthen their ability to anchor changes in the community. This is exemplified in the comments of an interviewee:

“We are breaking down these barriers between people in this community,
breaking down knowledge barriers [that is, making changes in the society] by enabling people to access things [via our services] that they wouldn’t been necessarily to do otherwise [without us].” (Participant 9)

Previous research highlights that developing context-specific innovation in relation to the local community enhances the capacity of social actors to become social agents that institutionalises change within the societal system (Turker and Vural, 2017). Hence, social enterprises attempt to engage in context-specific novelty based on their social purpose consequently lays the groundwork for them to become agents of change within the society.

Further, as an alternative route to the subcomponent of anchoring change rather than via the channel of knowledge exchange, the analyses of the interview data indicate that the direction from context-specific novelty is more consistent and harmonious with social innovation because of its linkage to the social-purpose oriented subcomponent. From a strategic viewpoint, this signifies that when a social enterprise backtracks or fails to develop a robust social purpose-oriented mission, it will find it difficult to leverage on context-specific novelty to drive positive change in the society via their social innovation.

Bringing together the discussions so far on the linkages between the aforementioned themes and dimensions of social innovation, I can conclude that the process of social innovation begins with (a) the ability of social enterprises to use their imagination about social problems and opportunities to become social purpose-oriented and engage in knowledge exchange; and (b) creating social values that possess transformative capacity via the boosting of their context-specific novelty and acting as anchors of positive change in the society.

On further analysis of the interview data, I also found out that context-specific novelty shared a linkage with the collaborative behaviour component of social innovation in social enterprises. One of the interviewees explained the situation in their social enterprise:

“Our idea behind ‘tech and tea’ [context-specific novelty] was because there were a lot of people coming to us [for help]. So, the [social innovation] idea was to get people together… We all get together twice a month; so every
two weeks and people are learning from each other [from collaborating]. So that kind of gives you a practical application of what we do.” (Participant 9)

Another interviewee from a business creation and development social enterprise further illustrates this point:

“We as an organisation is not just scaling our operations [social innovation programmes] but we are also doing our turn to drive our [social innovative] model where we want to train the trainers and work with partners across different countries [and context] to establish our methods and ecosystems within their communities.” (Participant 21)

These excerpts from the interview data indicate that the programmes and initiatives of social enterprises offer them the opportunity to hone and improve their collaborations with other people and organisations. Hence, this allows social enterprises to use their social innovation efforts as a tool for identifying and developing partner relationships with other organisations and groups within their business ecosystem. This linkage thus suggests that social enterprises not showing a greater tendency to leverage on their social products and initiatives are less likely to develop collaborations with other organisations. Additionally, as demonstrated in Figure 5.5, social enterprises can take advantage of the linkage from their social-purpose oriented, along with context-specific novelty to strengthen the collaborative behaviour component of their social innovation efforts.

Moreover, I found that the anchoring change subcomponent can reinforce the efforts of social enterprises to engage in community-driven actions. For instance, one of the interviewed explained that:

“I think in social innovation where you aim for [positive] social change, for disruption, you need to be heard. You will never be heard if you go in contrast [with what the community wants], you need the society with you. It is like if you are an organisation, you have a small group of people and you have an idea to bring forward, the only way to do it is to actually make people [the community] believe in you.” (Participant 10)

Here, the interviewee points out that for the anchoring change aspects of social innovation to be well-implemented, it has to connect and feed into the expectations of
the community. Impliedly, this highlights that social enterprises’ efforts toward improving the anchoring change component of their social innovation can also assists in engaging in community-driven actions in order for the change to be well-received and implemented by members of the community.

Finally, I also discovered linkages between the two components (second-order themes) of inclusiveness orientation – collaborative behaviour and community-driven actions. Specifically, my analysis of the interview data indicates that social enterprises perceive that by focusing their social innovation interest on social and environmental issues that the community considers important (community-driven actions), it can reinforce their efforts to develop collaboration with the right partners (collaborative behaviour). This is exemplified in the remarks of an interviewee:

“At the same, they [the organisation] are interested in keeping to what the local community think is important and it is quite important to how well they run the organisation. And I think they get the right people to work with the organisation [collaborative behaviour] because they have a set of values [and interest] which people who come into the organisation can relate to.”
( Participant 4)

Previously in the analysis of the interview data, I uncovered that in the quest to enhance the collaborative behaviour component of inclusiveness orientation, social enterprises usually focus on the development of context-specific novelty. However, from the interview excerpt above, the interviewee demonstrates that there is another route for reinforcing collaborative behaviour via developing and focusing on the values and interest of their community without putting many efforts into developing social products and initiatives (context-specific novelty).

Accordingly, when social enterprises leverage on their capacity to anchor change in the society via engaging in community-driven actions, they need to commit to putting the interest of the community at the core of their activities as well as to providing access to specific services to the people in the community. These actions can subsequently aid in enhancing collaborative behaviour as more people and groups will be willing to partner with the organisation. This can further improve the social innovation capability of social enterprises to attain its organisational objectives and other outcomes. Therefore, social enterprises can maximise the potentials of their
context-specific novelty and community-driven actions (via anchoring change) to strengthen the collaborative behaviour component of their social innovation initiatives.

Overall, what we see here is a multi-dimensional complex linkage of the emergent concepts, themes and dimensions of social innovation based on the interview data which highlights the interconnections among them; showing how they leverage on one another to establish and reinforce the process of social innovation in social enterprises.

**Outcomes of social innovation (Box 3)**

As demonstrated in Section 5.5, the interview data further led to the identification of five different organisation-related outcomes of social innovation including *social enterprise objectives*, *continuous business survival*, *social enterprise reputation*, *community impact*, and *work pressure*. These five outcome constructs have been classified into three aggregate descriptions of (i) enhancing enterprise sustainability, (ii) believing in the enterprise, and (iii) working under pressure as presented in Section 5.5 and Figure 5.3 (data structure on outcomes) of this chapter.

Consequently, numerous examples from the interviewees describing how each of the outcomes are reinforced by social innovation initiatives of their social enterprises have also been explicated in Section 5.5. Hence, the analysed interview data suggest that through social innovation initiatives, social enterprises can foster their organisational sustainability through attaining the social enterprises objectives and continuous business survival. Additionally, the interview data indicate that not only does social innovation initiatives aid organisations in improving their reputation, it also assists in ensuring the social enterprise can make an impact on the community. However, I also uncovered the connection between social innovation and increasing work pressure in social enterprises due to the pressing need of seeking to meet the project timelines and targets in the organisation.

**5.7 Summary**

In this chapter, I presented the qualitative findings from the interviews conducted with 26 research participants from the UK social enterprise sector. From the qualitative data analysis, I uncovered three theoretical dimensions of social innovation which includes social-focused creativity, transformative value, and inclusiveness orientation.
I also developed an operationalised definition of the construct based on this to capture and clarify its specificity within the context of social enterprises.

Furthermore, I also highlighted the emergent 10 key antecedents and five outcomes of social innovation in relation to social enterprises based on the qualitative data analysis. Following this, I developed a grounded theorising model of the social innovation process which captured and explained the linkages between the different emergent concepts and dimensions discussed in this chapter.

The next chapter begins the quantitative phase of the study and focus on hypotheses development based on the qualitative findings presented here.
6.1 Introduction
The previous chapter presented the qualitative findings relating to a grounded theorising model of the emergent theoretical dimensions, antecedents, and organisational related outcomes of social innovation. In this chapter, I outline the theories underpinning the quantitative phase of this PhD thesis and develop a series of research hypotheses founded on the qualitative insights of the previous chapter. This is further schematised into a conceptual framework that captures the hypothesised relationships between the social innovation construct, its antecedents, and outcomes, including a set of control variables paths.

6.2 Theories underpinning the quantitative phase
In this section, I discuss two relevant theoretical perspectives – the resource-based theory and the knowledge-based theory that underpins the conceptual framework of this quantitative phase of the PhD thesis (see Figure 6.1).

6.2.1 Resource-based theory
The resource-based theory proposes that the competitive advantage of an organisation originates from its ability to utilise its resources and capabilities to develop and execute strategies for the purpose of enhancing the organisation’s efficiency (Barney, 1991). It is one of the most widely applied theories for explicating organisational activities and relationships in the management and entrepreneurship literature (McGahan, 2021; Alvarez and Busenitz, 2001). The idea of using resources to understand and explain organisational processes and activities was first introduced in the 1950s (Penrose, 1959), but only developed into the resource-based theory in the mid-1980s through several studies focusing on the importance of specific resources to organisational outcomes (Barney, 1986; Wernerfelt, 1984). Barney’s (1991) elaboration on the resource-based theory is focused on ‘resources’ of the organisation, which is defined as “all assets, capabilities, organisational processes, firm attributes, information, knowledge, etc. controlled by the firm to conceive of and implement strategies that improve its efficiency and effectiveness” (p.101). Also, Wernerfelt (1984) contends that resources can be tangible (e.g., financial budget) or
intangible (e.g., social innovation) and relates to “anything that could be thought of a strength or weakness to a given firm” (p.172).

Further, recent advancement in resource-based theory literature distinguishes between resources and capabilities. Resources are the vital inputs in the organisational processes, whereas capability is the ability of the organisation to use its accumulated resources and carry out a certain value-creating task or activity efficiently (Helfat and Peteraf, 2015; Amit and Schoemaker, 1993). However, Barney (1991) suggested that while the differences between the two concepts can be theoretically distinguished, it can be quite confusing to do so in practice. Also, previous research indicated that both resources and capabilities of organisations should be valuable, rare, and costly to imitate (Barney, 2001).

Although previous research has used the resource-based theory to explicate general innovation (e.g., Terziovski, 2010), very little research has utilised the theory within the background of social innovation research (e.g., Vezina, Malo and Selma, 2017). In this light, studies on social enterprises and other nonprofit organisations have used the resource-based theory lens to explain how several kinds of resources can assist organisations to compete favourably and improve their performance in social innovation and other areas (e.g., Ko et al., 2019; Descubes et al., 2013). Using the resource-based theory lens, Sanzo-Perez et al. (2015) contend that social innovation is a vital resource for organisations to enhance their performance outcomes.

Further, if the premise of the resource-based theory holds, the efficient bundling and deploying of resources of social enterprises is essential to the development and scaling of social innovation initiatives (Bloom and Smith, 2010). This is because the growth in the social innovation of social enterprises is linked to their resources and capabilities such as directors possessing varying (idiosyncratic) resource of general, industry-specific, and firm-specific expertise and knowledge (see Helfat and Martin, 2015b; Castanias and Helfat, 1991). For example, social enterprises’ resources may be reflected in the cultural capital and expertise level differences between managers in organisations and their ability to sense social opportunities and to respond to the prevalent challenges in the social environment. This suggests that organisational specific resources can manifest themselves in diverse forms in organisations (see Cardon et al., 2017b; Alvarez and Busenitz, 2001).
Hence, social enterprises may depend on social innovation to ensure renewal of its strategic value in the marketplace. One way of doing this is developing ties with other social enterprises as it can encourage them to see how best to deploy their resources for developing social innovation for the market they serve (Dacin et al., 2011). Succinctly, the resource-based theory (Barney 1991) in the context of social innovation in this study suggests a social enterprise’s unique set of resources and capabilities influences the ability of the organisation to meet its organisational outcomes. Through this unique set of resources and capabilities, social innovation originates from better organisational routines and other core functions.

6.2.2 Knowledge-based theory

The knowledge-based theory emerged in the 1990s as an extension of the resource-based view and considers knowledge-based resources and capabilities as the most critical resource for surviving and developing as an organisation (Grant, 1996; Nonaka, 1994). Specifically, the knowledge-based theory proposes that an organisation’s mix of heterogenous knowledge assets which affects the development and execution of its innovation and organisational strategy is a vital source for achieving competitive advantage in the marketplace (Martín-de Castro, López-Sáez and Delgado-Verde, 2011; Grant, 1996).

Knowledge affects the ways social enterprises can use social innovation to address changes in the environment in terms of emergent social problems or opportunities (see Grant, 1996). This is because “knowing what” (that is, where can information be found) ensures that social enterprises can collect vital information for developing its “know-how” (that is, learning to carry out tasks smoothly) of the organisation (Paiva, et al., 2008; Kogut and Zander, 1992). Accordingly, the combination of these two knowledge facets can improve the knowledge capability of the social enterprise which can be embedded into their social products, processes, and services, which can translate into a strong social innovation competency. Thus, this positions social innovation initiatives as a knowledge-intensive driven process in organisations (see Martín-de Castro et al., 2011).

Drawing from exiting studies on knowledge-based theory (e.g., Kianto, Sáenz and Aramburu, 2017; Carrillo and Gaimon, 2004), knowledge is deep-rooted in the physical and capital resources of a social enterprise through the organisational structure and
information technology. Moreover, knowledge is also embedded in social enterprises through their human capital resources (Barney, 1991). Staff possess diverse knowledge and information, in addition to having the necessary human skills to carry out tasks on behalf of the organisation (Fonseca, de Faria and Lima, 2019; Lee, Florida and Gates, 2010). For example, the development and implementation of social innovation depends on the input of knowledge as a value-creating asset possessed by people in the organisation (see Kianto et al., 2017).

Further, the knowledge-based theory indicates that social enterprises exist because they serve as an efficient structure for active and passionate individuals and/or groups to integrate their specialised knowledge based on a shared identity to address social problems/needs (Gerli, Calderini and Chiodo, 2021; Uygur, and Marcoux, 2013). Hence, the theory contends that social innovation closely revolves around the knowledge and expertise of organisations, and their capacity to deploy it effectively (cf. Subramaniam and Youndt, 2005).

The next section discusses the conceptual framework of this PhD study and the logic behind it.

6.3 Logic of the quantitative phase and conceptual framework

Following my analysis of the qualitative data in the previous chapter, subsequently, it becomes imperative to develop testable hypotheses with respect to the identified antecedents and outcomes of social innovation. The aim of this quantitative phase is to propose a conceptual framework (see Figure 6.1) that provide answers to the research question 2 (What are the antecedents favouring or hindering social innovation within social enterprises?) and research question 3 (What are the organisational-related outcomes of social innovation within social enterprises?) of this PhD thesis.

The proposed conceptual framework consists of four parts: first, the antecedents of social innovation. Second, the focal construct of the study; social innovation. Third, the outcomes of social innovation. Finally, control variables (although non-hypothesised) are also included in the conceptual framework. In the following sections, I discuss the proposed relationships between the variables in the framework.
Figure 6.1: Conceptual framework of the study

- **Directors’ cultural capital**
  - Directors’ exposure
  - Directors’ personal values

- **Social entrepreneurial passion**
  - Entrepreneurial mindset
  - Mission-focused employees

- **Human resource decisions**
  - Staff diversity
  - Staff skills

- **Access to funding resources**
  - Available finance
  - Funders’ perception

- **Social connections**
  - Community readiness
  - Social support

- **Control variables:**
  - Organisational age
  - Organisational size (staffing)
  - Industry focus
  - Organisation turnover (revenue)
  - Organisational location
  - Competitive intensity
  - Technological turbulence
  - Market turbulence
6.4 Antecedents of social innovation

6.4.1 Directors’ exposure and social innovation

Directors’ exposure is concerned with the education, lived and work experiences of directors (inclusive of managers) of social enterprises. It plays an important part in shaping the dominant logic of directors in social entrepreneurship (Estrin, Mickiewicz and Stephan, 2016). Directors’ exposure reflects the degree to which directors possess the educational lived and work (practical) experiences necessary for developing and executing innovative ideas for their organisations. Previous research highlights that the accumulated experiences, knowledge, and expertise acquired by directors through education and experiences bolsters their ability to sense opportunities for new innovations (Helfat and Martin, 2015b).

Moreover, from a dynamic managerial capability viewpoint of resource-based theory, directors’ exposure is a vital resource for ensuring a fit between the resource management and decisions regarding the success of social innovation in the organisation (cf. Simon and Hitt, 2009; Adner and Helfat, 2003). This is because directors’ exposure shapes the skills and knowledge repertoire of top executives on different activities in and beyond the organisation (Kor and Mesko, 2013; Castanias and Helfat, 2001). Hence, the exposure of directors enables them to develop heuristics that come into play when taking decisions on strategic priorities and choices about the social innovation paths of the social enterprises (see Kor and Mesko, 2013; Garbuio, King, and Lovallo, 2011).

Additionally, directors’ exposure can be a source of competitive advantage as it is an intangible knowledge resource, which can be hard for other organisations to imitate (Mahoney and Kor, 2015). Besides, findings from the qualitative phase of this PhD study indicate that directors’ exposure is an essential factor for developing and implementing social innovation. An interviewee provided the following explanation:

“Having either a director’s or the carrier’s experience in a specific field is crucial in order to actually come up with a proper solution [social innovation]. And that those organisations tend to be more successful based on those experience than other organisations. Organisations that run this kind of social innovations tend to be more successful because of the tested knowledge, the tested experience that individuals [directors] bring to the
innovation process.” (Participant 14)

Consequently, I expect that directors’ exposure will be a valuable predictor of social innovation in social enterprises. Accordingly, I hypothesise that:

**Hypothesis 1**: Directors’ exposure is positively related to social innovation.

### 6.4.2 Directors’ personal values and social innovation

Directors’ personal values reflect the perceived view to which the desirable end states of social enterprise directors/managers influence their organisations’ actions. Accordingly, it represents the preferences of directors about behaviours and outcomes in the organisation (Marques, Presas and Simon, 2014).

Previous studies indicate that directors’ personal values can ensure to some extent a person-organisation fit between the inherent social innovation values of the social enterprises and that of their directors (see Glew, 2009). A reason for this is the difficulty of separating the values of the directors from those of the organisation (Kotey and Meredith, 1997). This is because the strategies of such organisations are mainly driven by the personal beliefs and values of directors (Sastre-Castillo, Peris-Ortiz and Danvila-Del Valle, 2015; Bruno and Lay, 2008). Hence, directors’ personal values may serve as an intrinsic motive for engaging in creative and social innovative behaviours in the organisation (cf. Eva, Prajogo and Cooper, 2017; Mansfeld, Hölzle and Gemünden, 2010).

From a resource-based theory lens, directors’ personal values represent stewardship resources that are nearly impossible to imitate (Bacq and Eddleston, 2018; Smith, Kistruck and Cannatelli, 2016) which lead to successful social innovation (Ko et al., 2019). Moreover, the qualitative findings of this PhD investigation indicate that directors’ personal values influence social innovation initiatives. For instance, an interviewee commented that:

“I think it [social innovation] possibly goes back to organisations which are started by people [who value social enterprises] because they tend to be innovative. They have a vision; they have something they want to achieve and then maybe they look for way to try achieve it.” (Participant 4)
Hence, I expect that directors’ personal values is a good predictor of social innovation. Therefore, I hypothesise that:

**Hypothesis 2**: Directors’ personal values is positively related to social innovation.

### 6.4.3 Entrepreneurial mindset and social innovation

Entrepreneurial mindset represents the behavioural capability of social enterprises to sense and act on existing opportunities in the environment. It reflects the ability of organisations to sense, take actions and mobilise resources in the face of uncertain conditions (Haynie, *et al.*, 2010). Also, the entrepreneurial mindset of organisation evolves over time due to their constant interaction with different elements in the environment. Prior research on resource-based theory indicates that entrepreneurial mindset can be considered an important resource for organisations (Alvarez and Busenitz, 2001). This indicates that entrepreneurial mindset is a fundamental resource for sensing and adapting to various conditions within an organisation’s business environment (Daspit, Fox and Findley, 2021; Haynie *et al.*, 2010).

Also, previous research suggest that entrepreneurial mindset may be an important driver of social innovation (see Kuratko *et al.*, 2021; Kuratko, 2020). This is because social enterprises need to tap into their entrepreneurial mindset to truly act social entrepreneurially and reinforce its ability to engage in the development of social innovation (Kuratko *et al.*, 2021). However, due to the resources available, they only focus and undertake those opportunities that align with their organisational strategy (Ireland *et al.*, 2003).

According to resource-based theory, entrepreneurial mindset brings in a ‘growth-oriented perspective’ to organisations via ensuring the flexibility to use resources and applying creativity for continuous social innovation in the organisation (see Luke, Kearins and Verreynne, 2011; Ireland *et al.*, 2003). Besides, qualitative findings of this PhD thesis suggests that entrepreneurial mindset exerts influence on social innovation of social enterprises. For example, an interviewee explained:

“Many of them [social enterprises] are seeking for more opportunities to learn more about social innovation and to create a social innovation or in to infuse the features of social innovation into their business.” (Participant 6)
Consequently, I expect that entrepreneurial mindset is positively associated with social innovation. Hence, I hypothesise that:

**Hypothesis 3:** Entrepreneurial mindset is positively related to social innovation.

### 6.4.4 Mission-focused employees and social innovation

Mission-focused employees reflects the involvement and dedication of members to the goals and objectives of the social enterprise. It represents a shared sense of purpose and commitment among organisational members on the goals of the organisation (Xie, Wu and Devece, 2021).

According to knowledge-based theory, having mission-focused employees ensures that organisations can develop an organisation-wide shared understanding that facilitates coordinated activity in the social enterprise (see Grant 1996). Knowledge-based theory suggest this can enable social enterprises to develop the right internal structure and culture, which later forms a shared assumption among employees (Paillé and Halilem, 2019). Thus, mission-focused employees play an important role in enabling a culture of social innovation in the social enterprise (cf. Wang and Rafiq, 2009). This is because a shared commitment among employees makes it less challenging for organisations to recognise what to learn which can impact goal attainment in the organisation (Nguyen et al., 2018; Calantone, Cavusgil and Zhao, 2002).

Additionally, the qualitative findings in the previous chapter indicates that mission-focused employees drive the development of successful social innovation in the social enterprise. For instance, an interviewee explained that:

> “Within staffing, they [the employees] all need to share the common goal that you all want to achieve, so their attitude needs to be a bit similar to yours… especially at the beginning because sometimes you might not be able to pay them” (Participant 1)

The reason is that higher levels of mission-focused employees strengthen social enterprises’ ability to develop a focused social innovation response to social problems or opportunities. Therefore, I expect that greater levels of mission-focused employees can translate to successful social innovation in social enterprises. Thus, I hypothesise that:
**Hypothesis 4**: Mission-focused employees is positively related to social innovation.

### 6.4.5 Staff diversity and social innovation

Staff diversity represents the extent of differences with respect to age, education, ethnicity and functional background among the organisational members of a social enterprise (Roberson, Ryan and Ragins, 2017). According to the resource-based theory, staff diversity can be an important resource that enable organisations to improve their effectiveness (Yang and Konrad, 2011b; Richard, 2000). From a resource-based theory perspective, this demonstrates the ‘value-in-diversity’ premise that the higher the levels of variety in staff, the better the organisation creativity and innovation outcomes (Elia, Petruzzelli and Piscitello, 2019). Previous research suggests that staff diversity-related experiences significantly have implications for social innovation (cf. Roberson et al., 2017; Hewlett, Marshall and Sherbin, 2013). For instance, Østergaard et al., (2011) suggests that staff diversity increases the chances of successful innovation in the organisation.

Further, findings from the interview data imply that staff diversity drives successful social innovation in social enterprises. For example, an interviewee commented that:

> “People from different backgrounds and different types think differently and that is what generates new ideas. So, I think it is a really important aspect of social innovation that people don’t really think about. If you put people that think the same in the same room and ask them the same questions every time, they will come up with the same answers.” (Participant 16)

This is mainly due to social innovation being a social process that involves interaction and participation among individuals with a range of perspectives and characteristics to problem solving. Accordingly, staff diversity can assist social enterprises to develop social innovation that reflects the characteristics and matches the needs of the external environment.

Hence, I expect that strong levels of staff diversity will improve the social innovation efforts of organisations. Consequently, I hypothesise that:

**Hypothesis 5**: Staff diversity is positively related to social innovation.
6.4.6 Staff skills and social innovation

From a resource-based view, staff skills reflect the capability of the social enterprise to furnish its labour needs with people who have the essential skills imperative for their work position in the organisation (Bloom and Chatterji, 2009). The resource-based theory suggests that staff skills is a vital resource for organisations (Delery and Roumpi, 2017; Boxall, 1996). Accordingly, having staff with the necessary skills would mean that social enterprises possess competent people as capabilities that can better position the organisation to develop and implement social innovation (Bloom and Smith, 2010).

Consequently, as staff skills improve, organisations learn how to translate it into solving social problems or exploiting opportunities, thereby building up the competence of the organisation in developing social innovation (see Bassett-Jones, 2005). Thus, staff skills become a critical resource for driving social innovation in the organisation (cf. Andries and Czarnitzki, 2014).

Additionally, the analysed qualitative data in the previous chapter indicates that staff skills is necessary for developing social innovation. For instance, an interviewee explained that:

*We are really a collective of people with different skills. We come together to do [social innovation] projects that individually we won’t be able to achieve because a sole trader [person] cannot bid for public contracts the same way.* (Participant 18)

Hence, organisations need to obtain and maintain the required human capital skills within the organisation to ensure they can deliver on their social innovation promise. Thus, I expect that staff skills may be a valuable predictor of social innovation. Accordingly, I hypothesise that:

**Hypothesis 6**: Staff skills is positively related to social innovation.

6.4.7 Available finance and social innovation

Available finance reflects the presence of financial resources that ensures organisations can carry out their business activities. It represents a common form of social enterprise resource that can be somewhat converted into other forms of
resources and capabilities in the organisation without difficulty (Dollinger, 2008; Wiklund and Shepherd, 2005).

Moreover, as global crisis continues (e.g., the COVID-19 pandemic), proponents of the resource-based theory suggest that social enterprises need slack financial resources which ensures available finance for addressing social problems and supporting their social mission (Bacq and Eddleston, 2018; Sanzo-Perez et al., 2015). Further, from a resource-based view, the pursuit of social innovation initiatives is a resource-consuming activity because the viability of social innovation rests on the capacity of social enterprises to access finance (see Han and Shah, 2020; Bhatt and Ahmad, 2017).

Previous research has indicated that financial resources are a prerequisite for developing creative ideas and experimenting and implementing social innovation (cf. Gibbert, Hoegl and Valikangas, 2014; Hoegl, Gibbert and Mazursky, 2008). However, Pervan et al. (2015) indicates that access to financial resources is not necessarily an important predictor of innovation in organisations.

Accordingly, social enterprises have a better chance of engaging in social innovation initiatives if they have the greater access to finance to experiment with innovation projects, due to operating in a less resource-constrained environment. Further, the interview findings from the qualitative phase of this study suggest that available finance is an important resource for driving social innovation. For example, an interviewee explained that:

“I think at the same time financial resource may be important as well because if you have sufficient funding or revenue stream to always free some staff time up for this type of innovation [social innovation] work, then you will get further quicker.” (Participant 21)

Consequently, I expect that the presence of available finance may be a good predictor for developing successful social innovation. Hence, I hypothesise that:

**Hypothesis 7**: Available finance is positively related to social innovation.

**6.4.8 Funders’ perception and social innovation**

Prior literature recognises that successful social innovation efforts need funding support to come into fruition (Shier and Handy, 2015a; Antadze and Westley, 2010).
Hence, social enterprises usually look for funders to provide funds and capital outlays for their organisational activities (Bacq and Eddleston, 2018).

However, funders need to be convinced of the capability and credibility of social enterprises before they can part with their resources e.g., money (Čačija, 2013). The knowledge-based theory indicates that organisations have to use their knowledge resources to provide information and raise the level of funders’ knowledge about their initiatives (see Paiva et al., 2008; Grant, 1996). Accordingly, this can aid in conveying the trustworthiness of their organisational activities to convince funders to donate to them (Klafke, Von Der Osten, Didonet and Toaldo, 2021; Huggins, 2008).

Additionally, findings from the qualitative phase of this study suggest that funders’ perception can be a driving force of social innovation efforts. For instance, an interviewee commented that:

“If they [potential funders] understand your horizon, the frontier you are trying to work towards to, then they should also be happy to dedicate some funds towards that [your innovation].” (Participant 21)

Therefore, using a knowledge-based theory perspective (Grant, 1996), I expect that when funders’ have a positive perception of a social innovation pitch, it may result in an increase in social innovation initiatives of social enterprises. This is because the social innovation is more likely to receive the financial backing of funders when it is perceived to be novel and creative to deliver on its promises. Accordingly, I hypothesise that:

**Hypothesis 8:** Funders’ perception is positively related to social innovation.

### 6.4.9 Community readiness and social innovation

Community readiness represents the perceived willingness of a community to engage with a social enterprise on its activities. Developing and implementing social innovation with an unsuitable fit to the community could make it ineffective (Castañeda et al., 2012; Crooks, Schuurman, Cinnamon, Castleden, and Johnston, 2011), thereby demotivating social enterprises in their innovation activities. Hence, the knowledge-based theory suggests social enterprises need to make sure that timely and correct information about their activities is available to people to make them ready for any new developments about their social innovation in relation to the prevalent social issues.
(see Arocena and Sutz, 2021). From a knowledge-based theory view of the organisation (Nonaka, 1994), this can come in the form of including cultural elements of the community in the social innovation experience (Pozzo and Virgili, 2021).

Furthermore, my qualitative findings in the thesis indicate that community readiness is an important driver of successful social innovation efforts by social enterprises. For example, an interviewee stated that:

“If you are into an area with social innovation and you just rush in by saying ‘oh it works it works’ and try to force it on people, they wouldn’t accept it… If [social] innovation has gone wrong, it may be as a result of the agent running that project and not the [social] innovation. But it is possible that [social] innovation could go wrong, then I think it may need to be tested [with the community]. When you have promptings, you have pilot it and make sure that it works.” (Participant 13)

Consequently, the presence of community readiness may likely translate to success of social innovation. Therefore, the community readiness may be positively associated to the development of social innovation. Hence, I hypothesise that:

**Hypothesis 9**: Community readiness is positively related to social innovation.

### 6.4.10 Social support and social innovation

Social support reflects the perceived encouragement and support of the activities of the social enterprises from the network ties of the organisation. Social support mainly comes from the network of groups and people that an organisation has a relationship with (Sullivan and Marvel, 2011). From a resource-based theory perspective, social support can be a relational network resource that encourages the attainment of specific objectives (see Parida and Örtqvist, 2015; Arya and Lin, 2007).

Drawing from existing studies (e.g., Akbari, Bagheri, Imani and Asadnezhad, 2020; Foy et al., 2019), the provision of social support can assist social enterprises in dealing with the disruptions and pressure associated with developing social innovation.

Accordingly, it is imperative for social enterprises to seek ways of persuading their networks to support their social innovation and organisational activities. From a resource-based theory lens, this is because it can significantly affect the ability of the
organisation to act on innovation opportunities (see Parida and Örtqvist, 2015; Molina-Morales and Martínez-Fernández, 2010). Thus, this can influence the initiation and governance of social innovation. (Unceta, Castro-Spila and Garcia Fronti, 2017).

Further, findings from the qualitative phase of the PhD thesis indicates that social support is important for developing and implementing successful social innovation. For instance, an interviewee explained that:

“In fact, I’ve just done some analysis, our biggest customers came to us through other organisations [who are our competitors]. So, they went to our competitors and said ‘can you help us’? But our competitors said ‘but no we can’t’ because we are helping a business and that will be a conflict of interest, but you can always go to my own social enterprise, and they came to us for it [the social innovation]. Over the years, that became our biggest customers. So even your competitors are useful [social support] network.”

(Participant 16)

Accordingly, I argue that social support is possibly a predictor of social innovation in social enterprises. Thus, I hypothesise that:

Hypothesis 10: Social support is positively related to social innovation.

6.5 Outcomes of social innovation

6.5.1 Social innovation and achieving social enterprise objectives

Social enterprise objectives reflect the ability of a social enterprise to effectively achieve its performance targets. Social enterprises are always looking for ways of improving their competencies to enable them to meet their targeted objectives. Hence, existing studies have begun identifying various resources and capabilities that can assist social enterprises in achieving their objectives (see Bhattarai et al., 2019; Bloom and Smith, 2010). According to Weerawardena and Mort (2012), one of the ways of achieving this is positioning social innovation as a critical resource of the social enterprise.

From a resource-based theory perspective, the ability of social enterprises to meet its objectives rests on its capacity to harness and utilise its resources and capabilities (Bacq and Eddleston, 2018; Desa and Basu, 2013). Thus, it can be argued that the
capability of social enterprises to engage in social value creation initiatives such as social innovation can generate superior performance (Sanzo-Perez et al., 2015).

Furthermore, the qualitative findings in this study indicate that when social enterprises possess greater social innovation competence, they are more likely to achieve their organisational objectives through the creation of new income streams for sustainability and meeting the social and economic targets of the organisation. For example, an interviewee commented that:

As well as deliver social outcomes, it [social innovation] also improves us as business and therefore enables us to get more better. Yeah, and also helps us to grow and promote people to deliver social outcomes and also get better. That’s an angle I hadn’t looked at.” (Participant 16).

Accordingly, I propose that social innovation is a valuable organisational capability that sets apart social enterprises who meet their objectives and those that do not. Therefore, I hypothesise that:

**Hypothesis 11**: Social innovation is positively related to achieving the social enterprise objectives.

**6.5.2 Social innovation and continuous business survival**

Continuous business survival reflects the ability of an organisation to continue its business operations of rendering a social product or service to the market. Implicitly, continuous business survival is a yardstick for the success of a social enterprise (Ortiz-Villajos and Sotoca, 2018).

According to the resource-based theory, social innovation is essential resource for the survival of social enterprises (Vezina et al., 2017; Sanzo-Perez et al., 2015). Furthermore, social enterprises usually operate like specialist firms that enter and concentrate their resources on peripheral segments of the market where there is little risk of business competition (Agarwal, Sarkar, and Echambadi, 2002). Thus, their chances of business survival could improve as the focus of their social innovation is usually on those areas that have been neglected by more generalist profit-oriented organisations.

Presently, there is a lack of empirical evidence on the relationship between social innovation and the continuous business survival of social enterprises. However, the
qualitative findings in the preceding chapter indicate that social innovation is an important activity for social enterprises to ensure their continuous business survival. For instance, an interviewee explained that:

_We are now five years in [this sector]... I'm sure the average start-up of a social enterprise only lasts 18 months. I'm now five years on it. So, I think you could say slowly but surely, we would survive. The thing is not to rush it [social innovation] but to slowly, build gradually” (Participant 3)._

Thus, I contend a social enterprise with a strong and successful social innovation is likely to enjoy continuous business survival. Hence, I hypothesise that:

**Hypothesis 12:** Social innovation is positively related to continuous business survival.

6.5.3 Social innovation and social enterprise reputation

Social enterprise reputation reflects the assessment of a social enterprise by its community of stakeholders. It represents the “perceptual representation of an organisation’s past actions and future prospects that describe the overall appeal to all its key constituents when compared to other leading rivals” (Fombrun, 1996, p. 72). Thus, social enterprise reputation provides an indication of the ‘reality’ of the social enterprises and their ability to use their resources for positive social actions consistently in a manner that is favourable in the eyes of their stakeholders (see West, Hillenbrand, Money, Ghobadian and Ireland, 2016; Hur, Kim and Woo, 2014).

From a knowledge-based theory perspective (see Grant, 1996), social innovation is a critical relational activity of social enterprises that encourages constructive collaborations with stakeholders (Oeij _et al._, 2019; Le Ber and Branzei, 2010). Accordingly, it should be expected to boost an organisation’s reputation by ensuring that both the goals of the social enterprise and the society are met. Also, prior research on general innovation suggests that well-implemented product/service innovation drives the reputation of organisations (Manohar, Mittal and Marwah, 2019; Sridhar and Mehta, 2018).

Additionally, findings from the qualitative phase of this study indicate that successful social innovation efforts can improve the reputation of social enterprises. For example, an interviewee commented that:
“Every 2 or 3 years, we do our own like customer survey asking questions basically on ‘how do you think we have made a difference for you’. They all report back, and we get very high marks [about 80% or 90%] on ‘what you are helping us do is demonstrate our credibility to our customers, our clients and other partners we work with and that makes it easier for them to deliver their social benefits’.” (Participant 9)

Drawing from the knowledge-based theory, this indicates that social innovation is an important capability for reinforcing the reputation of social enterprises. Thus, social enterprises can gain positive feedback and earn the trust of their market via social innovation (cf. Manohar et al., 2019; Hillenbrand and Money, 2007).

Consequently, I argue that the success of social innovation may be positively associated with the positive perceptual representation and appeal of a social enterprise. Hence, I hypothesise that:

**Hypothesis 13:** Social innovation is positively related to social enterprise reputation.

### 6.5.4 Social innovation and community impact

Community impact reflects the effects of the activities of social enterprises on the well-being of people in their immediate community. It describes the ability of social enterprises to assist in improving the capacity of the community (Becker, 2001). From a resource-based theory perspective, social innovation is a critical resource that social enterprises can use to make a positive impact in the community (Vezina et al., 2017; Sanzo-Perez et al., 2015). Further, scholars contend that social innovation is important towards ensuring development and regeneration of the community (Baker and Mehmood, 2015; Leadbeater, 2007). Accordingly, social innovation is an important resource social enterprises use to address the latent needs of the community (Weerawardena and Mort (2012).

Previous research suggests that social innovation possesses the ability to enhance the people’s life by ensuring progressive changes and bettering the conditions in the community (Peerally et al., 2019; Caroli, Fracassi, Maiolini and Pulino, 2018). However, there is a paucity of evidence that links social innovation to community impact in the extant literature (Shaw and de Bruin, 2013).
Nevertheless, findings from the qualitative phase of this thesis suggest that social innovation enhances community development and advances a sense of belief in people, thereby facilitating positive community impact. For example, an interviewee explained that:

“Good social innovation is fundamentally [linked to] good community development, good community building and relationships. It is about people having access to a more diverse social ecosystem so that they have more opportunities to sustain themselves.” (Participant 18)

This is understandable given that relevant prior research indicates that social innovation is usually designed to primarily benefit the community (Gupta et al., 2020; Ludvig, Wilding, Thorogood and Weiss, 2018).

Consequently, I expect that social innovation would enhance the community impact. Therefore, I hypothesise that:

**Hypothesis 14:** Social innovation is positively related to community impact.

### 6.5.5 Social innovation and work pressure

Work pressure is also one of the outcomes of social innovation captured in the conceptual framework of this study. Work pressure reflects the intensity of work demands arising from the activities of the social enterprises.

Previous research on resource-based theory highlights that social innovation is an important priority for social enterprises (Ko et al., 2019; Vezina et al., 2017). However, proponents of resource-based theory suggests that due to the numerous tasks associated with developing social innovation, managers are faced with difficulty in coping with activities especially when resources are low (cf. Descubes, et al., 2013; Huhtala and Parzefall, 2007). Additionally, prior studies indicate that innovative processes may make people work long hours to generate and implement creative ideas, and this increases pressure in the workplace (Dediu, Leka and Jain, 2018; James, 2014).

Moreover, qualitative findings in the previous chapter indicate that the social innovation process generates increased work pressure for social enterprises. For instance, an interviewee commented that:
“It [social innovation activities] can be very difficult. As brilliant as it is to get all the advice, at the end of the day you do have to make the decisions yourself. And that is a lot of process, a lot of stress [not only on social innovation] in every single aspect” (Participant 5)

Hence, social enterprises are faced with burnout due to the increasing tasks of looking for ways to develop effective social innovation. This can sometimes result in abandoning their organisational social mission for profit-seeking activities (Ramus and Vaccaro, 2017).

Consequently, I argue that since social innovation efforts may lead to increased work pressure in the organisation. Thus, I hypothesise that:

**Hypothesis 15:** Social innovation is positively related to work pressure.

**6.6 Control variables and their justification**

In Figure 6.1, I also included organisational and industry level variables - termed control variables - that could have a confounding influence on the hypothesised relationships in the study. Control variables are conceptually (or empirically) justified extraneous variables that can influence the relationships between focal variables/constructs in a study (Nielsen and Raswant, 2018).

The use of statistical control variables is a common practice in management research employing a survey-based methodology to rule out misleading findings (Atinc, Simmering and Kroll, 2012). Therefore, I included control variables to purify the observed relationships in the conceptual framework of this study (see Li, 2021). These control variables include organisational age, size, turnover, location, industry focus, competitive intensity, technological turbulence, and market turbulence. I describe and justify the control variables used in this research below.

**6.6.1 Organisational age**

A social enterprise’s age is a key aspect of the resource-advantages which may influence social innovation and its organisational related outcomes (see Ko *et al.*, 2019; Bhattarai, Kwong and Tasavori, 2019). This is because younger organisations usually have little experience as they need time to acclimatise to their business environment (Coad, Segarra and Teruel, 2016) which could make their attempts to engage in and reap the benefits of social innovation unsuccessful. Younger
organisations also suffer from ‘liability of newness’ which can constrain their organisational related outcomes such as achieving objectives, business survival, and organisational reputation etc (cf. Stinchcombe, 1965). Liability of newness is the tendency for younger organisations to experience high failure rates than older businesses. As organisations become older, they have more opportunities to initiate practices that can give rise to organisational legitimacy from stakeholders (Josefy, Kuban, Ireland and Hitt, 2015). Hence, organisational age might influence social innovation and its organisational related outcomes in social enterprises.

6.6.2 Organisational size (staffing)

Previous research suggests that organisational size may influence social innovation and its organisational related outcomes in social enterprises (Kickul et al., 2018; Liu et al., 2014). Smaller organisations have fewer resources they can devote to tackling social and environmental issues (Yang, Wang, Zhou and Jiang, 2019). Contrastingly, larger organisations have more resources at their disposal that they can deploy to other areas in the organisation (Vorhies, Morgan, and Autry, 2009). This may affect social innovation as well as its organisational outcomes in social enterprises. Also, smaller organisations compared to large ones may suffer from ‘liability of smallness’ which opens them to several challenges as they have limited resources to assist in their strategic routines (Aldrich and Auster, 1986). Liability of smallness describes the lack of resources necessary to successfully engage in activities vital to achieve organisational plans and strategy (Gimenez-Fernandez, Sandulli and Bogers, 2020). Hence, the organisational related outcomes identified in this study may become difficult for smaller organisations to achieve because of insufficient resources in the organisation (see Choi, Ha and Kim, 2021). Thus, organisational size might influence social innovation and its organisational related outcomes in social enterprises.

6.6.3 Industry focus

Previous research indicates that industry focus can influence the activities of organisations (Harjoto and Laksmana, 2018; Boso, Story and Cadogan, 2013). The industry focus of organisations may influence their monitoring of competitive behaviours of other businesses (Yang et al., 2019). This can impact on the organisational related outcomes of social innovation identified in the study. Also, industries differ on several aspects such as conventions, competitive behaviours or even stakeholders (Godfrey, Hatch, and Hansen, 2010). This can affect the learning
rates of organisations (Balasubramanian and Lieberman, 2010), as the manifestation of these heterogeneity has implications for the social innovation and its organisational related outcomes in social enterprises as their responses to social opportunities may be dependent on the industry context (see Thomas and Pugh, 2020; Shu, Jin and Zhou, 2017). Hence, industry focus may influence social innovation and its organisational related outcomes in social enterprises.

6.6.4 Organisational turnover
Prior research suggests that an organisation’s turnover (revenue) has the potential to affect the attainment of organisational related outcomes of social enterprises (see Liu, Takeda and Ko, 2014). The turnover of social enterprises may affect social innovation because larger organisations could have greater organisational routines and more resources to invest in their learning activities (Liu and Ko, 2012). This is because of slack resources and the ability to recover money invested on the social innovation quickly due to the greater volume of revenue (see Josefy et al., 2015). Indirectly, this may impact on the organisational related outcomes of social innovation in social enterprises. Further, larger organisations compared to their smaller counterparts can protect their social innovation from being imitated since they have more resources to defend themselves (see Andries and Faems, 2013). Hence, organisations with high levels of turnover may be in a better position to engage in social innovation. In turn, this could influence the organisational related outcomes of social innovation in social enterprises because small organisations have a lesser market scope for generating increased revenues than larger social enterprises (Liu, et al., 2014). Hence, organisational turnover might influence social innovation and its organisational related outcomes in social enterprises.

6.6.5 Organisational location
The location of an organisation is an essential resource-advantage for performance related outcomes of businesses (Fontana and Nesta, 2009). Prior research suggests that the rate of innovation in organisations may be location-specific (Ferreira, Fernandes and Raposo, 2017). Accordingly, social enterprises located in areas where there are social opportunities to take advantage of, can be better at developing social innovation than their counterparts located in areas where there are inconsequential opportunities (cf. Shefer and Frenkel, 2005). This is similar to exposure effect (Zhao and Zou, 2002) whereby organisations located near where various pressing social
problems exist are more likely to develop more social innovations due to their exposure to divergent external stimuli and thereby enhance the organisational related outcomes of social enterprises. Further, because metropolitan areas possess better basic infrastructures than non-metropolitan locations (Felsenstein, 1996), this could influence the setting up of social enterprises as well as their social innovation processes including its organisational related outcomes (Ko et al., 2019). Hence, organisational location may influence social innovation and its organisational related outcomes in social enterprises.

6.6.6 Competitive intensity

Competitive intensity describes the rate of competition an organisation faces within its industry (Zhou, Yim and Tse, 2005). Managers’ perception of competitive intensity influences the strategic direction of their social enterprises. Also, presence of strong competition in the market affects the market opportunity that exists for social enterprises (Andrevski, Richard, Shaw and Ferrier, 2014) which can impact on their organisational related outcomes. Further, organisations operating in highly competitive business environment may face more unpredictability than their counterparts in more stable environment (O’Cass and Weerawardena, 2010). This could put these organisations in situations where their resource advantages could be lost, thereby limiting social enterprises’ ability to develop social innovation and enhance its organisational related outcomes. Therefore, I used competitive intensity as a statistical control variable in this study.

6.6.7 Technological turbulence

Technological turbulence refers to the degree at which the state of the technology in an industry change over time (Jaworski and Kohli, 1993). Rapidly changing technology in an industry requires organisations to update themselves with new knowledge and information relating to their activities to remain relevant. Thus, organisations are forced to develop technology-oriented knowledge resources to manage their new expectations, which may impact on their social innovation and its organisational related outcomes in this study (Wu, Liu and Zhang, 2017). Further, high levels of technological dynamism may create market opportunities for social enterprises to upgrade or modify their social products and services, thereby enhancing their organisational related outcomes. Also, it may be the other way round, as they could be faced with reduced efficiency of their social innovation due to technological
disruptions (cf. Sheng, Zhou and Li, 2011). This is because technological turbulence may create uncertainties and lead to changes in established industry morals, thereby creating new ethical and organisational related outcomes dilemma for social enterprises (Hall and Rosson, 2006). Hence, I included technological turbulence as a statistical control variable in this study.

6.6.8 Market turbulence
Market turbulence refers to the extent at which the market is dynamic and unpredictable in relation to customer preferences (Jaworski and Kohli, 1993). There is a widening gap between the growing complexity in the environment and ability of organisations to develop social innovation (cf. Mooney, Clever, and Van Willigen, 2021; Bodlaj and Čater, 2019). This is because the development of social innovation requires social enterprises to be adaptive and responsive to particular social problems or opportunities in the environment to reach its organisational related outcomes. However, when market preferences change frequently, it could pose a challenge for organisations to forecast future conditions for addressing social issues (Danneels, and Sethi, 2011), which could likely affect their organisational related outcomes. Accordingly, social enterprises may be forced to spend more time in gaining knowledge for developing effective social innovation to boost their organisational related outcomes. Thus, the behaviour and preferences of the market may influence social innovation and its organisational related outcomes in social enterprises (cf. Jaworski and Kohli, 1993). Accordingly, I include market turbulence as a control variable in this study.

6.7 Summary
In this chapter, I outlined the theories underpinning the quantitative phase of this PhD thesis and presented 15 testable hypotheses based on a conceptual framework derived from the qualitative findings of this research. The next chapter describes the quantitative phase methodology of this study.
CHAPTER 7
QUANTITATIVE PHASE METHODOLOGY

7.1 Introduction
This chapter outlines the procedures I have taken to collect the quantitative data in this PhD investigation. I begin the chapter by presenting how the questionnaire was developed and the constructs operationalised. Next, I discuss questionnaire administration followed by the sampling procedures. Finally, I conclude by describing the data analysis techniques used in the study.

7.2 Questionnaire development
The procedures taken to develop the survey instrument followed suggested practices in existing literature (DeVellis, 2017; Churchill, 1979). Based on the development of the testable hypotheses and the conceptual framework (see Figure 6.1), I reviewed existing literature to search, identify and operationalise the constructs to ensure relevance to the research context. This follows the suggestion from relevant literature on survey development that a questionnaire should reflect the conceptual framework of a study (DeVellis, 2017; Johnson and Morgan, 2016). Accordingly, I used insights from the qualitative phase findings to specify the domain of constructs by defining each of the constructs and delineating what falls within their concepts (Churchill, 1979).

Following this, I conducted a review of relevant empirical studies and obtained suitable measurement scales for the constructs in the study. The adopting and/or adapting of measures from extant research is a conventional practice in entrepreneurship-related research (see Pietersen and Botha, 2021; Bacq and Eddleston, 2018). Furthermore, I used multi-item scales to better evaluate the breadth of the constructs (Johnson and Morgan, 2016). Using multi-item scales increase constructs’ sensitivity to validity and eliminates low reliability issues often associated with a single-item scale (Flynn, Goldsmith and Eastman, 1996).

Moreover, I employed the seven-point Likert-type rating in designing the questionnaire - excluding the questions related to organisational profile of the respondents. The seven-point response rating consists of (1) strongly disagree, (2) disagree, (3) slightly disagree, (4) neutral, (5) slightly agree, (6) agree, (7) strongly agree. The Likert-type rating is the commonly used rating style in survey-based management studies (see...
Achi, Adeola and Achi, 2022; Bacq and Eddleston, 2018). Previous research suggests that the seven-point Likert-type rating yields good variability in total scale scores, thereby boosting construct validity in a study (Dawes, 2008).

In the subsequent sub-section, I discuss the operationalisation of the constructs in the study.

7.2.1 Operationalisation of main constructs
Following suggestions from relevant literature (DeVellis, 2017; Liu, Ko and Chapleo, 2018), I used the insights gleaned from the qualitative findings and existing studies to seek measurement scales that can capture the full breadth of the main constructs in the conceptual framework. Accordingly, I was able to identify existing scales that best explained the conceptual language of the constructs in the study. These identified existing scales were reviewed before I used them in the study. I approached two academic experts and held two meetings over four weeks with them to discuss these identified measures. Each of these meetings lasted over 60 minutes and assisted in adapting the existing scales to the constructs in the study. Broadly, the scales I used for measuring the antecedents and outcome variables were adapted from the existing literature. However, there was no suitable scales in the extant literature for operationalising social innovation, and one other antecedent factor (i.e., directors’ exposure) in the context of the study. Thus, it became crucial that I develop new scales for measuring these two constructs. The scale development procedures I conducted the measures for social innovation and directors’ exposure are detailed in Chapter 8.

Below, I outline the measures used in this research for the operationalising the constructs. Table 7.1 illustrates the nature of the items in the measures of the operationalised constructs.

Directors’ personal values
Directors’ personal values was operationalised as the extent to which the desirable end states of social enterprise directors/managers influence organisational actions. To measure directors’ personal values, I adapted a five-item managers’ intrinsic value scale from Soininen, Puimalainen, Sjögrén, Syrjä and Durst (2013).
Entrepreneurial mindset
Entrepreneurial mindset was operationalised as the ability of social enterprises to identify and exploit opportunities irrespective of the uncertainty surrounding them. Entrepreneurial mindset was measured with a four-item scale from Siddiqui and Jan (2019).

Mission-focused employees
Mission-focused employees was operationalised as the employees/staff commitment to the social enterprise's mission. I measured the mission-focused employees construct with four items adapted from Sinkula et al., (1997).

Staff diversity
Staff diversity was operationalised as the extent of diversity among staffs in social enterprise in terms of tenure, education, age, and functional backgrounds. I measured staff diversity with a four-item scale taken from Chandrasekaran, Linderman and Schroeder (2015).

Staff skills
Staff skills was operationalised as the capacity of people in the social enterprise to possess the understanding and know-how of their work role. To measure staff skills, I adapted an existing three-item scale from Preenen et al., (2019).

Available finance
I operationalised available finance as the access to financial resources that allows social enterprises to invest in and carry on their business activities. The construct was measured using a five-item scale adapted from previous research (Pervan, et al., 2015).

Funders’ perception
Funders’ perception was operationalised as the perceived degree of merit funders place on the activities of social enterprises from the organisation’s perspective. In measuring the construct, I adapted two items from Galbraith, McKinney, DeNoble, and Ehrlich (2014).
Community readiness
I operationalised community readiness as the observable active community engagement with the social enterprise to influence their activities. The construct was measured with four items adapted from Chilenski, Greenberg and Feinberg’s (2007) community readiness scale.

Social support
Social support was operationalised as the perceived availability of assistance received on the activities of the social enterprise from their organisational networks. I measured the construct with three items adapted from Zhou, Wu and Luo (2007).

Social enterprise objectives
I operationalised social enterprise objectives as the ability to reach the performance targets of the organisation. Due to difficulty in accessing accurate actual data on performance objectives, I followed previous research suggestion and relied on a subjective measure of the construct (Achi et al., 2022; McGee and Peterson, 2019). Specifically, I measured social enterprise objectives with four items adapted from Lortie, Castrogiovanni and Cox (2017).

Continuous business survival
Continuous business survival was operationalised as the ability of social enterprises to continuous carry on its business activities successfully. I adapted six items from Bhattarai, et al., (2019) to measure the construct.

Social enterprise reputation
Social enterprise reputation was operationalised as the cumulative perceived degree to which the social enterprise is held in high regards by stakeholders in relation to other organisations. I adopted three items from Stanaland, Lwin and Murphy (2011).

Community impact
Community impact was operationalised as the impact that the social enterprise’s activities have on people in the community. To measure community impact, I adapted four items from Bloom and Smith (2010).
Work pressure
I operationalised work pressure as the general intensity associated with work demands, as experienced by people in social enterprises. In this study, I measured work pressure with four items taken from Patterson et al. (2005).
<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors’ personal values</td>
<td>Our directors enjoy challenges where they can apply their skills</td>
<td>Soininen et al (2013)</td>
</tr>
<tr>
<td></td>
<td>Our director’s work is inspiring</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our directors can learn or create something new</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our directors have an influence in the organisation’s success</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our directors enjoy their work</td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial mindset</td>
<td>We passionately pursue entrepreneurial opportunities in the organisation</td>
<td>Siddiqui and Jan (2019)</td>
</tr>
<tr>
<td></td>
<td>We emphasize the disciplined pursuit of promising opportunities as part of our business development</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We usually have consistent focus on execution</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We have a commitment to engage everyone in identifying and pursuing entrepreneurial opportunities</td>
<td></td>
</tr>
<tr>
<td>Mission-focused employees</td>
<td>There is a commonality of purpose in this organisation</td>
<td>Sinkula et al (1997)</td>
</tr>
<tr>
<td></td>
<td>There is a total understanding of our organisational mission across all levels in the organisation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>All employees are committed to the goals of the organisation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employees view themselves as partners in charting the direction of the organisation</td>
<td></td>
</tr>
<tr>
<td>Staff diversity</td>
<td>Our staff come from various professional background</td>
<td>Chandrasekaran et al (2015)</td>
</tr>
<tr>
<td></td>
<td>Our staff have different educational background</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our staff have a large diversity in terms of the amount of time in years they have been working in the organisation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our staff are from different age groups</td>
<td></td>
</tr>
<tr>
<td>Staff skills</td>
<td>Our staff use all their knowledge and skills in their work</td>
<td>Preenen et al (2019)</td>
</tr>
<tr>
<td></td>
<td>Staff work requires a diversity of knowledge and skills</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our staff get the chance to do what they are good at in the organisation</td>
<td></td>
</tr>
<tr>
<td>Available finance</td>
<td>Access to grants encourage our organisation to be innovative</td>
<td>Pervan et al (2015)</td>
</tr>
<tr>
<td></td>
<td>Presence of funders encourage our organisation to raise funds to be innovative</td>
<td></td>
</tr>
<tr>
<td>Availability of customized financial supports encourage us to invest in research and development</td>
<td>Effectiveness of financial transparency and accountability standards protects our organisation</td>
<td>Ability to list social enterprises on the stock market will make capital available for our programs</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-----------------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Funders’ perception</td>
<td>The innovative ideas presented by our organisation to funders is appealing to them</td>
<td>Galbraith et al (2014)</td>
</tr>
<tr>
<td></td>
<td>The innovative ideas from our organisation appear ethical to funders</td>
<td></td>
</tr>
<tr>
<td>Community readiness</td>
<td>It is difficult to get people in the community involved in our activities (R)</td>
<td>Chilenski et al (2007)</td>
</tr>
<tr>
<td></td>
<td>Most people in our community are committed to addressing community issues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our community members are willing to try new ideas to solve community problems</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Most people in our community are pretty set in their ways (R)</td>
<td></td>
</tr>
<tr>
<td>Social support</td>
<td>We utilise the local social and/or business support networks</td>
<td>Zhou et al (2007)</td>
</tr>
<tr>
<td></td>
<td>We work actively to have supportive relations with local agencies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We work actively to strengthen our ties with local communities</td>
<td></td>
</tr>
<tr>
<td>Government policy support</td>
<td>In supporting social enterprises, the government and its agencies have provided us with the necessary technical information and support</td>
<td>Li and Atuahene-Gima (2001)</td>
</tr>
<tr>
<td></td>
<td>.... played a significant role in finding financial resources</td>
<td></td>
</tr>
<tr>
<td></td>
<td>.... implemented policies and programs that are beneficial to business operations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>.... provided important market information for our organisation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>.... helped in obtaining licenses and permits to enable our organisational activities</td>
<td></td>
</tr>
<tr>
<td>Actions of regulators</td>
<td>Government regulations have influenced our organisation’s strategy very much</td>
<td>Banerjee et al (2003)</td>
</tr>
<tr>
<td></td>
<td>Legislations affects the growth of our organisation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strict regulations are a major reason for our organisation to worry about its impact on the society</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The efforts of our organisation can determine future legislation for our sector</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The social enterprise sector is influenced by strict regulations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Our organisation has fulfilled the needs of beneficiaries</td>
<td>Lortie, et al (2017)</td>
</tr>
</tbody>
</table>
| Social enterprise objectives | Our organisation has rendered services to beneficiaries  
Our organisation has designed and/or delivered the right programs for beneficiaries  
Our organisation has provided resources to beneficiaries |  |
| --- | --- | --- |
| Continuous business survival | Our organisation has been profitable  
Our organisation has generated a high volume of sales  
Our organisation has achieved rapid growth  
The performance of the organisation has been very satisfactory  
Our organisation has been very successful  
Our organisation has fully met our expectations | Bhattarai et al (2019) |
| Social enterprise reputation | Our organisation has a reputation for being honest  
Our organisation has a reputation for being reliable  
Our organisation has a reputation for being trustworthy | Stanaland et al (2011) |
| Community impact | We have made significant progress in providing solutions to community challenges  
We have scaled up our capabilities to address community problems  
We have greatly expanded the number of individuals/groups we serve  
We have substantially increased the geographic area we serve | Bloom and Smith (2010) |
| Work pressure | Staff are expected to do too much in a day  
In general, staff’s workloads are not particularly demanding \(^{(R)}\)  
Our organisation’s management require staff to work extremely hard  
Staff here are under pressure to meet targets | Patterson et al (2005) |

\(^{(R)}\) is reverse coded items
7.2.2 Operationalisation of control variables

Below, I outline how the control variables in this study—organisational age, size, turnover, location, industry focus, competitive intensity, technological turbulence, and market turbulence—are operationalised. Further, Table 7.2 shows the measures of the multi-items control variables of competitive intensity, technological turbulence, and market turbulence.

**Organisational age**

I followed the suggestion of prior studies in operationalising organisational age as the number of years since the establishment of a social enterprise (Bhattarai, *et al.*, 2019). Specifically, the research participants were asked to self-report their organisational age in the survey.

**Organisational size**

In line with previous research (Achi *et al.*, 2022; Bacq and Eddleston, 2018), I operationalised organisational size as the number of staffs in the social enterprises. Using the number of staff to operationalise organisational size has been proven to be a more steady and consistent measure across different industries in management research (see Karlsson, 2020; Josefy *et al.*, 2015).

**Industry focus**

Following traditions in existing relevant research (see Liu *et al.*, 2014), I operationalised industry focus as the specific form of social product or service that captures the main activities of social enterprises. I adopted the industry classification from the Social Enterprise UK to capture the industry focus of social enterprises (see Appendix 7).

**Organisational turnover**

Following the suggestion from prior studies (Ko *et al.*, 2018; Liu, Eng and Takeda, 2015), I operationalised organisational turnover as the self-reported amount of revenue generated by the social enterprises from their trading activities.

**Organisational location**

Based on suggestions from previous research (Renko, Yli-Renko and Denoo, 2020; Parte-Esteban and Garcia, 2014), I operationalised organisational location as the geographical location of social enterprises within the UK. Specifically, I adopted the
Office of the CICs location categories of social enterprises based on UK regions (e.g., London, South East, Midlands, Scotland etc) to capture respondents location (see Appendix 7).

**Competitive intensity**

Competitive intensity was operationalised as the rate of competition an organisation faces within its industry. To measure the construct, a three-item scale was adapted from Jaworski and Kohli (1993).

**Technological turbulence**

I operationalised technological turbulence as the degree at which the state of the technology in an industry change over time. I used four items from previous studies to assess technological turbulence (Sheng *et al.*, 2011; Jaworski and Kohli, 1993).

**Market turbulence**

I operationalised market turbulence as the extent at which the market is dynamic and unpredictable in relation to customer preferences. The construct was measured with market a three-item measure derived from Jaworski and Kohli (1993).
Table 7.2: Measurement items of industry level controls

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive intensity</td>
<td>The competition in our sector is cutthroat</td>
<td>Jaworski and Kohli (1993)</td>
</tr>
<tr>
<td></td>
<td>We hear of a new competitor move in our sector frequently</td>
<td></td>
</tr>
<tr>
<td></td>
<td>There are too many similar products and services in the market</td>
<td></td>
</tr>
<tr>
<td>Technological turbulence</td>
<td>The technology in our sector is changing rapidly</td>
<td>Jaworski and Kohli, (1993); Sheng et al. (2011)</td>
</tr>
<tr>
<td></td>
<td>Technological changes provide substantial opportunities in this sector</td>
<td></td>
</tr>
<tr>
<td></td>
<td>New product and service ideas have been made possible through technological breakthroughs in this sector</td>
<td></td>
</tr>
<tr>
<td></td>
<td>It is very difficult to forecast where the technology in this sector will be in the next few years</td>
<td></td>
</tr>
<tr>
<td>Market turbulence</td>
<td>In our kind of business, customers’ product and service preferences change quite a bit over time</td>
<td>Jaworski and Kohli (1993)</td>
</tr>
<tr>
<td></td>
<td>Our customers tend to look for new products and services all the time</td>
<td></td>
</tr>
<tr>
<td></td>
<td>We are witnessing demand for our products and services from customers who never patronise us before</td>
<td></td>
</tr>
</tbody>
</table>
7.3 Pre-testing/pilot study

Pre-testing a step in the questionnaire development that involves assessing whether a questionnaire is ready for final distribution to the research participants (Diamantopoulos, Reynolds and Schlegelmilch, 1994). Accordingly, I pre-tested the questionnaire in two ways. First, I invited two senior academic experts to comment on the questionnaire content, wording, and design. This follows the suggestion of Diamantopoulos et al (1994) that the views of ‘experts’ should be utilised by researchers to pre-test survey instruments. The experts identified minor issues with the structure and wording of some statements in the questionnaire. For instance, among other suggestions, it was suggested by the experts that I include questions on the turnover (revenue) of social enterprises in the questionnaire. Consequently, I had to make minor modifications to the questionnaire.

Second, I piloted the questionnaire with a small group of 10 social enterprise directors/managers to comment on clarity and relevance of the survey. This follows extant literature’s suggestion that pre-testing should be conducted with a smaller group of potential respondents to gain practical insights and eliminate potential problems in the questionnaire (Malhotra and Dash, 2016). It took between 15 to 20 minutes for them to complete the questionnaire and I received some valuable comments on the structure of the survey. For example, I initially kept questions on the respondents’ profile (organisational characteristics) at the beginning of the survey. However, feedback during the piloting recommended that I begin the survey with questions about social innovation activities and conclude with questions about the organisational characteristics. These steps assisted in establishing face validity for the questionnaire, ensuring that respondents were sufficiently adept to complete the questionnaire (Saunders et al., 2019).

7.4 Final questionnaire layout and structure

The structure of a questionnaire is an influential part of a survey as it affects the data collection process and motivates participants to participate in the research (Brace, 2018). The final questionnaire I administered to the research participants used a funnel approach which involves designing a questionnaire by starting with an introductory section followed by broader and simple questions relating to the research problem,
and then ends with specific questions about the respondents' characteristics (Ballinger and Davey, 1998).

Thus, the final questionnaire is structured into three main parts - a cover (introduction) letter, the instructions, and the main body. The cover letter was the first page of the questionnaire which introduced the research participants to the study by stating the objective, duration, and ethical protocols of the survey. I made sure the cover letter was worded in a manner that would motivate the research participants to participate in the survey (Saunders et al., 2019). Additionally, the contents of the cover letter adhered to The Open University ethical research guidelines (see Section 7.7). At the end of the cover letter, I included a question asking participants to give their consent before they can access the main body of the questionnaire.

The instructions comprised of the simple guides developed for the research participants to follow when completing the questionnaire (Trobia, 2008). For instance, I provided instruction in the cover letter informing the research participants that they would need to complete the survey in one sitting to ensure that the Qualtrics server can save and record their response. I introduced each section of the questionnaire with clear instructions on how to approach the questions.

The main body of the questionnaire contained the actual questions of the survey and comprised of five blocks of questions. The first block was questions about the social innovation construct. The second contained questions about the antecedents, while the third included questions about the outcomes of social innovation. The fourth was concerned with questions on the control variables including the organisational characteristics of the survey participants. I placed these set of questions at the end to allow the participants to focus on the main survey questions, and to gain background information on them (Dobosh, 2017; Stoutenbourgh, 2008) (see Appendix 7 for the final questionnaire). Overall, this ensured a logical flow and eased the mental processing efforts of research participants when completing the questionnaire (Malhotra and Dash, 2016).

7.5 Questionnaire administration

I used the web-based Qualtrics platform to administer the questionnaire. Qualtrics is a user-friendly, web-based survey and analytics platform used by researchers to build,
distribute, and sometimes analyse survey data (Gardner, Van Iddekinge and Hom, 2018; Spoor and Hoye, 2014). It has become widely adopted by universities and other organisations interested in gathering survey data. Besides, previous research studies published in highly rated management and entrepreneurship journals (e.g., *Entrepreneurship Theory and Practice*, and *Journal of Management*) have used Qualtrics to gather data (see Nielsen and Binder, 2021; Gardner *et al.*, 2018). I obtained access and server space to use Qualtrics from the university as it holds an existing Qualtrics licence.

Four reasons guided the decision to use Qualtrics for questionnaire distribution. First, Qualtrics ensured that my presence was not needed for data collection, thereby providing research participants with convenience and easy access to complete the survey. Second, with the use of Qualtrics, I was able to develop an emailing list of the research participants and forward to each of them a unique survey link for proper distribution. This ensured I could monitor the survey, send reminders and thank you emails to participants for their participation. Third, as there was a health (COVID-19) pandemic on-going during the conduct of the study, I felt Qualtrics was the best way to eliminate travelling to research sites as well as ensure the safety of the research participants and myself. In so doing, I was also able to save travel time and costs associated with printing and mailing of paper-based questionnaires. Finally, by using Qualtrics, I was able to automatically export (download) the collected survey data into file formats suitable for statistical analyses in SPSS, and R statistical programme. This ensured that the statistical information is correct and reduced the likelihood of making mistakes via manual data inputting.

### 7.6 Sampling in the quantitative phase

The target population in this PhD thesis are UK social enterprises registered as CICs (see Section 3.4). As at March 2021, there were 23,887 UK social enterprises registered and operating as CICs (Office of the Regulator of CICs, 2021). However, it is unrealistic to collect survey data from the entire target population, hence, the need to select a sample (Saunders *et al.*, 2019).

Sampling is the process of selecting a subset of the target population for participation in a research investigation (Bell *et al.*, 2019). It is a means of obtaining useful data from the target population to draw inferences on a research phenomenon (Malhotra...
and Dash, 2016). Consequently, I developed a sampling frame from online databases containing registered UK social enterprises. A sampling frame is a list of potential research participants from the target population (Cooper and Schindler, 2014). Also, these databases are regularly updated and provide information about UK social enterprises’ date of registration, contact details and location. Accordingly, I had access to current information about 1700 social enterprises from these databases. Additionally, my use of a sampling frame facilitated the identification of prospective survey participants and the means (email) for contacting them (Dillman, 2000).

Further, I randomly selected 1000 social enterprises from the sampling frame, which ensured that each organisation had an equal chance of being included in the sample and gave room for a representative sampling (Saunders et al., 2019). Based on previous research recommendations, I contacted these organisations via email to confirm their location, pre-notify them on the purpose and relevance of the study as well as determine the appropriate individuals (e.g., directors/managers) within the organisation that met the survey knowledgeability (Morgan, Katsikeas and Vorhies, 2012). This process identified directors/managers as the best respondent for the survey because they possess better knowledge and are responsible for the strategic activities of their social enterprises (Weerakoon, McMurray, Rametse and Arenius, 2020; Bhattarai et al., 2019).

Following this, I conducted the quantitative phase sampling in a time-lagged survey period of October 2020 (time 1) and February 2021 (time 2). In time 1, I emailed a Qualtrics survey link to 1000 randomly selected social enterprises for the scale development stage of the research. The survey link contained questions on the constructs’ items – social innovation and directors’ exposure – under scrutiny for scale development purposes. After three weeks, I sent a reminder email to organisations to encourage survey completion. A total of 189 valid responses was received for the scale development stage of the research (see Chapter 8 for details).

In time 2 (i.e., February 2021), I sent a formal mail containing the Qualtrics survey link to the final questionnaire for the main study (hypotheses testing) to 900 randomly selected social enterprises from the sampling frame. Similarly, I sent out reminder emails after eight weeks (two times between a four-week interval) to the organisations to encourage their survey participation. Hence, I received 155 valid survey responses.
for further data analytic procedures in the study. This represents 17.22% response rate, which is consistent with previous studies (see Bhattarai et al., 2019; Ko et al., 2019; Fulton, 2018). Additionally, this was a difficult time to collect data due to the COVID-19 pandemic lockdown of most business activities (including social enterprises) by the UK government.

Moreover, I used several tactics to boost the survey response rate. First, I highlighted The Open University name in the survey to enhance its credibility. I also laid emphasis on the study’s social utility by highlighting its relevance to social enterprises (Diamantopoulos and Schlegelmilch, 1996). Besides, I designed the Qualtrics survey to be user-friendly for completion on computers, smartphones, and touchscreen input interfaces (De Bruijne and Wijnant, 2014). Finally, I offered an executive summary of the key research findings as an incentive for organisations to participate in the survey (Morgan, et al., 2012).

### 7.7 Ethical protocol for quantitative phase

Although I already secured ethical approval for the research during the qualitative phase (see Section 4.7), I had to submit a supplementary ethics application before administering the survey in accordance with The Open University’s ethical regulations. Accordingly, I submitted the supplementary ethics form and received a favourable opinion (approval) from the university’s ethics committee to begin the survey distribution. Broadly, similar ethical protocols observed in the qualitative phase of the research were followed here.

To ensure potential research participants were fully informed about the survey, I provided an information sheet which doubled as the first page of the questionnaire and explained the aim of the survey. It also contained my contact details and that of my first supervisor in case the research participants had any questions about their participation in the study. Also, I stated in the information sheet that research participants were completely free to leave the survey at any time without giving any prior notice.

For confidentiality and anonymity which are fundamental ethical issues in social research, I explicitly made it clear that the responses from research participants would be treated with strict confidence. Also, I found it noteworthy to state that the responses of research participants would be anonymised-at-source (codified in numbers) and
only used in an aggregated form for statistical analysis in thesis reports, conference papers and research articles. For privacy, I stated in the information sheet that no identifying information such as personal or organisational names was required from the research participants.

For consent, I provided a box for the research participants to tick and give their informed consent before accessing the main survey. In view of this, I made it briefly clear that their informed consent means that their anonymised information would be deposited in a secured data centre for future research and learning purposes in accordance with the university’s research code of practice.

7.8 Approach to quantitative data analysis

A fundamental task before testing research hypotheses is to evaluate the psychometric properties of variables through reliability and validity tests (see Achi et al., 2022; Weerakoon et al., 2020). In the subsequent sections, I discuss the procedures used to evaluate the constructs’ reliability and validity and testing of the research hypotheses.

7.8.1 Reliability and validity

Reliability refers to the stability of a measure over time in which the same results would be obtained if tested repeatedly (Saunders et al., 2019). Accordingly, I evaluated the reliability of the measures in this study using both composite reliability (CR) and Cronbach’s (1951) alpha estimates. Extant literature indicates that these reliability estimates should exceed 0.70 threshold to ensure the internal consistency of measures (Collier, 2020; Bagozzi and Yi, 2012).

Validity refers to the degree to which a research instrument precisely measures what it is intended to measure (Bagozzi and Yi, 2012). In this research, I evaluated three kinds of validity: these included content (face) validity, construct validity, and nomological (criterion) validity. Content validity is the extent to which items of a measure is subjectively perceived as covering the constructs it aims to measure (Saunders et al., 2019). It is the least intricate test for assessing validity. To evaluate content validity, I conducted a pretesting of the survey instrument (questionnaire) with both academic experts and social enterprise directors (see Section 7.3).

Construct validity describes the degree to which the items of a measure precisely measure what it intends to measure (Bamberger, 2017). According to Bagozzi and Yi
Convergent validity is the degree of substantial and significant correlation between two or more valid measures of a construct (Bagozzi, Yi, and Phillips, 1991). To assess convergent validity, the factor loading estimates for measurement items should exceed at least 0.5. Additionally, the average variance extracted (AVE) for each construct should be above 0.50, but below the composite reliability cut-off value of 0.70 (Bagozzi and Yi, 2012). Discriminant validity is the extent to which measures of a construct is conceptually distinct from another (Bagozzi et al., 1991). I evaluated discriminant validity using two different ways. First, the Fornell and Larcker's (1981) criterion was used by comparing the square root of the AVE estimates of each construct against its correlations with other constructs to verify that it is lower than the square root of the AVE values. Second, I conducted the more stringent criterion – the heterotrait-monotrait ratio of correlations (HTMT) by estimating the average of the correlations of indicators across constructs relative to that of correlations of indicators within a construct (Henseler, Ringle and Sarstedt, 2015). The recommended threshold HTMT cut-off for constructs is 0.85, with values less than this cut-off suggesting acceptable discriminant validity.

Finally, nomological validity assesses the extent to which measures of a construct can correlate in theoretically predictable ways with measures of different but related constructs (Spiro and Weitz, 1990). To evaluate nomological validity, I assessed the theoretically hypothesised relationship between social innovation and its antecedents, and outcomes constructs in the study (see Wang and Netemeyer, 2004). Consequently, I evaluated the nomological validity by testing the research hypotheses of this study (see Chapter 9).

**7.8.2 Exploratory factor analysis (EFA)**

In this PhD thesis, I conducted an EFA during the scale development process of the proposed social innovation scale and the directors’ exposure scale (see Chapter 8). An EFA is a factor analysis technique that is used to identify the number of factors that can directly explain the covariation among a set of measurement items (Watkins,
223

This way, EFA is used for the purposes of developing and refining the scales of a measure which assists in creating a parsimonious representation of a factor structure, thereby serving as a proof for construct validity (see El Akremi et al., 2018; Ewing and Napoli, 2005). Because EFA is exploratory in nature, there is no expectations on the researcher as per the number of variables to retain since it is aimed at reducing a large number of items into a smaller set (Pituch and Stevens, 2016).

Furthermore, the number of factors to be retained is mainly based on both the underlying theory foregrounding the EFA and results obtained during the procedure. Nevertheless, it is expected that the researcher provides a sound theoretical justification for the number of factors retained (Hinkin, 1998). Recent advancement in EFA studies indicate that a parallel analysis should be used to support the number of factors retained following an EFA procedure (Lim and Jahng, 2019; Hayton, Allen and Scarpello, 2004). Parallel analysis involves extracting eigenvalues from random data sets that are parallel to the actual EFA data set with respect to the number of items and factors. Factors are retained based on observed eigenvalue from the actual data that is greater than the eigenvalue from the random data (Hayton et al., 2004). Hence, if the researcher develops the items with a strong theoretical base, the number of factors obtained through parallel analysis would likely be equal to the number of measures being developed.

7.8.3 Confirmatory factor analysis (CFA)

CFA is a factor analysis tool that examines the internal structure of a measure and evaluates the fit of a hypothesised research model to the data underlying it (Brown, 2015). CFA estimates the regression coefficients between the items of a construct and its observed variable (Kline, 2016). Accordingly, CFA evaluates if a researcher’s specified model closely represents the data to ensure that measurement quality is achieved (Collier, 2020).

In this research, I conducted a CFA to evaluate the measurement model using lavaan package in R programme (Rosseel, 2012). The R programme is a freely available software for performing data manipulation, analysis, and graphical display (R Core Team, 2020). The use of lavaan package in R programme to conduct CFA is well documented in management research (see Chen and Bedford, 2021; Hughes, Powell,
Chung and Mellahi, 2017). Specifically, I used the robust maximum likelihood estimator for the CFA to reflect the practical nature of the data and provide unbiased parameter estimates which adjusts for any slight departure from normality (Li, 2016).

Further, several goodness of fit indices from the CFA results is used to evaluate the fit of measurement models. These include the Chi-Square ($\chi^2$) statistic, the ratio of Chi-Square by degrees of freedom ($\chi^2$/df), Comparative Fit Index (CFI), Tucker-Lewis Index (TLI), Root Mean Square Error of Approximation (RMSEA), and the Standardised Root Mean Square Residual (SRMR) (Collier, 2020) which have been largely employed in social entrepreneurship research (see Ko et al., 2019; Hockerts, 2017; Liu et al., 2014). Table 7.3 provides an overview of the recommended threshold values for evaluating the fit of measurement model in this research.

### Table 7.3: CFA fit indices

<table>
<thead>
<tr>
<th>Fit index</th>
<th>Threshold values</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\chi^2$</td>
<td>Nonsignificant $\chi^2$ (p &gt; 0.05)</td>
<td>Brown (2015)</td>
</tr>
<tr>
<td>$\chi^2$/df</td>
<td>&lt; 3 acceptable</td>
<td>Kline (2016)</td>
</tr>
<tr>
<td>CFI</td>
<td>&gt; 0.9 acceptable; &gt; 0.95 excellent</td>
<td>Kline (2016)</td>
</tr>
<tr>
<td>TLI</td>
<td>&gt; 0.9 acceptable; &gt; 0.95 excellent</td>
<td>Collier (2020)</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt; 0.06 excellent; &lt; 0.08 acceptable</td>
<td>Bagozzi and Yi (2012)</td>
</tr>
<tr>
<td>SRMR</td>
<td>&lt; 0.05 excellent; &lt; 0.09 acceptable</td>
<td>Collier (2020)</td>
</tr>
</tbody>
</table>

### 7.8.4 Hypothesis testing analysis

I used a multivariate regression analysis to examine the proposed hypotheses in this study. Multivariate regression analysis is a statistical technique that evaluates the presence (or lack) and strength of relationship between a set of independent variables and a dependent variable (Pituch and Stevens, 2016). It attempts to model the variation in a dependent (outcome) variable as a linear function of independent variables (regressors) (Tabachnick and Fidell, 2013). Accordingly, the goal of the regression analysis is to use the independent variables to predict and explain the dependent variable.

Further, multivariate regression analysis is commonly applied in social entrepreneurship studies (see Liu et al., 2018; Bacq and Eddleston, 2018) because of
its flexibility to various types of research questions and data (Mason and Perreault, 1991). Moreover, multivariate regression analysis can allow the independent variables to be entered into the regression model simultaneously or in a prespecified order. This can provide information on the amount of variance in the dependent variable that can be explained by the independent variables as well as the relative contribution (i.e., regression coefficient) of each independent variable (Hair, Anderson, Babin and Black, 2010).

Like experimental research design conditions, a purposeful facet of multivariate regression is its flexibility in using the conditioned action of statistical control strategy to eliminate the effects of control (confounding) variables prior to assessing the hypothesised relationship between independent and dependent variables (see Li, 2021; Atinc et al., 2012). Given that I included control variables in this research, the use of multivariate regression provides the room to account for their confounding influence in this study (see Achi et al., 2022).

7.9 Summary
This chapter outlined the methodology of the quantitative phase of this study. I explained the procedures of the questionnaire development and operationalisation of the constructs. Additionally, I discussed the sampling approach and outlined the data analysis techniques such as EFA, CFA and multivariate regression analysis used in the study. The next chapter discusses the scale development process undertaken in this study.
CHAPTER 8

SCALE DEVELOPMENT PROCESS

8.1 Chapter outline
In this chapter, I outline the procedures for developing the scales for measuring social innovation construct and one antecedent factor – directors’ exposure – in this PhD thesis. Specifically, I first explicate the procedures used for developing the social innovation scale. Second, I discuss the development of the directors’ exposure scale.

8.2 Introduction
The development and use of valid scales to measure constructs is a central aspect of management research (Slavec and Drnovšek, 2012). Following the development of testable hypotheses in Chapter 6, I engaged in the review of literature in search of a measure to operationalise and measure social innovation based on insights gleaned from the qualitative findings (see Chapter 5). However, I could not find a reliable scale for the construct that could fit into the theoretical nature of the study. A major reason for this is the paucity of quantitative-focused research on social innovation within the context of social enterprises. This lack of research may be attributed to the definitional and measurement issues related to the social innovation construct (see Edwards-Schachter and Wallace, 2017).

Besides, the focal research settings I selected for this study – the social enterprise context – is an emergent landscape where new practices are constantly evolving (Littlewood and Khan, 2018; Hazenberg, Bajwa-Patel, Roy, Mazzei and Baglioni, 2016). Such a growing context requires industry-specific scale items of social innovation that can closely capture the peculiarities and contextual complexities of its social actors such as directors and managers. This makes the development of a psychometrically sound and managerially useful scale of social innovation important.

Consequently, based on the insights I gathered from the qualitative phase of the PhD thesis and the need to accommodate the specifics of the social enterprise context, I engaged in the development of a multidimensional social innovation scale in the sections that follow.
8.3 Development of the social innovation scale

Based on established scale development procedures (see El Akremi et al., 2018; Ewing and Napoli, 2005; Churchill, 1979), I followed a four-stage procedure to develop a multidimensional social innovation scale. Specifically, the first stage specifies the dimensions of the social innovation construct and the generation of items for the scale. The second stage involves the initial item refinement and assessment of the face (content) validity of the proposed scale. In the third stage, involves item purification and scale reliability. In the fourth stage, I conducted an EFA to refine the items and determine the factor structure of the proposed scale. Table 8.1 presents an overview of these scale development.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Dimensionality of the construct and item development</td>
<td>Use qualitative findings to determine theoretical dimensions and generate items</td>
</tr>
<tr>
<td>2.</td>
<td>Initial item refinement</td>
<td>Use expert judges to evaluate content validity of the scale items</td>
</tr>
<tr>
<td>3.</td>
<td>Item purification and reliability</td>
<td>Use survey data to purify and eliminate poor performing items in the proposed scale</td>
</tr>
<tr>
<td>4.</td>
<td>EFA and item reduction</td>
<td>Refine and reduce the items while determining the factor structure of the proposed scale.</td>
</tr>
</tbody>
</table>

8.3.1 Stage 1: Dimensions of the construct and item development

Based on the qualitative phase of this PhD thesis, an inductive approach (also known as “grouping” or “classification from below”) was used in specifying the dimensions of social innovation and generating items for the scale (Hinkin, 1995).

Consequently, to specify the dimensions of social innovation for its purported scale, I used the qualitative findings on social innovation from the 26 in-depth interviews collected and analysed using Gioia methodology. Recall that based on this (see Chapter 5), three domains were inductively advanced as the theoretical dimensions of social innovation - social-focused creativity, transformative value, and inclusiveness orientation. Accordingly, I operationally defined social innovation in the study as ‘a social enterprise’s context-specific programs and initiatives that are built on the foundation of social-focused creativity with the aim to enhance the current position of
the organisation and its stakeholders through attributes of *transformative value* and *inclusiveness orientation*.

Moreover, these identified theoretical dimensions of social innovation - social-focused creativity, transformative value, and inclusiveness orientation – comprised of ten (10) first-order level categories per dimension (see Figure 5.1). Consequently, I converted these first-order level categories into reflective statements, which led to the generation of an initial pool of 30 items for the purported social innovation scale (i.e., 10 items for each dimension). These exceeded the minimum of three items suggested by extant studies (Clauss, 2017; Hinkin, 1995). Accordingly, the qualitative phase assisted me to uncover the theoretical dimensions of social innovation and develop its purported scale items from ‘data systematically obtained’ from knowledgeable informants (Glaser and Strauss, 1967, p.2).

Following this, I held two discussion meetings with two academic experts to assist in evaluating the purported scale and the initial pool of 30 items over a period of four weeks. These meetings took approximately 60 minutes each. This is in line with recommended practices from extant scale development research (see Yi, and Gong, 2013). Consequently, the specified three dimensions of social innovation and their pool of items were considered pertinent and retained for the subsequent scale development stages. The definitions for each of the dimension of social innovation are detailed in Chapter 5 of the PhD thesis. Table 8.2 shows the preliminary list of items in the proposed social innovation scale.

**Table 8.2: Preliminary pool of items for the proposed social innovation scale**

<table>
<thead>
<tr>
<th>Dimensions and their items</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social-focused creativity</strong></td>
</tr>
<tr>
<td>Our activities reflect what the organisation is about</td>
</tr>
<tr>
<td>We focus on achieving a social purpose</td>
</tr>
<tr>
<td>We are a vehicle for addressing social problems</td>
</tr>
<tr>
<td>We tackle social needs on a wide scale</td>
</tr>
<tr>
<td>Our mission is linked with being socially innovative</td>
</tr>
<tr>
<td>Knowledge is a necessary resource for our activities</td>
</tr>
<tr>
<td>We promote ideas about social enterprises</td>
</tr>
<tr>
<td>We interact regularly with people/groups from different knowledge base and cultural context</td>
</tr>
<tr>
<td>We ‘bounce ideas off’ each other in the organisation to develop innovative services, products and processes</td>
</tr>
<tr>
<td>We have built information generating mechanisms in the organisation</td>
</tr>
</tbody>
</table>

| **Transformative value**                                        |
| We use new products, services or processes to meet societal opportunities |
We apply original thinking to our product, services or processes
We adapt our innovative solutions to new market locations
We improve on existing solutions to make it more value effective
We continuously seek out different opportunities and markets
We aim to promote positive change in society
We are committed to creating social value which anchors sustainable change
We constantly adapt our programs to address changes in the community
Our innovative processes can be replicated across the social enterprise sector

**Inclusive orientation**
We convert commercial driven activities into wider scale socially driven projects
We develop partner relationships with other organisations and/or people
We work cooperatively with the right organisations and/or people.
We provide collaborative spaces for other organisations and/or people to work with us.
We engage in dialogue with our stakeholders
We use feedback from our stakeholders to develop our innovative programs.
The interest of the community is at the core of our activities
We follow a bottom-up approach to create innovative activities
We would only do things that represent the people in our community
We provide communities with access to specific services
Our innovativeness is for the greater good of the community

---

### 8.3.2 Stage 2: Initial item refinement and content validity assessment

Following suggestions from prior studies (El Akremi *et al.*, 2018; Hinkin, 1998), I subjected the scale items to a content validity assessment with expert judges to ensure that only relevant items were included in the scale. Expert judges facilitate the confirmation or invalidation of constructs’ definition and rate the suitability of individual items to the proposed scale (DeVellis, 2017).

Accordingly, I selected a judgement sample of four academics and ten postgraduate researchers (in areas of innovation, enterprise, and management) from six different universities to assess content validity. The number of judges (fourteen judges in total) exceeded the suggested use of over five judges (Haynes, Richard and Kubany, 1995). Specifically, I provided the judges with the conceptual definitions of each dimension and their corresponding items and asked them to rate each item in the preliminary social innovation scale as “not at all representative”, “somewhat representative”, or “clearly representative” of a given dimension (see Napoli, Dickinson, Beverland and Farrelly, 2014). From their responses, none of the items was marked “not at all representative”, resulting in all 30 items being retained for further analysis.

Next, I conducted pilot interviews with another expert panel sample of 10 social enterprise practitioners with the goal of fine-tuning the items and strengthening the
content validity assessment of the proposed scale (El Akremi et al., 2018). Based on their feedback, I revised the phrasing of some items to prevent ambiguous wording and redundancy (DeVellis, 2017). For example, the original item 3 in the preliminary social innovation items ‘we are a vehicle that addresses social problems’ was modified to ‘we are a vehicle for addressing social problems.’ Overall, the final preliminary measure retained all 30 items, with 10 items for each for dimension.

8.3.3 Stage 3: Survey and scale item purification

(a) Survey sample in time 1

The third stage of the scale development process focused on further purification of scale items and an assessment of the internal consistency of the proposed measures. Hence, I developed a survey containing the 30 items and randomly distributed it to 1000 UK social enterprises (See Section 7.6, Chapter 7). Having personally contacted each social enterprise by either mail or telephone to encourage their participation as this was during the COVID-19 pandemic in October 2020, I sent the directors/managers of these organisations’ emails which contained a Qualtrics weblink to the online survey. Some of the research participants (18 of the final 35 respondents) solicited for a telephone survey after receiving the mail which I much obliged to. The research participants (on behalf of their organisations) were asked to indicate the extent to which they agreed to each of the items in the survey on a seven-point Likert scale (‘1=strongly disagree’ to ‘7=strongly agree’). Additionally, I administered the survey items without a group ordering of the items to their specific dimension to facilitate stringent tests of both the dimensionality and internal consistency of items (El Akremi et al., 2018). Hence, the research participants considered the survey items individually without contextual knowledge about their theoretical dimensions.

Furthermore, conducting this survey for scale development separately from the main survey of the study ensured that the questionnaire was short, thereby encouraging the participation of potential research participants and increasing their attention to detail of the items in the survey. It also eliminated a situation where other existing measures for use in the study could affect the research participants’ view of the proposed scale items, thereby compromising the scale development process (Worthington and Whittaker, 2006).
To improve response rate for the survey, I designed the questionnaire with The Open University’s institutional logo and Qualtrics account to increase the survey credibility (Antholz, 2018). Additionally, I sent reminder emails to the participants three weeks after the initial contact (Fan and Yan, 2010). Following this, I received a total of 189 usable responses which represented a 18.9% response rate. This is consistent with previous scale development research focusing on organisational-level analysis (e.g., Tourky, Alwi, Kitchen, Melewar and Shaalan, 2020). Moreover, the received usable responses of 189 suggested a participant-per-item ratio of 6.3:1, which is greater than the rule of thumb 5:1 ratio for factor analysis, indicating that the sample size is adequate for the scale development process (DeVellis, 2017; Hair et al., 2010).

From the 189 responses collected from the survey, Table 8.3 reveals that the majority of the social enterprises (30.7%) had an organisational age between 1 and 3 years. Further, it reveals that the majority of the organisations in the sample (75.2%) had a staff size between 1 and 10 staff. For the industry focus, the majority of the organisations (27.5%) fell under the ‘others’ category not captured in the survey. Also, 31.2% of the organisations in the sample had an operating turnover within £30,000, with most of the sampled organisations (18.5%) located in the Midlands region of England.

Table 8.3: Organisational characteristics (EFA survey)

<table>
<thead>
<tr>
<th>Key characteristics</th>
<th>Details</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational age</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less than 1</td>
<td>3.7</td>
</tr>
<tr>
<td></td>
<td>1 – 3</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>4 – 6</td>
<td>30.2</td>
</tr>
<tr>
<td></td>
<td>7 – 9</td>
<td>19.0</td>
</tr>
<tr>
<td></td>
<td>10 and above</td>
<td>16.4</td>
</tr>
<tr>
<td>Organisational size (staffing)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 – 10</td>
<td>75.2</td>
</tr>
<tr>
<td></td>
<td>11 – 20</td>
<td>13.8</td>
</tr>
<tr>
<td></td>
<td>21 – 30</td>
<td>4.8</td>
</tr>
<tr>
<td></td>
<td>31 and above</td>
<td>5.9</td>
</tr>
<tr>
<td>Industry focus</td>
<td>Drama, Arts and Creative industries</td>
<td>15.9</td>
</tr>
<tr>
<td></td>
<td>Education and Training</td>
<td>18.5</td>
</tr>
</tbody>
</table>

231
Further, I assessed the data for nonresponse bias, which is an issue that can arise when respondents of a self-administered survey are distinct from nonrespondents who did not participate in it (Malhotra and Dash, 2016). Hence, I assessed non-response bias using the Armstrong and Overton’s (1977) extrapolation procedure where late respondents are presumed as ‘theoretical’ nonrespondents, and they are compared against early respondents using T-test. Thus, I defined the early respondents as the first 35 respondents who completed the survey after the first round of emailing, while the late respondents were represented by the final 35 respondents who replied to the survey after I sent out the reminder emails for survey completion. Hence, I conducted an independent T-test using the organisational characteristics/profile (e.g., organisational age, size etc) of the respondents. The results suggest that there is no
significant difference between the early and late respondents of the survey, indicating that nonresponse bias is not a threat to the survey (see Table 8.4).

Table 8.4: Nonresponse bias test

<table>
<thead>
<tr>
<th>Variables</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>Std. Error Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational age</td>
<td>0.532</td>
<td>68</td>
<td>0.597</td>
<td>0.143</td>
<td>0.269</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-1.132</td>
<td>68</td>
<td>0.262</td>
<td>-0.257</td>
<td>0.227</td>
</tr>
<tr>
<td>Industry focus</td>
<td>1.611</td>
<td>68</td>
<td>0.112</td>
<td>1.314</td>
<td>0.816</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>0.511</td>
<td>68</td>
<td>0.611</td>
<td>0.171</td>
<td>0.336</td>
</tr>
<tr>
<td>Organisational location</td>
<td>-1.044</td>
<td>68</td>
<td>0.300</td>
<td>-0.686</td>
<td>0.657</td>
</tr>
</tbody>
</table>

(b) Item purification

Next, I conducted a scale item purification procedure. The survey data collected on the 30 items of the proposed social innovation scale went through an internal consistency test (see Ewing and Napoli, 2005). From the test, I deleted seven items (items 4, 11, 12, 13, 15, 20, and 28) with a corrected item-to-total correlation of less than 0.40, as suggested by previous research (Napoli et al., 2014). The Cronbach alpha for the remaining 23-item scale was 0.928. Table 8.5 (which uses original item numbering but shows the remaining 23 items) suggests that all items contribute significantly to the internal consistency of the proposed social innovation scale.

Table 8.5: Item purification of the preliminary social innovation items

<table>
<thead>
<tr>
<th>Items</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach’s Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Our activities reflect what the organisation is about</td>
<td>.503</td>
<td>.926</td>
</tr>
<tr>
<td>2. We focus on achieving a social purpose</td>
<td>.463</td>
<td>.927</td>
</tr>
<tr>
<td>3. We are a vehicle for addressing social problems</td>
<td>.539</td>
<td>.926</td>
</tr>
<tr>
<td>5. Our mission is linked with being socially innovative</td>
<td>.511</td>
<td>.926</td>
</tr>
<tr>
<td>6. We use new products, services or processes to meet societal opportunities</td>
<td>.516</td>
<td>.926</td>
</tr>
<tr>
<td>7. We apply original thinking to our product, services or processes</td>
<td>.648</td>
<td>.924</td>
</tr>
<tr>
<td>8. We adapt our innovative solutions to new market locations</td>
<td>.444</td>
<td>.928</td>
</tr>
<tr>
<td>9. We improve on existing solutions to make it more value effective</td>
<td>.567</td>
<td>.925</td>
</tr>
<tr>
<td>10. We continuously seek out different opportunities and markets</td>
<td>.450</td>
<td>.928</td>
</tr>
<tr>
<td>14. We ‘bounce ideas off’ each other in the organisation to develop innovative services, products and processes</td>
<td>.408</td>
<td>.928</td>
</tr>
<tr>
<td>16. We aim to promote positive change in society</td>
<td>.743</td>
<td>.923</td>
</tr>
<tr>
<td>17. We are committed to creating social value which anchors sustainable change</td>
<td>.708</td>
<td>.923</td>
</tr>
</tbody>
</table>
18. We constantly adapt our programs to address changes in the community  .707  .923
19. Our innovative processes can be replicated across the social enterprise sector  .552  .926
21. We develop partner relationships with other organisations and/or people  .682  .923
22. We work cooperatively with the right organisations and/or people  .753  .923
23. We provide collaborative spaces for other organisations and/or people to work  .481  .927
24. We engage in dialogue with our stakeholders  .612  .925
25. We use feedback from our stakeholders to develop our innovative programs  .657  .924
26. The interest of the community is at the core of our activities  .674  .924
27. We follow a bottom-up approach to create innovative activities  .623  .924
29. We provide communities with access to specific services  .518  .926
30. Our innovativeness is for the greater good of the community  .735  .922

Cronbach’s alpha is 0.928

8.3.4 Stage 4: Exploratory factor analysis (EFA)

In this stage, I subjected the remaining 23 scale items to an EFA procedure to reduce the items and identify the scale’s factor structure (Pituch and Stevens, 2016). Prior to the EFA, I conducted a series of important checks to evaluate the suitability of the data and sample size to an EFA procedure (see Carpenter, 2018; Worthington and Whittaker, 2006). First, I estimated the sample correlation matrix among the scale items to evaluate if the items were related to one another (Tabachnick and Fidell, 2013; Dziuban and Shirkey, 1974). The results suggested that correlation matrix determinant was greater than 0.00001 and a large amount of the items had correlations of more than 0.30 among them but were below 0.80, indicating no evidence of multicollinearity (Field, 2018).

Second, I estimated values of Bartlett’s test of sphericity (Bartlett, 1950), and Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy test (Kaiser and Rice, 1974). The results in Table 9.6 below demonstrate a significant Chi-Square value for Bartlett's test of sphericity suggesting that the sample correlation matrix differs significantly from the identity matrix (p<0.001), with the KMO measure of sampling adequacy exceeding the recommended threshold of 0.60 (Tabachnick and Fidell, 2013). This provides further evidence for a factor structure underlying the data (Carpenter, 2018).

Table 8.6: KMO and Bartlett’s Test of Sphericity results

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy | 0.898 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 2501.999 |
|                                  | df          | 253    |
|                                  | Sig.        | 0.000  |
Following this, I proceeded to conducting the EFA using the principal axis factoring extraction method on the final 23-item purported social innovation scale. The resulting Kaiser-Guttman criterion (Kaiser, 1960) of eigenvalues greater than one suggested a 5-factor solution while an inspection of the Cattell’s (1966) scree plot test indicated a 3-4 factor solution. However, I decided to conduct a parallel analysis to detect the number of factors to retain (Hayton et al., 2004; Horn, 1965). Extant research indicates that parallel analysis is more precise than the Kaiser-Guttman criterion and the Cattell’s scree plot in determining the number of factors (Cacciotti, Hayton, Mitchell and Allen, 2020; Lim and Jahng, 2019).

From the parallel analysis performed, the resulting randomly generated eigenvalues were compared against the observed eigenvalues extracted from the principal axis factoring. Only the first three eigenvalues based on the original observed data were greater than the randomly generated eigenvalues (See Appendix 8), suggesting that a 3-factor solution should be retained. Accordingly, I imposed a three-factor structure on the re-run EFA with promax (oblique) rotation. The choice of an oblique rotation is because I expect that the factors (dimensions) of the proposed scale should correlate and not be completely independent for theoretical reasons as espoused in Chapter 5 of the thesis (El Akremi et al., 2018; Tabachnick and Fidell, 2013). Moreover, the three-factor structure corroborated with number of theoretical dimensions (three aggregate dimensions) that emerged in the qualitative phase of the study (see Chapter 5).

Further, I retained items that their communalities and factor loadings were at least 0.40 and above (i.e., explaining more than 15% variance) on a single factor (Hair et al., 2010). Nevertheless, initial results showed that four items (items 14, 19, 23 and 29) on the scale failed to meet communalities criteria and I subsequently dropped them. Also, four other items (items 5, 16, 17 and 18) were dropped for overlapping or loading on to other factors.

Consequently, I retained a total of 15 items on the three factors which together accounted for 53.6% of the variance with their factor loadings greater than 0.50 (see Table 8.7). Also, the overall developed social innovation scale possesses sufficient Cronbach’s alpha (α) coefficients (Nunnally, and Bernstein, 1978), which exceeds the
0.70 threshold and meets the standards for applied research (Hinkin, 1998). Further, a scrutiny of the interfactor correlation matrix revealed correlations above 0.32, suggesting that more than 10% explained variance among the factors (see Table 8.8). This lends support to my use of a promax (oblique) rotation for the factor analysis as the factors are distinct and well correlated respectively (El Akremi et al., 2018).

Table 8. 7: Pattern matrix of the social innovation scale

<table>
<thead>
<tr>
<th>The 15-item social innovation scale: dimensions and items</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social-focused creativity</td>
<td></td>
</tr>
<tr>
<td>1. Our activities reflect what the organisation is about</td>
<td>0.811</td>
</tr>
<tr>
<td>2. We focus on achieving a social purpose</td>
<td>0.791</td>
</tr>
<tr>
<td>3. We are a vehicle for addressing social problems</td>
<td>0.609</td>
</tr>
<tr>
<td>Transformative value</td>
<td></td>
</tr>
<tr>
<td>6. We use new products, services or processes to meet societal opportunities</td>
<td>0.591</td>
</tr>
<tr>
<td>7. We apply original thinking to our product, services or processes</td>
<td>0.502</td>
</tr>
<tr>
<td>8. We adapt our innovative solutions to new market locations</td>
<td>0.787</td>
</tr>
<tr>
<td>9. We improve on existing solutions to make it more value effective</td>
<td>0.608</td>
</tr>
<tr>
<td>10. We continuously seek out different opportunities and markets</td>
<td>0.761</td>
</tr>
<tr>
<td>Inclusiveness orientation</td>
<td></td>
</tr>
<tr>
<td>21. We develop partner relationships with other organisations and/or people</td>
<td>0.703</td>
</tr>
<tr>
<td>22. We work cooperatively with the right organisations and/or people</td>
<td>0.736</td>
</tr>
<tr>
<td>24. We engage in dialogue with our stakeholders</td>
<td>0.832</td>
</tr>
<tr>
<td>25. We use feedback from our stakeholders to develop our innovative programs</td>
<td>0.944</td>
</tr>
<tr>
<td>26. The interest of the community is at the core of our activities</td>
<td>0.678</td>
</tr>
<tr>
<td>27. We follow a bottom-up approach to create innovative activities</td>
<td>0.545</td>
</tr>
<tr>
<td>30. Our innovativeness is for the greater good of the community</td>
<td>0.645</td>
</tr>
<tr>
<td>Cronbach’s alpha</td>
<td></td>
</tr>
<tr>
<td></td>
<td>0.765 0.801 0.893</td>
</tr>
</tbody>
</table>

Note: N=189. Overall social innovation scale (15-items) Cronbach’s alpha is 0.900
Extraction method: principal axis factoring with promax (oblique) rotation.

Table 8. 8: Factor correlations matrix

<table>
<thead>
<tr>
<th>Factors (dimensions) of social innovation</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Social-focused creativity</td>
<td>6.282</td>
<td>0.966</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Transformative value</td>
<td>5.666</td>
<td>1.023</td>
<td>0.450</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>3. Inclusiveness orientation</td>
<td>6.114</td>
<td>0.935</td>
<td>0.608</td>
<td>0.579</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: N=189.

The next section discusses the development of the directors’ exposure measure.
8.4 The other developed measure - directors’ exposure measure

In this section, I develop a new measure of the directors’ exposure construct based on the same procedures used in developing the multidimensional social innovation scale. Accordingly, the first-order categories I generated from the grounded theorising approach (see Chapter 5) for the ‘directors’ exposure’ factor were converted to a four-item statements for the proposed scale which is a “classification from below” in item generation (Hinkin, 1995). Directors’ exposure was conceptualised as the overall perceived experiences of social enterprises’ directors which includes their education, managerial and life experiences.

Next, I used the expert judgment procedure to review the four items and confirm content validity of the proposed scale (Carpenter, 2018). Firstly, I held two meetings lasting about 45 minutes with two academic experts to purify and evaluate the items of the construct. These expert review meetings confirmed that the four items were fit for the scale. Further, I submitted the items to 10 directors of social enterprise to fine-tune and strengthen its content validity. Based on their feedback, none of the directors expressed any concern regarding the scale or the understandability of the items (El Akremi et al., 2018). Table 8.9 displays the proposed directors’ exposure scale.

<table>
<thead>
<tr>
<th>Items</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Our directors possess the necessary education and/or expertise relating to our organisational activities</td>
<td></td>
</tr>
<tr>
<td>2. Our directors have first-hand experience of a social problem</td>
<td></td>
</tr>
<tr>
<td>3. Our directors know individuals or communities that have experience of social challenges</td>
<td></td>
</tr>
<tr>
<td>4. Our directors have work experience from organisations focusing on societal issues.</td>
<td></td>
</tr>
</tbody>
</table>

8.4.1 EFA procedure for the proposed directors’ exposure scale

I conducted an EFA procedure on the items generated to refine the proposed directors’ exposure scale and explore its internal consistency. The items were administered in the same survey used to collect data on the refining of the social innovation scale. Impliedly, I collected 189 responses from social enterprises for the EFA procedure. Moreover, to purify the proposed scale, I conducted a test of internal consistency by estimating the corrected item-to-total correlation of the items. The results showed that
all the items had a corrected item-to-total correlation above 0.40 (see Table 8.10). Hence, no item was deleted at this stage (Napoli et al., 2014).

**Table 8.10: Item purification for the proposed directors’ exposure scale**

<table>
<thead>
<tr>
<th>Item</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our directors possess the necessary education and/or expertise relating to our organisational activities</td>
<td>0.560</td>
<td>0.779</td>
</tr>
<tr>
<td>Our directors have first-hand experience of a social problem</td>
<td>0.617</td>
<td>0.753</td>
</tr>
<tr>
<td>Our directors know individuals or communities that have experience of social challenges</td>
<td>0.673</td>
<td>0.730</td>
</tr>
<tr>
<td>Our directors have work experience from organisations focusing on societal issues.</td>
<td>0.632</td>
<td>0.747</td>
</tr>
</tbody>
</table>

Before conducting the EFA, I checked the appropriateness of the collected data on the proposed scale to factor analysis. First, a correlation matrix verified that the correlations between the items were above 0.30. Also, the KMO measure of sample adequacy (0.783) was greater than the 0.70 threshold and the Bartlett’s test of sphericity was significant ($\chi^2 (6) = 233.422, p < 0.001$), affirming the appropriateness of the data for EFA (Field, 2018; Watkins, 2018).

Accordingly, the EFA results showed that the four items reflected a one-factor structure, accounting for 51.3% of the variance in the measure. The factor loadings for each item exceeded the minimum cut-off of 0.40 (Pituch and Stevens, 2016), providing support for the unidimensionality of the proposed directors’ exposure scale (see Table 8.11). Additionally, the scale’s Cronbach’s alpha was greater than 0.80 which is within the recommended values in scale development research (Clauss, 2017).

**Table 8.11: Factor matrix - directors’ exposure scale**

<table>
<thead>
<tr>
<th>Items</th>
<th>Factor Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our directors possess the necessary education and/or expertise relating to our organisational activities</td>
<td>0.639</td>
</tr>
<tr>
<td>Our directors have first-hand experience of a social problem</td>
<td>0.709</td>
</tr>
<tr>
<td>Our directors know individuals or communities that have experience of social challenges</td>
<td>0.786</td>
</tr>
<tr>
<td>Our directors have work experience from organisations focusing on societal issues.</td>
<td>0.723</td>
</tr>
</tbody>
</table>

Cronbach’s alpha = 0.803

**Note:** N=189. Extraction Method: Principal Axis Factoring.
8.5 Summary

This chapter outlined the procedures followed to develop scales for two constructs in this study – social innovation and directors’ exposure. The development of the constructs’ domains followed an inductive approach based on the interview data collected during the qualitative methodology phase of the PhD thesis. I used EFA procedures to establish the factor structure of the developed scales, which ensured that the scales can be included in the main survey of this study. In the next chapter, I test the research hypotheses of this study and validate the measures used in this research including the two scales developed in this chapter.
CHAPTER 9

HYPOTHESES TESTING AND RESULTS

9.1 Introduction
In this chapter, I present the results of the hypotheses testing. Specifically, I discuss the data screening, nonresponse bias assessment and the characteristics of the final survey sample (time 2). I also report the CFA estimates of the measures used in this research and assess their reliability and validity. Finally, I report the results of the hypotheses testing conducted via multivariate regression analysis.

9.2 Data screening
An important step in the use of multivariate statistical techniques is to assess the collected data for missing values which occurs when the valid values of a variable(s) is not available (Hair et al., 2010). During the pretesting phase of the research instrument, some of the judges raised concerns about the length of the main survey questionnaire which opened my mind to the possibility of expecting incomplete survey responses. Accordingly, I conducted a missing value analysis following my collection of 173 responses. This revealed that some data were missing completely at random, leading to my deletion of 18 cases with severe missing data (above 60%) that exceeded the cut-off 10% threshold for missing data per case (Hair et al., 2010). Thus, I was left 155 valid responses with missing values of 0.2%. I treated the missing values rather than deleting more cases so that it would not have an adverse effect on the sample size and statistical power of the study (Newman, 2014).

Following previous research suggestions on treating missing data, I applied the Expectation Maximisation (EM) algorithm (Savalei and Falk, 2014; Dempster, Laird and Rubin, 1977). EM is a maximum likelihood procedure that uses the observed values and parameter estimates of a data to estimate the conditionally expected values as though the missing data had been filled in (Newman, 2014). I used the EM algorithm because unlike other methods such as mean substitution or regression substitution, it introduces minimal bias in multivariate analysis when the missing values are very low (Savalei and Rhemtulla, 2017).

Further, I also assessed the data for normality by checking the skewness and kurtosis of each variable respectively to ensure that they were suitable for hypotheses testing.
Extant literature suggests that data with a skewness value above 3 and a kurtosis value above 20 could be regarded as a severely non-normal data (Kline, 2016). Moreover, achieving pure normality when skewness and kurtosis are zero is nearly impossible for real data in social sciences (Pek, Wong and Wong, 2018). Accordingly, the result of normality tests I conducted with regards to skewness and kurtosis (see Table 9.1) indicated that the constructs were not severely non-normal (Kline, 2016).

**Table 9.1: Normality test**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational age</td>
<td>0.114</td>
<td>-1.148</td>
</tr>
<tr>
<td>Organisational size</td>
<td>2.743</td>
<td>6.594</td>
</tr>
<tr>
<td>Industry focus</td>
<td>0.340</td>
<td>-1.380</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>0.349</td>
<td>-1.480</td>
</tr>
<tr>
<td>Organisational location</td>
<td>0.321</td>
<td>-1.013</td>
</tr>
<tr>
<td>Directors’ exposure</td>
<td>-1.804</td>
<td>3.936</td>
</tr>
<tr>
<td>Directors’ personal values</td>
<td>-2.695</td>
<td>10.871</td>
</tr>
<tr>
<td>Entrepreneurial mindset</td>
<td>-0.738</td>
<td>0.298</td>
</tr>
<tr>
<td>Mission-focused employees</td>
<td>-1.381</td>
<td>1.862</td>
</tr>
<tr>
<td>Staff diversity</td>
<td>-1.207</td>
<td>1.824</td>
</tr>
<tr>
<td>Staff skills</td>
<td>-1.991</td>
<td>6.768</td>
</tr>
<tr>
<td>Available finance</td>
<td>-0.759</td>
<td>0.196</td>
</tr>
<tr>
<td>Funders’ perception</td>
<td>-1.537</td>
<td>3.749</td>
</tr>
<tr>
<td>Community readiness</td>
<td>-0.464</td>
<td>0.161</td>
</tr>
<tr>
<td>Social support</td>
<td>-1.026</td>
<td>0.980</td>
</tr>
<tr>
<td>Social innovation (aggregated)</td>
<td>-0.961</td>
<td>0.786</td>
</tr>
<tr>
<td>Social enterprise objectives</td>
<td>-2.397</td>
<td>7.544</td>
</tr>
<tr>
<td>Continuous business survival</td>
<td>-0.614</td>
<td>-0.444</td>
</tr>
<tr>
<td>Social enterprise reputation</td>
<td>-2.378</td>
<td>7.102</td>
</tr>
<tr>
<td>Community impact</td>
<td>-0.819</td>
<td>0.506</td>
</tr>
<tr>
<td>Work pressure</td>
<td>0.061</td>
<td>-0.341</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>0.113</td>
<td>-0.855</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>-0.345</td>
<td>-0.197</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>-0.042</td>
<td>0.371</td>
</tr>
</tbody>
</table>

9.2 Nonresponse bias assessment

I evaluated nonresponse bias using the extrapolation procedure (Armstrong and Overton, 1977) by comparing the early respondents (represented by the first 35 completed respondents) with the late respondents (the final 35 completed
respondents) of the survey. Using an independent T-test procedure, I found no significant differences ($p > 0.05$) between the two different groups with regards to their organisational characteristics (profile) (see Table 9.2). Therefore, this suggests that nonresponse bias is not a threat to the study.

**Table 9.2: Nonresponse bias test of the final survey**

<table>
<thead>
<tr>
<th>Variables</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
<th>Std. Error Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational age</td>
<td>-1.391</td>
<td>68</td>
<td>0.169</td>
<td>-0.400</td>
<td>0.287</td>
</tr>
<tr>
<td>Organisational size</td>
<td>0.710</td>
<td>68</td>
<td>0.480</td>
<td>0.143</td>
<td>0.201</td>
</tr>
<tr>
<td>Industry focus</td>
<td>-0.776</td>
<td>68</td>
<td>0.440</td>
<td>-0.600</td>
<td>0.773</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>-0.924</td>
<td>68</td>
<td>0.359</td>
<td>-0.371</td>
<td>0.402</td>
</tr>
<tr>
<td>Organisational location</td>
<td>-0.554</td>
<td>68</td>
<td>0.581</td>
<td>-0.371</td>
<td>0.670</td>
</tr>
</tbody>
</table>

**9.3 Profile of the sample**

This section presents the organisational characteristics of the final 155 respondents (i.e., social enterprises) in the study as shown in Table 9.3, providing a summarised background information about the survey participants in an organised manner.

**Table 9.3: Organisational characteristics of the final survey**

<table>
<thead>
<tr>
<th>Key characteristics</th>
<th>Details</th>
<th>Valid Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational age</td>
<td>Less than 1</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>1 – 3</td>
<td>27.5</td>
</tr>
<tr>
<td></td>
<td>4 – 6</td>
<td>28.2</td>
</tr>
<tr>
<td></td>
<td>7 – 9</td>
<td>20.1</td>
</tr>
<tr>
<td></td>
<td>10 and above</td>
<td>21.5</td>
</tr>
<tr>
<td>Organisational size</td>
<td>1 – 10</td>
<td>84.4</td>
</tr>
<tr>
<td></td>
<td>11 – 20</td>
<td>7.5</td>
</tr>
<tr>
<td></td>
<td>21 – 90</td>
<td>3.4</td>
</tr>
<tr>
<td></td>
<td>31 and above</td>
<td>4.8</td>
</tr>
<tr>
<td>Industry focus</td>
<td>Drama, Arts and Creative industries</td>
<td>12.8</td>
</tr>
<tr>
<td></td>
<td>Education and Training</td>
<td>22.1</td>
</tr>
<tr>
<td></td>
<td>Environmental and General Services</td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>Finance and Professional Services</td>
<td>3.4</td>
</tr>
<tr>
<td></td>
<td>Health and Social Care</td>
<td>22.8</td>
</tr>
<tr>
<td></td>
<td>Hospitality and Food</td>
<td>4.0</td>
</tr>
<tr>
<td></td>
<td>Real Estate/Housing</td>
<td>3.4</td>
</tr>
</tbody>
</table>
The table shows that most of the organisations in the sample (28.2%) have an operational age of between 4 and 6 years. Also, it reveals that the majority of the organisations in the sample (84.4%) had a staff size between 1 and 10 staff. For industry focus, the majority of the organisations (22.8%) focused on the health/social care industry. Additionally, 26.4% of the organisations in the sample have an operating turnover above £121,000, with most of the sampled organisations (19.5%) located in the Midlands region of England.

In the next section, I focus on evaluating the measurement properties including the reliability and validity of the measures in this research.

### 9.4 CFA and measurement model assessment

As I mentioned in the quantitative methodology chapter (Section 7.8), an essential task before attempting to engage in testing of the developed research hypotheses is to evaluate the measurement model properties of the study via CFA. Specifically, I employed the CFA statistical technique with the robust maximum likelihood estimator (MLM) to evaluate the measurement properties of the measures.

Further, given the relatively high number of items and constructs in the conceptual framework and the sample size restraints to the recommended 5:1 parameter ratio per variables, I followed the suggestion of extant studies and employed a subset CFA
strategy to assess the measurement models (see Boso et al., 2013; Morgan et al., 2012; Grewal and Tansuhaj, 2001). Hence, I estimated three CFA measurement models. The first CFA model assessed the factor structure of the social innovation scale developed in Chapter 9. The second CFA model evaluated the measures of the 10 antecedents constructs and the final CFA model assessed the measures of the five outcome constructs in the study.

Based on suggestions from previous studies, I examined the internal consistency of the multi-item measures in the study via item-to-total correlation analysis as a prelude to the CFA technique to reduce the number of large items into more manageable ones. Through this precursor analysis, I retained only items with item-to-total correlation values above 0.5 for the CFA procedure (Napoli et al., 2014; Morgan et al., 2012). Thus, I dropped several items prior to the CFA including; five items from the social innovation scale (that is, two items for transformative value subscale (item 1 & 2) and three items for the inclusiveness orientation subscale (item 1, 2 & 3)), two items for available finance measure (item 4 & 5), two items for the community readiness measure (item 1 and 4), and one item each for directors’ exposure measure (item 1), and work pressure measure (item 2) respectively that fell below the item-to-total correlation threshold value of 0.5. Consequently, only items that survived the item-to-total correlation analysis test were assessed in the subsequent CFA technique.

Below, I present the assessment of the three CFA models used in this study. Thereafter, the results for reliability and validity estimates of the measures are provided in a separate section (Section 9.4.1) to ensure clarity and preciseness in the reporting.

**Measurement model one: measure of social innovation**

Following the initial development of social innovation as a multidimensional construct via EFA (Chapter 8), the first CFA model I estimated included the three social innovation dimensions of social-focused creativity, transformative value, and inclusiveness orientation. My aim was to validate the factor structure of the proposed multidimensional social innovation scale according to the results of the EFA procedure in Chapter 8.

In the first run of the CFA, I examined the results via modification indices and noticed that one of the items (item 4) in the inclusiveness orientation dimension had a large,
standardised residual and low factor loading below 0.5, hence, it was dropped. The dropping of the item was necessary because of the need to sustain factor structure of the scale. Also, the lack of a large sample size of the one I have practically obtained for this study may have affected the item’s parameter estimates (Bagozzi and Yi, 2012).

Following this, I reran the CFA and the resulting parameter estimates showed that the factor loadings of the remaining items loaded successfully above 0.6 on their respective dimensions (see Table 9.4). Additionally, the results indicated that the hypothesised three-factor measurement model of social innovation had excellent robust fit indices above the recommended threshold values; Satorra-Bentler scaled \( \chi^2/df = 1.085 \), CFI = 0.993, TLI = 0.988, RMSEA = 0.030, and SRMR = 0.055. Further, I estimated the composite reliability (CR) and average variance extracted (AVE) values of the three multi-items dimensions of social innovation (see Table 9.4), which exceeded the recommended cut-off values of 0.7 and 0.5 respectively (Bagozzi and Yi, 2012).

Moreover, I also confirmed the discriminant validity for the newly developed scale using the Fornell and Larcker’s (1981) criterion which suggests that the square root value of the AVE for each factor should exceed all its correlations with other factors (see Table 9.5). All the results suggest that the new scale has construct reliability (Hair et al., 2010).

<table>
<thead>
<tr>
<th>Measures</th>
<th>Factor loading (t-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social-focused creativity</strong> (CR = 0.780; AVE = 0.545)</td>
<td></td>
</tr>
<tr>
<td>SFC1</td>
<td>0.812 (^a)</td>
</tr>
<tr>
<td>SFC2</td>
<td>0.610 (4.154)</td>
</tr>
<tr>
<td>SFC3</td>
<td>0.776 (5.714)</td>
</tr>
<tr>
<td><strong>Transformative value</strong> (CR = 0.816; AVE = 0.598)</td>
<td></td>
</tr>
<tr>
<td>TVU3</td>
<td>0.698 (^a)</td>
</tr>
<tr>
<td>TVU4</td>
<td>0.781 (6.761)</td>
</tr>
<tr>
<td>TVU5</td>
<td>0.836 (5.241)</td>
</tr>
<tr>
<td><strong>Inclusiveness orientation</strong> (CR = 0.779; AVE = 0.542)</td>
<td></td>
</tr>
<tr>
<td>INC5</td>
<td>0.682 (^a)</td>
</tr>
<tr>
<td>INC6</td>
<td>0.683 (4.998)</td>
</tr>
<tr>
<td>INC7</td>
<td>0.834 (4.754)</td>
</tr>
</tbody>
</table>
Second-order social innovation construct (CR = 0.789; AVE = 0.559)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Social-focused creativity</td>
<td>0.617</td>
</tr>
<tr>
<td>Transformative value</td>
<td>0.768</td>
</tr>
<tr>
<td>Inclusiveness orientation</td>
<td>0.841</td>
</tr>
</tbody>
</table>

Fit indices: Satorra-Bentler scaled $\chi^2 = 23.873$, $p = 0.354$, $\chi^2/df = 1.085$, CFI = 0.993, TLI = 0.988, RMSEA = 0.030, and SRMR = 0.055

*a Fixed parameter; CR = composite reliability; AVE = average variance extracted

Table 9.5: Factor correlations and discriminant validity of social innovation scale

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Social-focused creativity</td>
<td><strong>0.738</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Transformative value</td>
<td>0.474**</td>
<td><strong>0.774</strong></td>
<td></td>
</tr>
<tr>
<td>3. Inclusiveness orientation</td>
<td>0.519**</td>
<td>0.646**</td>
<td><strong>0.736</strong></td>
</tr>
</tbody>
</table>

*a square root value of the AVE is the bolded figure on the diagonal
**Correlation is significant at the 0.01 level

Following established CFA practices as recommended by extant studies (e.g., El Akremi et al., 2018; Lee, Hallak and Sardeshmukh, 2016) for assessing a multidimensional construct, I further treated and examined the social innovation scale as a reflective second-order construct comprising of the three above-mentioned first-order level factors (dimensions) acting as its indicators. Further, I utilised two existing guidelines suggested by previous research to assess the first-order factors of social-focused creativity, transformative value, and inclusiveness orientation as indicators of the second-order social innovation construct (see El Akremi et al., 2018). These include that; first, the first-order factors (indicators) should load significantly on the second-order factor. Second, each of the indicators should possess high internal consistencies as demonstrated by the composite reliability of the second-order factor exceeding 0.7 cut-off (Johnson, Rosen and Chang, 2011).

Expectedly, the factor loadings across the three indicators of the second-order social innovation were all significantly strong with two exceeding 0.7 loading value as shown in Table 9.4. Hence, these factor loadings met the condition for being considered a higher-order construct. Additionally, the estimated composite reliability of the second-order social innovation scale indicates that the scale has a good internal consistency (CR = 0.789) which exceeded the recommended threshold value of 0.7 for second-
order factors (Johnson et al., 2011). Finally, I also estimated AVE of the second-order social innovation as accounted for by its indicators (first-order factors), with the results shown in Table 9.4 above the recommended 0.5 cut-off value (Fornell and Larcker, 1981). Summarily, the overall CFA estimates of the social innovation scale measurement model possess a suitable level of convergent, discriminant validity and reliability.

**Measurement model two: measures of the antecedent constructs in the study**

For measurement model two, I subjected the measures for the 10 antecedents constructs' to a CFA analysis. These constructs include directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, staff diversity, staff skills, available finance, funders’ perception, community readiness, and social support.

From the first CFA run, I deleted three items due to low factor loadings below 0.5. These included one item each from mission-focused employees (item 1), and staff diversity (item 4). The final respecified CFA demonstrated acceptable robust fit indices with Satorra-Bentler scaled $\chi^2$ = 467.700, $p < 0.05$, $\chi^2/df = 1.209$, CFI = 0.957, TLI = 0.949, RMSEA = 0.041, and SRMR = 0.062. Further, the factor loadings loaded significantly and strongly on their respective factors as displayed in Table 9.6. Also, the corresponding composite reliability and AVE I calculated for all the 10 constructs yielded estimates above their recommended threshold values of 0.7 and 0.5 respectively (Fornell and Larcker, 1981). Thus, the CFA results for the measurement model two comprising the 10 antecedent constructs in this study demonstrated good convergent validity and reliability. Additionally, the discriminant validity of measures assessed here are reported in Section 9.4.1

**Table 9.6: CFA results for measurement model two**

<table>
<thead>
<tr>
<th>Measures</th>
<th>Factor loading (t-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Directors’ exposure</strong></td>
<td></td>
</tr>
<tr>
<td>CR = 0.823; AVE = 0.612</td>
<td></td>
</tr>
<tr>
<td>DEX2</td>
<td>0.696$^a$</td>
</tr>
<tr>
<td>DEX3</td>
<td>0.913 (7.146)</td>
</tr>
<tr>
<td>DEX4</td>
<td>0.719 (7.771)</td>
</tr>
<tr>
<td><strong>Directors’ personal values</strong></td>
<td></td>
</tr>
<tr>
<td>CR = 0.912; AVE = 0.676</td>
<td></td>
</tr>
<tr>
<td>DPV1</td>
<td>0.796$^a$</td>
</tr>
<tr>
<td>DPV2</td>
<td>0.890 (7.014)</td>
</tr>
<tr>
<td>Variable</td>
<td>Value</td>
</tr>
<tr>
<td>-------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>DPV3</td>
<td>0.841 (6.614)</td>
</tr>
<tr>
<td>DPV4</td>
<td>0.852 (5.853)</td>
</tr>
<tr>
<td>DPV5</td>
<td>0.766 (9.697)</td>
</tr>
<tr>
<td><strong>Entrepreneurial mindset</strong> (CR = 0.847; AVE = 0.583)</td>
<td></td>
</tr>
<tr>
<td>EMT1</td>
<td>0.739&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>EMT2</td>
<td>0.874 (9.138)</td>
</tr>
<tr>
<td>EMT3</td>
<td>0.631 (6.157)</td>
</tr>
<tr>
<td>EMT4</td>
<td>0.791 (8.006)</td>
</tr>
<tr>
<td><strong>Mission-focused employees</strong> (CR = 0.854; AVE = 0.664)</td>
<td></td>
</tr>
<tr>
<td>MFE2</td>
<td>0.696&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>MFE3</td>
<td>0.926 (5.547)</td>
</tr>
<tr>
<td>MFE4</td>
<td>0.807 (5.709)</td>
</tr>
<tr>
<td><strong>Staff diversity</strong> (CR = 0.812; AVE = 0.595)</td>
<td></td>
</tr>
<tr>
<td>SDV1</td>
<td>0.863&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>SDV2</td>
<td>0.821 (12.040)</td>
</tr>
<tr>
<td>SDV3</td>
<td>0.605 (8.172)</td>
</tr>
<tr>
<td><strong>Staff skills</strong> (CR = 0.854; AVE = 0.661)</td>
<td></td>
</tr>
<tr>
<td>SKI1</td>
<td>0.772&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>SKI2</td>
<td>0.844 (11.224)</td>
</tr>
<tr>
<td>SKI3</td>
<td>0.822 (14.032)</td>
</tr>
<tr>
<td><strong>Available finance</strong> (CR = 0.842; AVE = 0.645)</td>
<td></td>
</tr>
<tr>
<td>AVF1</td>
<td>0.856&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>AVF2</td>
<td>0.906 (11.171)</td>
</tr>
<tr>
<td>AVF3</td>
<td>0.617 (8.963)</td>
</tr>
<tr>
<td><strong>Funders’ perception</strong> (CR = 0.865; AVE = 0.763)</td>
<td></td>
</tr>
<tr>
<td>FUP1</td>
<td>0.908&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>FUP2</td>
<td>0.839 (8.203)</td>
</tr>
<tr>
<td><strong>Community readiness</strong> (CR = 0.730; AVE = 0.583)</td>
<td></td>
</tr>
<tr>
<td>CMR2</td>
<td>0.616&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>CMR3</td>
<td>0.887 (3.720)</td>
</tr>
<tr>
<td><strong>Social support</strong> (CR = 0.797; AVE = 0.571)</td>
<td></td>
</tr>
<tr>
<td>SSP1</td>
<td>0.653&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>SSP2</td>
<td>0.867 (5.691)</td>
</tr>
<tr>
<td>SSP3</td>
<td>0.731 (4.825)</td>
</tr>
</tbody>
</table>

**Fit indices:** Satorra-Bentler scaled $\chi^2_{[387]} = 467.700$, $p = 0.003$, $\chi^2$/df = 1.209, CFI = 0.957, TLI = 0.949, RMSEA = 0.041, and SRMR = 0.062.

<sup>a</sup> Fixed parameter; CR = composite reliability; AVE = average variance extracted
Measurement model three: measures of the outcome constructs in the study

In measurement model three, I estimated the measurement properties of the five outcomes constructs in the study. These include social enterprise objectives, continuous business survival, social enterprise reputation, community impact and work pressure measures.

After specifying the first CFA model, the initial results revealed some poor performing items which were deleted; a single item each in continuous business survival (item 2) and community impact (item 4). Following this, I respecified the CFA analysis of the measurement model with the results showing good robust fit indices with Satorra-Bentler scaled $\chi^2_{[125]} = 147.446$, $p > 0.05$, $\chi^2/df = 1.180$, CFI = 0.985, TLI = 0.982, RMSEA = 0.035, SRMR = 0.055. Also, the factor loadings of items loaded significantly above 0.5 on their corresponding factors as highlighted in Table 9.7. Moreover, I calculated the CR and AVE values (see Table 9.7) of the measures, and their resulting values exceeded the recommended threshold values of 0.7 and 0.5 respectively (Bagozzi and Yi, 2012). Thus, the assessed measures in the model possessed an adequate level of convergent validity and reliability. Additionally, the discriminant validity of measures assessed here are reported in Section 9.4.1

Table 9.7: CFA results for measurement model three

<table>
<thead>
<tr>
<th>Measures</th>
<th>Factor loading ($t$-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Social enterprise objectives</strong> (CR = 0.891; AVE = 0.674)</td>
<td></td>
</tr>
<tr>
<td>SEO1</td>
<td>0.702$^a$</td>
</tr>
<tr>
<td>SEO2</td>
<td>0.861 (5.718)</td>
</tr>
<tr>
<td>SEO3</td>
<td>0.915 (5.880)</td>
</tr>
<tr>
<td>SEO4</td>
<td>0.789 (5.282)</td>
</tr>
<tr>
<td><strong>Continuous business survival</strong> (CR = 0.886; AVE = 0.615)</td>
<td></td>
</tr>
<tr>
<td>BSV1</td>
<td>0.570$^a$</td>
</tr>
<tr>
<td>BSV3</td>
<td>0.684 (7.536)</td>
</tr>
<tr>
<td>BSV4</td>
<td>0.859 (7.741)</td>
</tr>
<tr>
<td>BSV5</td>
<td>0.922 (8.455)</td>
</tr>
<tr>
<td>BSV6</td>
<td>0.833 (7.568)</td>
</tr>
<tr>
<td><strong>Social enterprise reputation</strong> (CR = 0.948; AVE = 0.859)</td>
<td></td>
</tr>
<tr>
<td>REP1</td>
<td>0.898$^a$</td>
</tr>
<tr>
<td>REP2</td>
<td>0.888 (11.252)</td>
</tr>
<tr>
<td>REP3</td>
<td>0.991 (15.716)</td>
</tr>
<tr>
<td><strong>Community impact</strong> (CR = 0.795; AVE = 0.565)</td>
<td></td>
</tr>
</tbody>
</table>
9.4.1 Reliability and validity of the measures

As mentioned in Chapter 7 (see Section 7.8.1), I assessed the reliability, convergent and discriminant validity of all the measures in the study.

To evaluate the reliability and convergent validity, I calculated the Cronbach’s alpha ($\alpha$), and the composite reliability (CR) for each construct based on Fornell and Larcker (1981) approach. All resulting values for both $\alpha$ and CR were above the recommended 0.7 value (see Table 9.8). Also, I calculated the AVE for each construct, with all estimated values above the minimum 0.5 threshold (Fornell and Larcker, 1981) (see Table 9.8). Therefore, the measures used in this study possess sufficient levels of reliability and convergent validity.

Further, I evaluated the discriminant validity of the main constructs using two procedures. Firstly, I applied the Fornell and Larcker’s (1981) criterion by calculating the square root value of each construct’s AVEs and comparing it with the inter-correlations among the constructs in the study. The results in Table 9.8 demonstrate that the square root value of the AVE for each construct is greater than all its correlations with other constructs. This indicates the presence of discriminant validity.

Secondly, I also used the more stringent heterotrait–monotrait (HTMT) ratio analysis to evaluate discriminant validity of the constructs in the study by calculating the average of the correlations of indicators across the main (multi-item) constructs relative to that of correlations of indicators within construct. As shown in Table 9.9, all the pairs of the correlation values of the main constructs fell within the recommended threshold of below 0.85, indicating the discriminant validity of the measures in this study (Henseler et al., 2015).
Table 9.8: Inter-construct correlations, reliability, and validity

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Directors’ exposure</td>
<td>0.782</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Directors’ personal values</td>
<td>0.538</td>
<td>0.822</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Entrepreneurial mindset</td>
<td>0.248</td>
<td>0.228</td>
<td>0.764</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Mission-focused employees</td>
<td>0.199</td>
<td>0.223</td>
<td>0.216</td>
<td>0.815</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Staff diversity</td>
<td>0.146</td>
<td>-0.041</td>
<td>0.166</td>
<td>0.393</td>
<td>0.771</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Staff skills</td>
<td>0.223</td>
<td>0.100</td>
<td>0.161</td>
<td>0.665</td>
<td>0.588</td>
<td>0.813</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Available finance</td>
<td>0.026</td>
<td>0.004</td>
<td>0.171</td>
<td>0.115</td>
<td>0.152</td>
<td>0.136</td>
<td>0.803</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Funders’ perception</td>
<td>0.212</td>
<td>0.174</td>
<td>0.046</td>
<td>0.161</td>
<td>0.140</td>
<td>0.230</td>
<td>0.411</td>
<td>0.873</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Community readiness</td>
<td>0.129</td>
<td>0.239</td>
<td>0.163</td>
<td>0.222</td>
<td>0.132</td>
<td>0.133</td>
<td>0.156</td>
<td>0.220</td>
<td>0.764</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Social support</td>
<td>0.151</td>
<td>0.089</td>
<td>0.310</td>
<td>0.053</td>
<td>0.066</td>
<td>0.046</td>
<td>0.272</td>
<td>0.172</td>
<td>0.273</td>
<td>0.756</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Social innovation</td>
<td>0.447</td>
<td>0.408</td>
<td>0.513</td>
<td>0.409</td>
<td>0.197</td>
<td>0.318</td>
<td>0.205</td>
<td>0.321</td>
<td>0.258</td>
<td>0.369</td>
<td>0.748</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Social enterprise objectives</td>
<td>0.157</td>
<td>0.087</td>
<td>0.264</td>
<td>0.118</td>
<td>0.131</td>
<td>0.137</td>
<td>0.019</td>
<td>0.035</td>
<td>0.030</td>
<td>0.188</td>
<td>0.194</td>
<td>0.821</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Continuous business survival</td>
<td>0.029</td>
<td>-0.006</td>
<td>0.039</td>
<td>0.151</td>
<td>0.130</td>
<td>0.169</td>
<td>0.176</td>
<td>0.269</td>
<td>0.043</td>
<td>0.271</td>
<td>0.134</td>
<td>0.063</td>
<td>0.784</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Social enterprise reputation</td>
<td>0.224</td>
<td>0.234</td>
<td>0.278</td>
<td>0.220</td>
<td>0.038</td>
<td>0.169</td>
<td>0.087</td>
<td>0.270</td>
<td>0.130</td>
<td>0.214</td>
<td>0.349</td>
<td>0.166</td>
<td>0.225</td>
<td>0.927</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Community impact</td>
<td>0.103</td>
<td>0.091</td>
<td>0.227</td>
<td>0.278</td>
<td>0.304</td>
<td>0.330</td>
<td>0.230</td>
<td>0.332</td>
<td>0.267</td>
<td>0.373</td>
<td>0.374</td>
<td>0.180</td>
<td>0.502</td>
<td>0.314</td>
<td>0.752</td>
<td></td>
</tr>
<tr>
<td>16. Work pressure</td>
<td>-0.109</td>
<td>0.024</td>
<td>0.012</td>
<td>-0.057</td>
<td>0.074</td>
<td>-0.006</td>
<td>0.102</td>
<td>-0.100</td>
<td>-0.059</td>
<td>-0.012</td>
<td>-0.051</td>
<td>0.141</td>
<td>0.063</td>
<td>-0.247</td>
<td>0.003</td>
<td>0.714</td>
</tr>
</tbody>
</table>

Coefficient alpha (α) 0.779 0.914 0.834 0.834 0.772 0.854 0.827 0.861 0.705 0.775 0.710 0.887 0.882 0.943 0.774 0.754
Composite reliability (CR) 0.823 0.912 0.847 0.854 0.812 0.854 0.842 0.865 0.730 0.797 0.789 0.891 0.886 0.948 0.794 0.757
Average variance extracted (AVE) 0.612 0.676 0.583 0.664 0.595 0.661 0.645 0.763 0.583 0.571 0.559 0.674 0.615 0.859 0.565 0.510

Notes: N=155; † p < 0.01, * p < 0.05.
The square root values of AVE are shown in bold on the diagonal.
### Table 9. HTMT ratio analysis

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Directors’ exposure</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Directors’ personal values</td>
<td>0.646</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Entrepreneurial mindset</td>
<td>0.303</td>
<td>0.300</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Mission-focused employees</td>
<td>0.289</td>
<td>0.322</td>
<td>0.444</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Staff diversity</td>
<td>0.199</td>
<td>0.130</td>
<td>0.226</td>
<td>0.486</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Staff skills</td>
<td>0.289</td>
<td>0.167</td>
<td>0.234</td>
<td>0.757</td>
<td>0.711</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Available finance</td>
<td>0.080</td>
<td>0.074</td>
<td>0.235</td>
<td>0.255</td>
<td>0.273</td>
<td>0.185</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Funders’ perception</td>
<td>0.242</td>
<td>0.152</td>
<td>0.076</td>
<td>0.188</td>
<td>0.188</td>
<td>0.230</td>
<td>0.501</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Community readiness</td>
<td>0.228</td>
<td>0.279</td>
<td>0.234</td>
<td>0.329</td>
<td>0.195</td>
<td>0.187</td>
<td>0.216</td>
<td>0.190</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Social support</td>
<td>0.214</td>
<td>0.120</td>
<td>0.404</td>
<td>0.102</td>
<td>0.118</td>
<td>0.088</td>
<td>0.344</td>
<td>0.218</td>
<td>0.359</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Social innovation</td>
<td>0.530</td>
<td>0.450</td>
<td>0.640</td>
<td>0.553</td>
<td>0.222</td>
<td>0.377</td>
<td>0.260</td>
<td>0.372</td>
<td>0.341</td>
<td>0.472</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Social enterprise objectives</td>
<td>0.212</td>
<td>0.111</td>
<td>0.324</td>
<td>0.186</td>
<td>0.149</td>
<td>0.169</td>
<td>0.078</td>
<td>0.083</td>
<td>0.090</td>
<td>0.181</td>
<td>0.230</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Continuous business survival</td>
<td>0.096</td>
<td>0.096</td>
<td>0.086</td>
<td>0.132</td>
<td>0.198</td>
<td>0.187</td>
<td>0.164</td>
<td>0.284</td>
<td>0.098</td>
<td>0.330</td>
<td>0.215</td>
<td>0.117</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Social enterprise reputation</td>
<td>0.251</td>
<td>0.246</td>
<td>0.338</td>
<td>0.255</td>
<td>0.122</td>
<td>0.194</td>
<td>0.121</td>
<td>0.283</td>
<td>0.159</td>
<td>0.274</td>
<td>0.404</td>
<td>0.203</td>
<td>0.265</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Community impact</td>
<td>0.151</td>
<td>0.132</td>
<td>0.350</td>
<td>0.382</td>
<td>0.446</td>
<td>0.418</td>
<td>0.270</td>
<td>0.404</td>
<td>0.330</td>
<td>0.463</td>
<td>0.525</td>
<td>0.218</td>
<td>0.611</td>
<td>0.386</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>16. Work pressure</td>
<td>0.213</td>
<td>0.093</td>
<td>0.139</td>
<td>0.102</td>
<td>0.115</td>
<td>0.123</td>
<td>0.133</td>
<td>0.112</td>
<td>0.097</td>
<td>0.061</td>
<td>0.129</td>
<td>0.160</td>
<td>0.121</td>
<td>0.280</td>
<td>0.108</td>
<td>---</td>
</tr>
</tbody>
</table>

252
9.5 Treatment of common method bias (CMB)

CMB refers to the presence of bias in the estimated correlational relationship between variables due to systematic error variance that occurs because they are measured with the same method (Jordan and Troth, 2020). In this research, the two potential sources of CMB are; first, self-report bias due to my use of the same source to collect data on both the independent and dependent variables (MacKenzie and Podsakoff, 2012). Second, there is a potential for the respondents to provide socially desirable responses rather than choosing responses that are reflective of their true situation (Larson, 2019). Therefore, I assessed the data for CMB using both procedural design and statistical tests (MacKenzie and Podsakoff, 2012).

For the procedural designs, several steps were taken to control for CMB. To begin with, I ensured that the items in the survey were clear, concise, and avoided double-barrelled meanings (Jordan and Troth, 2020). I also explained to the survey participants that the survey questions are important, and their accurate responses would have useful consequences for their social enterprises. This provided motivation for them to answer the questions honestly to reduce bias (Chang, Van Witteloostuijn and Eden, 2010). Further, I guaranteed the anonymity of the survey participants, while also informing them that there were no right or wrong answers to the survey. Moreover, I collected the data for developing and validating the measure of the focal construct of the study – social innovation – on two separate time intervals. This helped to minimise the ability of the survey respondents to use previous answers on the questionnaires in case any participated in both surveys given the samples were randomly selected from the same sampling frame (MacKenzie and Podsakoff, 2012). Importantly, these procedural designs are effective in dealing with CMB (MacKenzie and Podsakoff, 2012; Conway and Lance, 2010).

For statistical tests to check for CMB, I used two post hoc statistical approaches. First, I conducted a CFA version of Harman single-factor test by estimating a single-factor CFA where I loaded all the items of the main variables on to a single factor (Chang et al., 2010). The resulting model indices revealed a very poor fit, indicating that CMB is not a major concern in this study.

However, given the critique that the Harman single-factor test is a lenient way of assuaging concerns about CMB (Jordan and Troth, 2020), I also conducted the strict
marker variable test (Lindell and Whitney, 2001). The marker variable technique involves using a variable that is theoretically or conceptually unrelated to any other constructs in a study to adjust for CMB (Lindell and Whitney, 2001). Accordingly, I used a single-item measure of ‘tradition’ adapted from Patterson et al. (2005) as the marker variable and calculated the CMB-adjusted correlations for each pair of the main constructs in the study (see Table 9.10 comparing pre and post CMB-adjusted correlations). The results show that the adjustment causes no difference to the significance level of the original correlation coefficients, indicating that CMB is not a threat in the study (Poppo, Zhou and Li, 2016).

Lastly, given the complex nature of the conceptual framework of the study, it is improbable that the survey participants could have formed a mental depiction of the hypothesised relationships (see Chang et al., 2010).
Table 9.10: CMB-adjusted inter-correlations

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Directors’ exposure</td>
<td>---</td>
<td>0.535</td>
<td>0.250</td>
<td>0.193</td>
<td>0.152</td>
<td>0.222</td>
<td>0.035</td>
<td>0.211</td>
<td>0.132</td>
<td>0.150</td>
<td>0.445</td>
<td>0.152</td>
<td>0.027</td>
<td>0.217</td>
<td>0.101</td>
<td>-0.101</td>
</tr>
<tr>
<td>2. Directors’ personal values</td>
<td>0.538</td>
<td>---</td>
<td>0.230</td>
<td>0.218</td>
<td>-0.036</td>
<td>0.099</td>
<td>0.012</td>
<td>0.173</td>
<td>0.242</td>
<td>0.087</td>
<td>0.405</td>
<td>0.081</td>
<td>-0.009</td>
<td>0.227</td>
<td>0.089</td>
<td>0.034</td>
</tr>
<tr>
<td>3. Entrepreneurial mindset</td>
<td>0.248</td>
<td>0.228</td>
<td>---</td>
<td>0.219</td>
<td>0.164</td>
<td>0.162</td>
<td>0.170</td>
<td>0.046</td>
<td>0.162</td>
<td>0.311</td>
<td>0.515</td>
<td>0.267</td>
<td>0.040</td>
<td>0.284</td>
<td>0.228</td>
<td>0.009</td>
</tr>
<tr>
<td>4. Mission-focused employees</td>
<td>0.199</td>
<td>0.223</td>
<td>0.216</td>
<td>---</td>
<td>0.403</td>
<td>0.665</td>
<td>0.128</td>
<td>0.159</td>
<td>0.227</td>
<td>0.051</td>
<td>0.406</td>
<td>0.110</td>
<td>0.147</td>
<td>0.209</td>
<td>0.276</td>
<td>-0.045</td>
</tr>
<tr>
<td>5. Staff diversity</td>
<td>0.146</td>
<td>-0.041</td>
<td>0.166</td>
<td>0.393</td>
<td>---</td>
<td>0.592</td>
<td>0.145</td>
<td>0.143</td>
<td>0.130</td>
<td>0.068</td>
<td>0.202</td>
<td>0.139</td>
<td>0.134</td>
<td>0.048</td>
<td>0.306</td>
<td>0.065</td>
</tr>
<tr>
<td>6. Staff skills</td>
<td>0.223</td>
<td>0.100</td>
<td>0.161</td>
<td>0.665</td>
<td>0.588</td>
<td>---</td>
<td>0.140</td>
<td>0.229</td>
<td>0.134</td>
<td>0.045</td>
<td>0.317</td>
<td>0.135</td>
<td>0.168</td>
<td>0.166</td>
<td>0.330</td>
<td>-0.002</td>
</tr>
<tr>
<td>7. Available finance</td>
<td>0.026</td>
<td>0.004</td>
<td>0.171</td>
<td>0.115</td>
<td>0.152</td>
<td>0.136</td>
<td>---</td>
<td>0.416</td>
<td>0.153</td>
<td>0.277</td>
<td>0.212</td>
<td>0.029</td>
<td>0.182</td>
<td>0.103</td>
<td>0.236</td>
<td>0.089</td>
</tr>
<tr>
<td>8. Funders’ perception</td>
<td>0.212</td>
<td>0.174</td>
<td>0.046</td>
<td>0.161</td>
<td>0.140</td>
<td>0.230</td>
<td>0.411</td>
<td>---</td>
<td>0.221</td>
<td>0.171</td>
<td>0.320</td>
<td>0.033</td>
<td>0.268</td>
<td>0.270</td>
<td>0.331</td>
<td>-0.098</td>
</tr>
<tr>
<td>9. Community readiness</td>
<td>0.129</td>
<td>0.239</td>
<td>0.163</td>
<td>0.222</td>
<td>0.132</td>
<td>0.133</td>
<td>0.156</td>
<td>0.220</td>
<td>---</td>
<td>0.274</td>
<td>0.261</td>
<td>0.034</td>
<td>0.044</td>
<td>0.135</td>
<td>0.269</td>
<td>-0.064</td>
</tr>
<tr>
<td>10. Social support</td>
<td>0.151</td>
<td>0.089</td>
<td>0.310</td>
<td>0.053</td>
<td>0.066</td>
<td>0.046</td>
<td>0.272</td>
<td>0.172</td>
<td>0.273</td>
<td>---</td>
<td>0.368</td>
<td>0.187</td>
<td>0.270</td>
<td>0.213</td>
<td>0.337</td>
<td>-0.009</td>
</tr>
<tr>
<td>11. Social innovation</td>
<td>0.447</td>
<td>0.408</td>
<td>0.513</td>
<td>0.409</td>
<td>0.197</td>
<td>0.318</td>
<td>0.205</td>
<td>0.321</td>
<td>0.258</td>
<td>0.369</td>
<td>---</td>
<td>0.190</td>
<td>0.132</td>
<td>0.345</td>
<td>0.373</td>
<td>-0.044</td>
</tr>
<tr>
<td>12. Social enterprise objectives</td>
<td>0.157</td>
<td>0.087</td>
<td>0.264</td>
<td>0.118</td>
<td>0.131</td>
<td>0.137</td>
<td>0.019</td>
<td>0.035</td>
<td>0.030</td>
<td>0.188</td>
<td>0.194</td>
<td>---</td>
<td>0.059</td>
<td>0.156</td>
<td>0.178</td>
<td>0.155</td>
</tr>
<tr>
<td>13. Continuous business survival</td>
<td>0.029</td>
<td>-0.006</td>
<td>0.039</td>
<td>0.151</td>
<td>0.130</td>
<td>0.169</td>
<td>0.176</td>
<td>0.269</td>
<td>0.043</td>
<td>0.271</td>
<td>0.134</td>
<td>0.063</td>
<td>---</td>
<td>0.222</td>
<td>0.501</td>
<td>0.069</td>
</tr>
<tr>
<td>14. Social enterprise reputation</td>
<td>0.224</td>
<td>0.234</td>
<td>0.278</td>
<td>0.220</td>
<td>0.038</td>
<td>0.169</td>
<td>0.087</td>
<td>0.270</td>
<td>0.130</td>
<td>0.214</td>
<td>0.349</td>
<td>0.166</td>
<td>0.225</td>
<td>---</td>
<td>0.312</td>
<td>-0.234</td>
</tr>
<tr>
<td>15. Community impact</td>
<td>0.103</td>
<td>0.091</td>
<td>0.227</td>
<td>0.278</td>
<td>0.304</td>
<td>0.330</td>
<td>0.230</td>
<td>0.322</td>
<td>0.267</td>
<td>0.337</td>
<td>0.374</td>
<td>0.180</td>
<td>0.502</td>
<td>0.314</td>
<td>---</td>
<td>0.007</td>
</tr>
<tr>
<td>16. Work pressure</td>
<td>-0.109</td>
<td>0.024</td>
<td>0.012</td>
<td>-0.057</td>
<td>0.074</td>
<td>-0.006</td>
<td>0.102</td>
<td>-0.100</td>
<td>-0.059</td>
<td>-0.012</td>
<td>-0.051</td>
<td>0.141</td>
<td>0.063</td>
<td>-0.247</td>
<td>---</td>
<td>0.003</td>
</tr>
</tbody>
</table>

Notes: *p < 0.01, p < 0.05. CMB adjusted correlations with marker variable technique above diagonal, original correlations are below the diagonal.
9.6 Hypothesis testing

As I mentioned in Section 7.8.4 of this study, I conducted a multivariate regression analysis using the ordinary least squares estimator to test the hypothesised relationships in this study. This is due to the complex conceptual framework and the need to evaluate many statistical control variables\(^{10}\) (multiple firm-level and industry-specific variables) in the regression models. Specifically, the control variables in the multivariate regression analysis include organisational age, organisational size, industry focus, organisational turnover (revenue), organisational location, competitive intensity, technological turbulence, and market turbulence.

Further, rather than using summated or averaged scale scores as composites, I conducted the multivariate regression analysis using factor scores of the latent variables estimated with the aid of lavaan package in R statistical programme (Devlieger, Talloen and Rosseel, 2019). The use of latent variable factor scores ensures that the latent nature of the constructs can be preserved, and their measurement error at the item level can be partially controlled (Morin, Meyer, Creusier and Biétry 2016). Thus, factor scores are a more accurate method for creating composite scores for constructs rather than using summated or averaged scores. Accordingly, I used the blockwise factor scores approach, where I computed regression factor scores for the independent (predictor) variables and Bartlett factor scores for dependent (response) variables (Skrondal and Laake, 2001). This assists in avoiding bias in the estimated regression coefficients of the variables (Devlieger, Mayer and Rosseel, 2016).

Testing of hypotheses between the antecedent drivers and social innovation

I used a two-step multivariate regression analysis to test the hypothesised relationships between the antecedent drivers and social innovation. In the initial step (Model 1), I entered the control variables, and in the follow-up step (Model 2), the main predictors (antecedent drivers) were entered into the regression model. Table 9.11 displays the results for the investigated structural relationships.

\(^{10}\) For the multivariate regression analysis purpose, organisational age, organisational size and organisational turnover were measured with natural logarithm transformation of the variables. Dummy variables were created for industry focus (‘Others’ was the benchmark category) and organisational location (‘Midlands’ was the benchmark category).
In Hypothesis 1, I argued that directors’ exposure is positively related to social innovation. The regression results in Table 9.11 indicates that the relationship between directors’ exposure (Model 2: $\beta = 0.177$, $t = 2.206$, $p < 0.05$) and social innovation is positively significant, which provides support for Hypothesis 1.

For Hypothesis 2, I posited that directors’ personal values is positively related to social innovation. The regression results in Table 9.11 demonstrates that the relationship between directors’ personal values (Model 2: $\beta = 0.134$, $t = 1.742$, $p < 0.10$) and social innovation is positively significant, howbeit, marginally. This result provides marginal support for Hypothesis 2.

With Hypothesis 3, I stated that entrepreneurial mindset is positively related to social innovation. The regression results in Table 9.11 reveal that the influence of entrepreneurial mindset (Model 2: $\beta = 0.308$, $t = 4.215$, $p < 0.001$) on social innovation is positive and significant, which provides support for Hypothesis 3.

In Hypothesis 4, I proposed that mission-focused employees is positively related to social innovation. The regression results in Table 9.11 show that the relationship between mission-focused employees (Model 2: $\beta = 0.214$, $t = 2.375$, $p < 0.05$) and social innovation is positive and significant, supporting Hypothesis 4.

Hypothesis 5 argued that staff diversity is positively related to social innovation. However, the regression results in Table 9.11 indicate that the relationship between staff diversity (Model 2: $\beta = 0.015$, $t = 0.197$, $p > 0.10$) and social innovation is positive but nonsignificant, which does not provide support for Hypothesis 5.

In Hypothesis 6, I stated that staff skills is positively related to social innovation. The regression results in Table 9.11 reveal that the relationship between staff skills (Model 2: $\beta = 0.005$, $t = 0.047$, $p > 0.10$) and social innovation is positive but nonsignificant, providing no support for Hypothesis 6.
Table 9.11: Regression results A

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Model 1</th>
<th></th>
<th>Model 2</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Social innovation</td>
<td>VIF</td>
<td>Social innovation</td>
<td>VIF</td>
</tr>
<tr>
<td><strong>Control variables</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational age</td>
<td>0.033 (0.315)</td>
<td>1.600</td>
<td>0.044 (0.590)</td>
<td>1.691</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-0.121 (-1.301)</td>
<td>1.292</td>
<td>-0.017 (-0.257)</td>
<td>1.413</td>
</tr>
<tr>
<td>Drama, Arts and Creative industries</td>
<td>0.056 (0.577)</td>
<td>1.417</td>
<td>0.055 (0.774)</td>
<td>1.563</td>
</tr>
<tr>
<td>Education and Training</td>
<td>-0.005 (-0.053)</td>
<td>1.613</td>
<td>-0.135 (-1.806)†</td>
<td>1.733</td>
</tr>
<tr>
<td>Environmental and General Services</td>
<td>-0.063 (-0.671)</td>
<td>1.299</td>
<td>-0.032 (-0.486)</td>
<td>1.385</td>
</tr>
<tr>
<td>Finance and Professional Services</td>
<td>0.006 (0.065)</td>
<td>1.220</td>
<td>-0.024 (-0.371)</td>
<td>1.254</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>0.104 (0.986)</td>
<td>1.661</td>
<td>-0.027 (-0.353)</td>
<td>1.820</td>
</tr>
<tr>
<td>Hospitality and Food</td>
<td>0.003 (0.034)</td>
<td>1.222</td>
<td>0.034 (0.522)</td>
<td>1.329</td>
</tr>
<tr>
<td>Real Estate/Housing</td>
<td>0.038 (0.407)</td>
<td>1.327</td>
<td>-0.006 (-0.095)</td>
<td>1.388</td>
</tr>
<tr>
<td>Retail</td>
<td>0.048 (0.528)</td>
<td>1.222</td>
<td>0.060 (0.915)</td>
<td>1.313</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>-0.062 (-0.587)</td>
<td>1.686</td>
<td>-0.088 (-1.139)</td>
<td>1.867</td>
</tr>
<tr>
<td>London</td>
<td>0.060 (0.592)</td>
<td>1.516</td>
<td>0.001 (0.021)</td>
<td>1.599</td>
</tr>
<tr>
<td>East of England</td>
<td>0.133 (1.294)</td>
<td>1.590</td>
<td>0.047 (0.628)</td>
<td>1.707</td>
</tr>
<tr>
<td>North East</td>
<td>0.103 (1.055)</td>
<td>1.417</td>
<td>0.141 (2.043)</td>
<td>1.484</td>
</tr>
<tr>
<td>North West</td>
<td>0.078 (0.791)</td>
<td>1.476</td>
<td>0.021 (0.302)</td>
<td>1.516</td>
</tr>
<tr>
<td>South East</td>
<td>-0.134 (-1.288)</td>
<td>1.626</td>
<td>-0.042 (-0.546)</td>
<td>1.831</td>
</tr>
<tr>
<td>South West</td>
<td>0.033 (0.338)</td>
<td>1.419</td>
<td>0.060 (0.829)</td>
<td>1.640</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>0.020 (0.202)</td>
<td>1.429</td>
<td>0.082 (1.154)</td>
<td>1.548</td>
</tr>
<tr>
<td>Scotland</td>
<td>-0.049 (-0.493)</td>
<td>1.506</td>
<td>-0.052 (-0.720)</td>
<td>1.597</td>
</tr>
<tr>
<td>Others (Wales &amp; Northern Ireland)</td>
<td>0.061 (0.658)</td>
<td>1.285</td>
<td>0.102 (1.531)</td>
<td>1.384</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>0.112 (0.901)</td>
<td>2.314</td>
<td>0.107 (1.105)</td>
<td>2.882</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>0.143 (1.321)</td>
<td>1.761</td>
<td>0.086 (1.085)</td>
<td>1.935</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>-0.178 (-1.324)</td>
<td>2.710</td>
<td>-0.142 (-1.367)</td>
<td>3.333</td>
</tr>
<tr>
<td><strong>Main predictors</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ exposure</td>
<td>0.177 (2.206)*</td>
<td>1.986</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ personal values</td>
<td>0.134 (1.742)†</td>
<td>1.843</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entrepreneurial mindset</td>
<td>0.308 (4.215)***</td>
<td>1.654</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mission-focused employees</td>
<td>0.214 (2.375)*</td>
<td>2.518</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff diversity</td>
<td>0.015 (0.917)</td>
<td>1.902</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff skills</td>
<td>0.005 (0.047)</td>
<td>2.930</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available finance</td>
<td>-0.050 (-0.705)</td>
<td>1.575</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funders’ perception</td>
<td>0.162 (2.124)*</td>
<td>1.806</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community readiness</td>
<td>0.073 (1.015)</td>
<td>1.590</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social support</td>
<td>0.240 (3.394)***</td>
<td>1.553</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**F-value** | 0.819 | 5.722 |
**P-value** | 0.703 | 0.000 |
**R-square** | 0.126 | 0.609 |

**Notes:** N=155; ***p<0.001; **p<0.01; *p<0.05; †p<0.10. Standardised coefficients are reported with t-value in parentheses; VIF = Variance Inflation Factors
For Hypothesis 7, I proposed that available finance is positively related to social innovation. The regression results in Table 9.11 shows that relationship between available finance (Model 2: $\beta = -0.050, t = -0.705, p > 0.10$) and social innovation is negative and nonsignificant, which does not support hypothesis 7.

In Hypothesis 8, I posited that funders’ perception is positively related to social innovation. The regression results in Table 9.11 suggests that that funders’ perception (Model 2: $\beta = 0.162, t = 2.124, p < 0.05$) has a positive and significant effect on social innovation, which supports Hypothesis 8.

For Hypothesis 9, I stated that community readiness is positively related to social innovation. The regression results in Table 9.11 demonstrates that the relationship between community readiness (Model 2: $\beta = 0.073, t = 1.015, p > 0.10$) and social innovation is positive but nonsignificant, providing no support for Hypothesis 9.

For Hypothesis 10, I proposed that social support is positively related to social innovation. The regression results in Table 9.11 reveal that the relationship between social support (Model 2: $\beta = 0.240, t = 3.394, p < 0.001$) and social innovation is positive and significant, which provides support for Hypothesis 10.

**Testing of hypotheses between social innovation and outcome variables**

Similarly, I used a multivariate regression analysis to evaluate the hypothesised relationship between social innovation and the outcome constructs in this PhD thesis. The control variables were entered first (Models 3, 5, 7, 9 and 11), followed by the predictor (social innovation) (Models 4, 6, 8, 10 and 12). Table 9.12 displays the regression results.

In Hypothesis 11, I stated that social innovation is positively related to achieving the social enterprise objectives. The regression results in Table 9.12 suggest that the relationship between social innovation (Model 4: $\beta = 0.212, t = 2.505, p < 0.05$) and social enterprise objectives is positive and significant, which supports Hypothesis 11.

For Hypothesis 12, I posited that social innovation is positively related to continuous business survival of social enterprises. Accordingly, the regression results in Table 9.12 indicate that relationship between social innovation (Model 6: $\beta = 0.162, t = 2.011, p < 0.05$) and continuous business survival is positive and significant, which provides support for Hypothesis 12.
### Table 9.12: Regression results B

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Model 3 Social enterprise objectives</th>
<th>Model 4 Social enterprise objectives</th>
<th>Model 5 Continuous business survival</th>
<th>Model 6 Continuous business survival</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Control variables</strong></td>
<td>VIF</td>
<td>VIF</td>
<td>VIF</td>
<td>VIF</td>
</tr>
<tr>
<td>Organisational age</td>
<td>0.162 (1.586)</td>
<td>1.600</td>
<td>0.155 (1.548)</td>
<td>1.601</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-0.072 (-0.783)</td>
<td>1.292</td>
<td>-0.046 (-0.511)</td>
<td>1.309</td>
</tr>
<tr>
<td>Drama, Arts and Creative industries</td>
<td>-0.003 (-0.034)</td>
<td>1.417</td>
<td>-0.015 (-0.161)</td>
<td>1.420</td>
</tr>
<tr>
<td>Education and Training</td>
<td>0.014 (0.140)</td>
<td>1.613</td>
<td>0.015 (0.154)</td>
<td>1.613</td>
</tr>
<tr>
<td>Environmental and General Services</td>
<td>-0.106 (-1.150)</td>
<td>1.299</td>
<td>-0.093 (-1.024)</td>
<td>1.304</td>
</tr>
<tr>
<td>Finance and Professional Services</td>
<td>-1.135 (-1.512)</td>
<td>1.220</td>
<td>-0.136 (-1.556)</td>
<td>1.220</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>0.003 (0.028)</td>
<td>1.661</td>
<td>-0.019 (-0.186)</td>
<td>1.673</td>
</tr>
<tr>
<td>Hospitality and Food</td>
<td>0.043 (0.486)</td>
<td>1.222</td>
<td>0.489 (0.626)</td>
<td>1.222</td>
</tr>
<tr>
<td>Real Estate/Housing</td>
<td>-0.077 (-0.828)</td>
<td>1.327</td>
<td>-0.085 (-0.933)</td>
<td>1.329</td>
</tr>
<tr>
<td>Retail</td>
<td>0.022 (0.247)</td>
<td>1.222</td>
<td>0.012 (0.136)</td>
<td>1.225</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>0.111 (1.058)</td>
<td>1.686</td>
<td>0.124 (1.206)</td>
<td>1.691</td>
</tr>
<tr>
<td>London</td>
<td>0.044 (0.447)</td>
<td>1.516</td>
<td>0.032 (0.326)</td>
<td>1.520</td>
</tr>
<tr>
<td>East of England</td>
<td>0.119 (1.170)</td>
<td>1.590</td>
<td>0.091 (0.904)</td>
<td>1.610</td>
</tr>
<tr>
<td>North East</td>
<td>0.007 (0.074)</td>
<td>1.417</td>
<td>-0.015 (-0.155)</td>
<td>1.429</td>
</tr>
<tr>
<td>North West</td>
<td>0.111 (1.129)</td>
<td>1.476</td>
<td>0.094 (0.976)</td>
<td>1.483</td>
</tr>
<tr>
<td>South East</td>
<td>0.069 (0.673)</td>
<td>1.626</td>
<td>0.098 (0.963)</td>
<td>1.646</td>
</tr>
<tr>
<td>South West</td>
<td>-0.007 (-0.069)</td>
<td>1.419</td>
<td>-0.014 (-0.144)</td>
<td>1.421</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>-0.002 (-0.017)</td>
<td>1.429</td>
<td>-0.006 (-0.062)</td>
<td>1.429</td>
</tr>
<tr>
<td>Scotland</td>
<td>0.104 (1.052)</td>
<td>1.506</td>
<td>0.115 (1.180)</td>
<td>1.509</td>
</tr>
<tr>
<td>Others (Wales &amp; Northern Ireland)</td>
<td>-0.039 (-0.429)</td>
<td>1.285</td>
<td>-0.052 (-0.581)</td>
<td>1.289</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>0.237 (1.931)†</td>
<td>2.314</td>
<td>0.214 (1.766)†</td>
<td>2.329</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>-0.131 (-1.222)</td>
<td>1.761</td>
<td>-0.161 (-1.525)</td>
<td>1.784</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>-0.039 (-0.294)</td>
<td>2.710</td>
<td>-0.001 (-0.010)</td>
<td>2.746</td>
</tr>
</tbody>
</table>

**Main predictor**

<table>
<thead>
<tr>
<th>Social innovation</th>
<th>0.212 (2.505)*</th>
<th>1.144</th>
<th>0.162 (2.011)*</th>
<th>1.144</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>F-value</strong></td>
<td>0.961</td>
<td>1.219</td>
<td>1.785</td>
<td>1.919</td>
</tr>
<tr>
<td><strong>P-value</strong></td>
<td>0.520</td>
<td>0.013</td>
<td>0.023</td>
<td>0.046</td>
</tr>
<tr>
<td><strong>R-square</strong></td>
<td>0.144</td>
<td>0.184</td>
<td>0.239</td>
<td>0.262</td>
</tr>
</tbody>
</table>

**Notes:** N= 155; ***p < 0.001; **p < 0.01; *p < 0.05; †p < 0.10. Standardised coefficients are reported with t-value in parentheses; VIF = Variance Inflation Factors
<table>
<thead>
<tr>
<th>Control variables</th>
<th>Model 7</th>
<th>Model 8</th>
<th>Model 9</th>
<th>Model 10</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Social enterprise reputation</td>
<td>Social enterprise reputation</td>
<td>Community impact</td>
<td>Community impact</td>
</tr>
<tr>
<td></td>
<td>VIF</td>
<td>VIF</td>
<td>VIF</td>
<td>VIF</td>
</tr>
<tr>
<td>Organisational age</td>
<td>0.014 (0.138)</td>
<td>0.003 (0.027)</td>
<td>0.006 (0.059)</td>
<td>-0.008 (-0.086)</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-0.081 (-0.868)</td>
<td>-0.037 (-0.425)</td>
<td>0.060 (0.632)</td>
<td>0.113 (1.315)</td>
</tr>
<tr>
<td>Drama, Arts and Creative industries</td>
<td>0.034 (0.351)</td>
<td>0.014 (0.153)</td>
<td>0.085 (0.860)</td>
<td>0.060 (0.673)</td>
</tr>
<tr>
<td>Education and Training</td>
<td>0.101 (0.972)</td>
<td>0.103 (1.058)</td>
<td>-0.044 (-0.419)</td>
<td>-0.042 (-0.438)</td>
</tr>
<tr>
<td>Environmental and General Services</td>
<td>0.079 (0.848)</td>
<td>0.102 (1.161)</td>
<td>-0.008 (-0.079)</td>
<td>0.020 (0.234)</td>
</tr>
<tr>
<td>Finance and Professional Services</td>
<td>0.052 (0.573)</td>
<td>0.050 (0.587)</td>
<td>0.081 (0.882)</td>
<td>0.078 (0.944)</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>0.135 (1.282)</td>
<td>0.098 (0.987)</td>
<td>0.085 (0.789)</td>
<td>0.039 (0.398)</td>
</tr>
<tr>
<td>Hospitality and Food</td>
<td>0.125 (1.376)</td>
<td>0.124 (1.456)</td>
<td>0.058 (0.632)</td>
<td>0.057 (0.682)</td>
</tr>
<tr>
<td>Real Estate/Housing</td>
<td>0.123 (1.305)</td>
<td>0.109 (1.237)</td>
<td>0.111 (1.160)</td>
<td>0.094 (1.087)</td>
</tr>
<tr>
<td>Retail</td>
<td>0.039 (0.427)</td>
<td>0.021 (0.253)</td>
<td>-0.012 (-0.134)</td>
<td>-0.033 (-0.401)</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>0.085 (0.803)</td>
<td>0.108 (1.082)</td>
<td>0.167 (1.547)</td>
<td>0.194 (1.991)*</td>
</tr>
<tr>
<td>London</td>
<td>0.154 (1.529)</td>
<td>0.133 (1.403)</td>
<td>-0.088 (-0.864)</td>
<td>-0.115 (-1.239)</td>
</tr>
<tr>
<td>East of England</td>
<td>0.136 (1.315)</td>
<td>0.088 (0.902)</td>
<td>-0.005 (-0.050)</td>
<td>-0.064 (-0.674)</td>
</tr>
<tr>
<td>North East</td>
<td>-0.006 (-0.056)</td>
<td>-0.042 (-0.463)</td>
<td>-0.019 (-0.188)</td>
<td>-0.064 (-0.712)</td>
</tr>
<tr>
<td>North West</td>
<td>0.042 (0.424)</td>
<td>0.014 (0.149)</td>
<td>-0.017 (-0.167)</td>
<td>-0.052 (-0.564)</td>
</tr>
<tr>
<td>South East</td>
<td>-0.124 (-1.184)</td>
<td>-0.075 (-0.765)</td>
<td>-0.067 (-0.630)</td>
<td>-0.007 (-0.077)</td>
</tr>
<tr>
<td>South West</td>
<td>-0.113 (-1.153)</td>
<td>-0.124 (-1.360)</td>
<td>-0.047 (-0.478)</td>
<td>-0.062 (-0.691)</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>0.062 (0.632)</td>
<td>0.055 (0.597)</td>
<td>0.048 (0.488)</td>
<td>0.040 (0.443)</td>
</tr>
<tr>
<td>Scotland</td>
<td>0.120 (1.197)</td>
<td>0.138 (1.465)</td>
<td>0.034 (-0.338)</td>
<td>0.013 (-0.136)</td>
</tr>
<tr>
<td>Others (Wales &amp; Northern Ireland)</td>
<td>0.115 (1.239)</td>
<td>0.093 (1.068)</td>
<td>-0.031 (-0.327)</td>
<td>-0.058 (-0.677)</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>-0.101 (-0.808)</td>
<td>-0.141 (-1.205)</td>
<td>-0.028 (-0.223)</td>
<td>-0.078 (-0.677)</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>-0.118 (-1.086)</td>
<td>-0.170 (-1.655)</td>
<td>-0.057 (-0.513)</td>
<td>-0.120 (-1.195)</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>0.115 (0.849)</td>
<td>0.179 (1.406)</td>
<td>0.098 (0.719)</td>
<td>0.177 (1.422)</td>
</tr>
</tbody>
</table>

**Main predictor**

<table>
<thead>
<tr>
<th>Social innovation</th>
<th>0.361 (4.393)**</th>
<th>1.144</th>
<th>0.442 (5.502)**</th>
<th>1.144</th>
</tr>
</thead>
<tbody>
<tr>
<td>F-value</td>
<td>0.784</td>
<td>1.660</td>
<td>0.604</td>
<td>1.970</td>
</tr>
<tr>
<td>P-value</td>
<td>0.746</td>
<td>0.000</td>
<td>0.920</td>
<td>0.000</td>
</tr>
<tr>
<td>R-square</td>
<td>0.121</td>
<td>0.235</td>
<td>0.096</td>
<td>0.267</td>
</tr>
</tbody>
</table>

**Notes:** N=155; **p < 0.001; **p < 0.01; *p < 0.05; †p < 0.10. Standardised coefficients are reported with t-value in parentheses; VIF = Variance Inflation Factors
In Hypothesis 13, I argued that social innovation is positively related to the social enterprise reputation. The regression results in Table 9.12 demonstrates that the relationship between social innovation (Model 8: $\beta = 0.361$, $t = 4.393$, $p < 0.001$) and social enterprise reputation is positive and significant, supporting Hypothesis 13.
With Hypothesis 14, I predicted that social innovation is positively related to community impact. The regression results in Table 9.12 show that the influence of social innovation (Model 10: $\beta = 0.442$, $t = 5.502$, $p < 0.001$) on community impact is positive and significant, which provides support for Hypothesis 14.

In Hypothesis 15, I stated that social innovation is positively related to work pressure in social enterprises. However, the regression results in Table 9.12 reveal that the relationship between social innovation (Model 12: $\beta = -0.083$, $t = -1.001$, $p > 0.10$) and work pressure is negative and nonsignificant, which does not support Hypothesis 15.

9.7 Post-hoc probing (additional analyses)

I conducted additional analyses to ensure robustness of the data analysis in this chapter. Firstly, I calculated and reported the values of the variance inflation factors (VIFs) to evaluate the possibility of multicollinearity in the regression models (see the regression results tables). The results demonstrate that all the calculated VIF values were less than 4, indicating that multicollinearity is not a threat to the quantitative findings reported in the study (Hair et al., 2010).

Secondly, I also undertook a path analysis using maximum likelihood estimator, in which I tested all the hypothesised relationships simultaneously to verify the stability in the results of the multivariate regression analysis (see Ko et al., 2019). Path analysis allows a researcher to structurally model the variation in multiple dependent (outcome) variables as a linear function of a set of independent variables (Collier, 2020). The findings from the path analysis were consistent with the results from the test of hypotheses using multivariate regression analysis (see Table 9.13).

Lastly, I evaluated the survey data for endogeneity bias to rule out endogeneity concerns in the study. Endogeneity bias occurs when an independent variable correlates with an error term in the regression model, thereby leading to inconsistent regression estimates. This bias could be caused by omitted independent variables, measurement error and simultaneous causality (Rutz and Watson, 2019). Consequently, it is possible that the 10 antecedents’ drivers (directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, staff diversity, staff skills, available finance, funders’ perception, community readiness and social support) in this study could be endogenous due to one or more of the stated
reasons above, which could make their established relationship with social innovation inconsistent.

Accordingly, I took steps to rule out endogeneity bias in the study by utilising a two-stage least squares regression analysis based on suggestion from extant studies (Achi et al., 2022; Poppo et al., 2016), in the first stage, I separately regressed the 10 antecedent drivers on organisational age, organisational size, industry focus, organisational turnover, organisational location, competitive intensity, technological turbulence and market turbulence to obtain the individual regression residuals for the 10 antecedents. These obtained regression residuals are free from the influence of the above-mentioned variables. In the second stage, I used the obtained individual regression residual values for the 10 antecedents as their estimates and regressed them together against social innovation, alongside the control variables. The patterns of results obtained using the regression residuals of the antecedents (see Appendix 9) were consistent with results presented in Table 9.11 of this chapter. Hence, I conclude that endogeneity bias is not a major threat to the findings reported in this chapter.
### Table 9. 13: Path analysis results

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Social innovation</th>
<th>Social enterprise objectives</th>
<th>Continuous business survival</th>
<th>Social enterprise reputation</th>
<th>Community impact</th>
<th>Work pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hypothesised structural paths</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Antecedent effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1: Directors’ exposure</td>
<td>0.177 (2.497)*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2: Directors’ personal values</td>
<td>0.134 (1.972)*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H3: Entrepreneurial mindset</td>
<td>0.308 (4.771)***</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H4: Mission-focused employees</td>
<td>0.214 (2.688)**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H5: Team diversity</td>
<td>0.015 (0.823)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H6: Staff skills</td>
<td>0.005 (0.957)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H7: Available finance</td>
<td>-0.050 (-0.798)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H8: Funders’ perception</td>
<td>0.162 (2.404)*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H9: Community readiness</td>
<td>0.073 (1.149)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H10: Social support</td>
<td>0.240 (3.841)***</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outcome effects</strong></td>
<td></td>
<td>0.212 (3.054)**</td>
<td>0.162 (2.196)*</td>
<td>0.361 (4.797)***</td>
<td>0.442 (6.008)***</td>
<td>-0.083 (-1.093)</td>
</tr>
<tr>
<td>H11-15: Social innovation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Control paths</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational age</td>
<td>0.044 (0.668)</td>
<td>0.155 (1.691)†</td>
<td>-0.067 (-0.772)</td>
<td>0.003 (-0.029)</td>
<td>-0.008 (-0.094)</td>
<td>0.025 (0.275)</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-0.017 (-0.291)</td>
<td>-0.046 (-0.558)</td>
<td>0.027 (0.341)</td>
<td>-0.037 (-0.464)</td>
<td>0.113 (1.436)</td>
<td>-0.001 (-0.012)</td>
</tr>
<tr>
<td>Drama, Arts and Creative industries</td>
<td>0.055 (0.876)</td>
<td>-0.015 (-0.175)</td>
<td>0.162 (1.972)**</td>
<td>0.014 (0.167)</td>
<td>0.060 (0.734)</td>
<td>0.082 (0.970)</td>
</tr>
<tr>
<td>Education and Training</td>
<td>-0.135 (-2.045)*</td>
<td>0.015 (0.168)</td>
<td>0.124 (1.413)</td>
<td>0.103 (1.155)</td>
<td>-0.042 (-0.478)</td>
<td>-0.002 (-0.027)</td>
</tr>
<tr>
<td>Environmental and General Services</td>
<td>-0.032 (-0.550)</td>
<td>-0.093 (-1.118)</td>
<td>0.063 (0.793)</td>
<td>0.102 (1.268)</td>
<td>0.020 (0.256)</td>
<td>-0.054 (-0.665)</td>
</tr>
<tr>
<td>Finance and Professional Services</td>
<td>-0.024 (-0.419)</td>
<td>-0.136 (-1.699)</td>
<td>0.092 (1.211)</td>
<td>0.050 (0.641)</td>
<td>0.078 (1.031)</td>
<td>-0.002 (-0.031)</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>-0.027 (-0.400)</td>
<td>-0.019 (-0.203)</td>
<td>0.119 (1.329)</td>
<td>0.098 (1.077)</td>
<td>0.039 (0.434)</td>
<td>0.032 (0.349)</td>
</tr>
<tr>
<td>Hospitality and Food</td>
<td>0.034 (0.591)</td>
<td>0.043 (0.533)</td>
<td>0.057 (0.747)</td>
<td>0.124 (1.590)</td>
<td>0.057 (0.745)</td>
<td>0.010 (0.132)</td>
</tr>
<tr>
<td>Real Estate/Housing</td>
<td>-0.006 (-0.107)</td>
<td>-0.085 (-1.019)</td>
<td>0.101 (1.273)</td>
<td>0.109 (1.350)</td>
<td>0.094 (1.187)</td>
<td>0.160 (1.968)*</td>
</tr>
<tr>
<td>Retail</td>
<td>0.060 (1.036)</td>
<td>0.012 (0.148)</td>
<td>0.040 (0.520)</td>
<td>0.021 (0.276)</td>
<td>-0.033 (-0.438)</td>
<td>0.041 (0.524)</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>-0.088 (-1.289)</td>
<td>0.124 (1.317)</td>
<td>0.384 (4.283)***</td>
<td>0.108 (1.181)</td>
<td>0.194 (2.174)*</td>
<td>-0.008 (-0.090)</td>
</tr>
<tr>
<td>London</td>
<td>0.001 (0.024)</td>
<td>0.032 (0.356)</td>
<td>-0.133 (-1.561)</td>
<td>0.133 (1.532)</td>
<td>-0.115 (-1.353)</td>
<td>-0.097 (-1.115)</td>
</tr>
<tr>
<td>Region</td>
<td>β</td>
<td>(SE)</td>
<td>β</td>
<td>(SE)</td>
<td>β</td>
<td>(SE)</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------</td>
<td>-----------------------------</td>
<td>-------</td>
<td>-----------------------------</td>
<td>-------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>East of England</td>
<td>0.047</td>
<td>(0.711)</td>
<td>0.091</td>
<td>(0.988)</td>
<td>-0.146</td>
<td>(-1.655)†</td>
</tr>
<tr>
<td>North East</td>
<td>0.141</td>
<td>(2.312)*</td>
<td>-0.015</td>
<td>(-0.169)</td>
<td>-0.145</td>
<td>(-1.755)†</td>
</tr>
<tr>
<td>North West</td>
<td>0.021</td>
<td>(0.342)</td>
<td>0.094</td>
<td>(1.066)</td>
<td>-0.029</td>
<td>(-0.344)</td>
</tr>
<tr>
<td>South East</td>
<td>-0.042</td>
<td>(-0.618)</td>
<td>0.098</td>
<td>(1.051)</td>
<td>-0.129</td>
<td>(-1.460)</td>
</tr>
<tr>
<td>South West</td>
<td>0.060</td>
<td>(0.938)</td>
<td>-0.014</td>
<td>(-0.158)</td>
<td>-0.052</td>
<td>(-0.631)</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>0.082</td>
<td>(1.306)</td>
<td>-0.006</td>
<td>(-0.068)</td>
<td>-0.038</td>
<td>(-0.463)</td>
</tr>
<tr>
<td>Scotland</td>
<td>-0.052</td>
<td>(-0.815)</td>
<td>0.115</td>
<td>(1.288)</td>
<td>-0.118</td>
<td>(-1.394)</td>
</tr>
<tr>
<td>Others (Wales &amp; Northern Ireland)</td>
<td>0.102</td>
<td>(1.732)†</td>
<td>-0.052</td>
<td>(-0.634)</td>
<td>0.020</td>
<td>(0.251)</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>0.107</td>
<td>(1.251)†</td>
<td>0.214</td>
<td>(1.929)†</td>
<td>-0.070</td>
<td>(-0.668)</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>0.086</td>
<td>(1.228)</td>
<td>-0.161</td>
<td>(-1.666)†</td>
<td>-0.040</td>
<td>(-0.430)</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>-0.142</td>
<td>(-1.547)</td>
<td>-0.001</td>
<td>(-0.011)</td>
<td>-0.020</td>
<td>(-0.176)</td>
</tr>
</tbody>
</table>

| R-square                       | 0.609 | 0.184                        | 0.262 | 0.235                        | 0.267 | 0.228                        |

**Fit indices:** $\chi^2_{[50]} = 71.776, p < 0.05, \chi^2/df = 1.436, CFI = 0.922, RMSEA = 0.053, SRMR = 0.022

**Notes:** N=155; ***p < 0.001; **p < 0.01; *p < 0.05; †p < 0.10. Standardised coefficients are reported with t-value in parentheses.
9.8 Summary
In this chapter, I outlined the results of the hypotheses evaluated in this study. Following recommended measure development procedures, I established the validity and reliability of the measures used in this study including the newly developed scales. Further, I presented the results from the hypotheses testing via multivariate regression analysis. In the subsequent chapter, I discuss the overall findings of this PhD thesis.
CHAPTER 10

DISCUSSION AND INTEGRATION OF FINDINGS

10.1 Introduction
In this chapter, I discuss the findings of this current research to shed light on the nature, antecedents, and organisational related outcomes of social innovation. In doing so, I provide answers to the research questions of this PhD thesis. Specifically, I begin by addressing research question 1 via discussion of findings relating to the nature, conceptualisation, and measure of social innovation. Second, I address research question 2 by discussing the findings on the antecedents of social innovation. Third, I discuss the findings relating to research question 3 on the identified organisational related outcomes of social innovation. Finally, I discuss the additional findings from the study.

10.2 Discussion of research question 1: What is the nature of social innovation in social enterprises and how can it be conceptualised?
The first research question of this PhD thesis focused on the nature and conceptualisation of social innovation, which is the focal construct in this study. Previous research has suggested that there is a lack of clear understanding of the nature of social innovation due to its pervasiveness (Foroudi et al., 2021; Edwards-Schachter and Wallace, 2017). This has resulted in a narrow understanding of the conceptualisation and measurement of social innovation (see Solis-Navarrete, Bucio-Mendoza and Paneque-Gálvez, 2021; Shier et al., 2019). Hence, it became important to understand what it means to engage in ‘social innovation’ for social enterprises (Phillips et al., 2019; Goldstein et al., 2010). Consequently, to provide an answer to the research question 1, I used a mixed methods research design involving both qualitative and quantitative data in separate phases to understand the nature, conceptualise, and measure the social innovation construct.

From the qualitative findings in the qualitative phase in Chapter 5 (see Section 5.2), I discovered that social innovation is a multidimensional construct comprising of three aggregate theoretical dimensions: social-focused creativity, transformative value, and inclusiveness orientation. These three theoretical dimensions are further discussed. The first dimension of social-focused creativity represents the organisational focus on social goals through applying creative approaches that can solve the social
problems and/or take opportunities of market ‘gaps’ in the society. Accordingly, prior studies have indicated that social innovation involves creatively developing social entrepreneurial solutions using non-traditional pragmatic means to address social issues and opportunities (João-Roland and Granados, 2020; Phillips et al., 2019; Kickul et al., 2018).

The second dimension of **transformative value** depicts the ability to develop context-specific initiatives and programmes that ensures social enterprises can act as a cornerstone for driving change and improvement in the society. Imperatively, this dimension reflects arguments in existing research that social innovation has the capability to transform the society and ensure positive community changes (Garrigós et al., 2021, Ko et al., 2019; Shier and Handy, 2015b).

The third dimension of **inclusiveness orientation** exemplifies the ability to develop partner relationships, work cooperatively with other organisations and provide access to certain services for the community. This ensures social enterprises can gain legitimacy as their actions are largely targeted at ensuring inclusiveness for the good of the community. Correspondingly, this dimension of social innovation resonates well with prior studies that contend that social innovation involves social enterprises collaborating with other organisations to ensure communities can benefit from services that they would have been excluded from accessing (von Jacobi, et al., 2017; Shier and Handy, 2016a).

Moreover, based on the multidimensional conceptualisation of social innovation and explication of its inherent theoretical dimensions, I also advanced the following operationalised definition of social innovation as:

> ‘a social enterprise’s context-specific programs and initiatives that are built on the foundation of social-focused creativity with the aim to enhance the current position of the organisation and its stakeholders through attributes of transformative value and inclusiveness orientation.’

More importantly, the findings from the qualitative phase of the PhD thesis provided the foundations for developing a new scale for measuring the social innovation construct. As I explicated in Chapter 8 (Section 8.2) of this PhD thesis, based on insights from the findings of the qualitative phase and a subsequent review of literature
to search for measurement scales, there was not an existing conceptually relevant and reliable scale of social innovation in the extant literature. Accordingly, I used the insights from the Gioia methodology analysis of the qualitative data to develop a reliable and valid scale for measuring social innovation. This was imperative to meeting the stated objectives of the PhD thesis as it allowed me to quantitatively investigate the antecedents and organisational related outcomes of the social innovation construct.

In the quantitative phase, I employed the survey data collected and analysed to advance the operationalisation of the social innovation construct via scale development and validation based on the preliminary qualitative findings of the study. The developed and validated new measure of social innovation encapsulates the multidimensional nature of the construct within the social enterprise context. Specifically, the findings from the qualitative data that social innovation consists of social-focused creativity, transformative value and inclusiveness orientation was supported by the results of a rigorous scale development procedures such as EFA and CFA. Additionally, the scale validation results demonstrated that each of the dimensions possess strong psychometric properties as they possess adequate levels of internal consistency (composite reliability) and construct validity (Bagozzi and Yi, 2012). Thus, the results of the scale development and validation stages indicated that the multidimensional social innovation scale I proposed is a valid, reliable, and stable measurement instrument. Consequently, I conclude that social innovation is measured as a multidimensional second-order construct comprising of three first-order dimensions.

Summarily, these findings regarding the research question 1 offers a rich and more nuanced understanding of the nature, conceptualisation, and operational definition of social innovation. This includes the quantitative empirical validation of the multidimensionality of the construct, verifying that each of its three (sub-) dimensions is relevant and distinct. Thus, this PhD thesis refines the conceptual meaning of social innovation and advances a flexible scale for measuring it thereby, contributing to the existing knowledge.
10.3 Discussion of research question 2: What are the antecedents favouring or hindering social innovation in social enterprises?

The second research question I addressed is related to the antecedents of social innovation. This was because of the dearth of studies examining the antecedents driving the development and engagement of social innovation especially in the social enterprise context (see Ko et al., 2019; Shier et al., 2019). Accordingly, I collected and analysed both qualitative and quantitative data in separate phases to provide an answer to the research question 2. In the paragraphs below, I discuss the implications of the findings from both the qualitative and quantitative phases.

Specifically, the preliminary findings from the qualitative phase highlighted in Chapter 5 (see Section 5.4) generated exploratory evidence for 10 emergent different antecedents that can drive development of social innovation. Additionally, I compartmentalised these 10 antecedents into five different aggregated descriptors to capture them at a more abstract level based on their underlying commonalities (see Figure 5.2). The first aggregate descriptor is directors’ cultural capital which comprises of (1) directors' exposure and (2) directors’ personal values. The second aggregate descriptor is social entrepreneurial passion consisting of (3) entrepreneurial mindset and (4) mission-focused employees. The third aggregate descriptor is human resources decisions which includes (5) staff diversity and (6) staff skills. The fourth aggregate descriptor is access to funding resources consisting of (7) available finance and (8) funders’ perception. The final aggregate descriptor is social connections comprising of (9) community readiness and (10) social support.

Further, I evaluated these qualitative findings on the relationships between the 10 antecedents and social innovation in the quantitative phase of the PhD thesis. As presented in Chapter 6, I used the findings from the qualitative phase and theoretical insights from existing literature to build a conceptual framework (see Figure 6.1) that hypothesised relationships contending that the 10 antecedents are positively related to social innovation. Accordingly, I collected quantitative data and tested the hypothesised relationships using multivariate regression analysis and path analysis (see Chapter 9). In Table 10.1, I display the results of the hypotheses testing regarding the 10 antecedents and social innovation. Below, I explain the findings of the hypothesis testing within this section.
### Table 10.1: Hypothesis testing results on antecedents of social innovation

<table>
<thead>
<tr>
<th>Antecedents</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H1</strong> Directors’ exposure is positively related to social innovation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H2</strong> Directors’ personal values is positively related to social innovation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H3</strong> Entrepreneurial mindset is positively related to social innovation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H4</strong> Mission-focused employees is positively related to social innovation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H5</strong> Staff diversity is positively related to social innovation</td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>H6</strong> Staff skills is positively related to social innovation</td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>H7</strong> Available finance is positively related to social innovation</td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>H8</strong> Funders’ perception is positively related to social innovation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H9</strong> Community readiness is positively related to social innovation</td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>H10</strong> Social support is positively related to social innovation</td>
<td>Supported</td>
</tr>
</tbody>
</table>

**Directors’ exposure and social innovation**

Directors’ exposure is concerned with the education and lived experiences of directors (inclusive of managers) of social enterprises. Accordingly, the first hypothesis I tested was to determine whether directors’ exposure is positively related to social innovation. The results of hypothesis testing demonstrated that directors’ exposure has positive relationship with social innovation.

To the best of my knowledge, this is the first study that provides an empirical finding on the positive linkage between directors’ exposure and social innovation. Additionally, this result from the hypothesis testing resonates with the exploratory findings in the qualitative phase of the PhD thesis that accumulated knowledge and experiences of directors is a key driver of social innovation in social enterprises. Further, this finding is consistent with the extant literature suggestion that the background and lived experiences of individuals such as social entrepreneurs is a potential source of social innovation (Cajaiba-Santana, 2014, Howaldt and Schwarz, 2010).

Also, from a knowledge-based view of organisations (Grant, 1996), the presence of well experienced directors in social enterprises is an essential resource for developing efficient social innovation (see Helfat and Martin, 2015b; Simon and Hitt, 2009). Moreover, a particular reason for the positive relationship between directors’ exposure and social innovation could be that educational and lived experiences of directors allows them to effectively absorb and combine knowledge resources of the social enterprise in an efficient manner that leads to successful social innovation (cf. Rashid,
Besides, directors’ exposure can be considered an intangible resource that is difficult for other organisations to imitate, thereby serving as a source of competitive advantage in the development of social innovation by social enterprises (Mahoney and Kor, 2015).

**Directors’ personal values and social innovation**

Directors’ personal values reflect the extent at which the desirable end states of directors in social enterprises influence their choices or actions. In this hypothesis, I evaluated the positive relationship between directors’ personal values and social innovation. From the results of the hypothesis testing, I discovered that a positive relationship exists between directors’ personal values and social innovation in social enterprises. Relatively, this is the first study to best of my knowledge that uses quantitative data to empirically show the positive link between directors’ personal values and social innovation. Additionally, this result corroborates the suggestion from the qualitative phase of the PhD thesis that directors’ personal values is essential to identifying and executing opportunities for social innovation.

Drawing from the existing studies, a possible reason for the existence of a positive relationship between directors’ personal values and social innovation is because director’s personal values are stewardship resources vital for developing a strong culture of mobilizing resources and capabilities necessary for ensuring success of social innovation (Bacq and Eddleston, 2018; Zahra et al., 2009; Hemingway, 2005).

Based on the discussed findings here, it is important that directors of social enterprises possess personal values that can spur social innovation.

**Entrepreneurial mindset and social innovation**

Entrepreneurial mindset reflects the ability of organisations to sense, take actions and mobilise resources in the face of uncertain conditions (Haynie et al., 2010). For this hypothesis, I assessed whether entrepreneurial mindset is positively related to social innovation. Result of the hypothesis testing indicated that entrepreneurial mindset is positive and significantly associated with social innovation. This is consistent with the exploratory findings in the qualitative phase of the research where I discovered that entrepreneurial mindset is a driver of social innovation.

Correspondingly, previous studies indicate that entrepreneurial mindset brings in a ‘growth-oriented perspective’ to the social enterprise by ensuring the use of resources
for continuous social innovation in the organisation (Kuratko, 2021; Luke, et al., 2011; Ireland et al., 2003). Based on the discussions provided here, entrepreneurial mindset not only directly influences social innovation itself, but also assists in improving the organisational activities of social enterprises. Broadly, this current research contributes to a better understanding of the important role of entrepreneurial mindset as a positive predictor of social innovation within the context of social enterprises.

**Mission-focused employees and social innovation**

Mission-focused employees reflects the involvement and dedication of members to the goals and objectives of the social enterprise. For this hypothesis, I examined whether there is a positive relationship between mission-focused employees and social innovation. The result of the hypothesis testing revealed that mission-focused employees is positive and significantly related with social innovation. This corroborates with the exploratory findings in the qualitative phase of the research where I uncovered that mission-focused employees drive the development of successful social innovation in the social enterprise. Further, these findings are consistent with insights from prior research that suggest that a strong dedication of organisational members to their goals can aid in strengthening the social innovation process (cf. Wang and Rafiq, 2014; Pearce and Ensley, 2004).

Imperatively, to the best of my knowledge, this current study is the first to empirically identify and provide empirical evidence for the positive relationship between mission-focused employees and social innovation in the context of social enterprises. Consequently, the findings highlighted here contribute to our further understanding of the vital influence of mission-focused employees on social innovation.

**Staff diversity and social innovation**

The presence of staff diversity in the workplace has become the building blocks of contemporary organisations (Lee and Kim, 2020; Shin et al., 2012). For this hypothesis, I assessed if staff diversity is positively related to social innovation. Unexpectedly, this test of hypothesis demonstrated that staff diversity is positive but not significantly related to social innovation. Hence, indicating that staff diversity is not a predictor of social innovation which in a way opposes the exploratory findings I uncovered in the qualitative phase of the PhD thesis.
Moreover, this hypothesis result is also contradictory to suggestions from previous research on general innovation that indicates the presence of diversity in organisations can strengthen innovation processes (Østergaard et al., 2011; Yap et al., 2005). A possible explanation for this unexpected result may be that staff diversity is considered a less valuable factor for developing successful social innovation in the presence of other antecedents in the social enterprise. Also, it could be that the influence of staff diversity on social innovation may become important if the sampled social enterprises were from within a specific industry focus. Thus, it may be the response bias of the sampled social enterprises (Shier et al., 2019). Therefore, I suggest that future research may need to investigate social enterprises with similar specific industry focus to accurately assess the relationship between staff diversity and social innovation.

**Staff skills and social innovation**

Staff skills reflect the capability of the social enterprise to possess organisational members who have the essential skills imperative for their work position (Bloom and Chatterji, 2009). In this hypothesis, I evaluated whether staff skills is positively related to social innovation. The result from the test of the hypothesis showed that staff skills is positive and but not significantly related to social innovation. This finding is unexpected and does not corroborate with the qualitative findings from my analysis of the interview data in the qualitative phase where I uncovered that staff skills plays an important role in the development of social innovation.

Further, the hypothesis result is inconsistent with insights from previous studies that suggests that staff skills is a crucial resource for ensuring social enterprises can deliver on their social innovation activities (see Lyon and Fernandez, 2012; Bloom and Smith 2010). A potential explanation for this unsupported hypothesis results could be that staff may not need to have strong skills or expertise to develop and contribute meaningfully to social innovation efforts of their social enterprises. It is also possible that other antecedents identified in this PhD thesis (e.g., mission-focused employees) are more fundamental to the development of social innovation than staff skills. Consequently, I suggest that more research is needed to investigate the staff skills as a valuable predictor of social innovation efforts in social enterprises.
**Available finance and social innovation**

Available finance reflects the presence of financial resources that ensures social enterprises can carry out their business activities. For this hypothesis, I examined whether available finance is positively related to social innovation. The result of the hypothesis revealed that available finance does not have a positive and significant relationship with social innovation. This suggests that available finance is not an important predictor of social innovation. Surprisingly, this contradicts the exploratory findings in the qualitative phase where I uncovered from the interview data that available finance is a vital resource for driving social innovation.

There may be several reasons for this unexpected hypothesis result. First, it is possible that access to financial resources may translate to inefficiency for organisations which ultimately may contribute to lack of social innovation for the social enterprise (see Pervan *et al.*, 2015; Mishina, Pollock, and Porac, 2004). Additionally, it could be that by having available finance at their disposal, social enterprises could deem it that is only sufficient for generating other resources in the organisation and decide not to employ them as a strategic resource for developing social innovation (Demirkan, 2018). Consequently, these discussions imply that there may be the need for future research to carefully consider the different mechanisms through which available finance may influence social innovation.

**Funders’ perception and social innovation**

Funders’ perception reflects the perceived degree of trust funders place on the innovation activities of social enterprises. In this hypothesis, I evaluated whether funders’ perception is positively related to social innovation. As I expected, the result from the test of the hypothesis demonstrated that funders’ perception is positive and significantly related to social innovation. Accordingly, the result is consistent with the findings from my analysis of the interview data in the qualitative phase where I uncovered that funders’ perception is an important driver of social innovation.

Additionally, these findings are in concordance with the suggestion from extant research that funders’ perception is a fundamental resource for generating social innovation (cf. Klafke *et al.*, 2021; Davis, Hmieleski, Webb and Coombs, 2017; Maxwell and Lévesque, 2014). In other words, when funders’ have positive perception of a social innovation pitch, it results in an increase in social innovation initiatives of
social enterprises. To the best of my knowledge, this is one of the first research studies that empirically highlights the positive relationship between funders’ perception and social innovation efforts of social enterprises. Overall, these findings provide important insights on understanding the role of funders’ perception as a valuable predictor of social innovation in the social enterprise context.

**Community readiness and social innovation**

Community readiness represents the perceived willingness of a community to engage with a social enterprise on its activities. In this hypothesis, I predicted that community readiness is positively related to social innovation. Unexpectedly, the test of hypothesis revealed that community readiness was not positive and significantly related to social innovation. The result of the hypothesis testing is surprising for a number of reasons. First, the result is contrary to the suggestion from the exploratory findings of the qualitative phase which indicated that community readiness is one of the factors driving social innovation of social enterprises. Also, it counters the arguments from extant literature suggesting that community readiness is vital to the development and uptake of social innovation interventions in a community (cf. Khatun *et al.*, 2016; Slater, Kelly and Edwards, 2000).

Furthermore, a possible reason behind the lack of support for the predicted positive link between community readiness and social innovation could be that managers of social enterprises consider other antecedent drivers (e.g., entrepreneurial mindset) more important in developing successful social innovation than community readiness. Besides, given that the qualitative findings indicate that community readiness for social innovation interventions are mainly context specific, I suggest that future research integrate contextual characteristics of the construct in investigating its effect on social innovation efforts of social enterprises.

**Social support and social innovation**

Social support describes the perception that the social networks of the social enterprise encourage and support their activities. The results from my test of the research hypothesis predicting that social support is positively related to social innovation, indicated that social support positively influences social innovation. Besides, the result is consistent with the findings of the qualitative phase of the PhD thesis where I discovered that social support is an important antecedent of the social
innovation efforts of social enterprises. Impliedly, the findings here suggest that social support from the network of a social enterprise is an essential element that can aid in the development of successful social innovation in the organisation.

Based on suggestions from existing studies, this is because the embeddedness of social enterprises in their social networks ensures they receive the necessary social support that can facilitate successful outcomes for their social innovation efforts (cf. Parida and Örtqvist, 2015; Camps and Marques, 2014). Moreover, proponents of the resource-based theory indicates that social support from a social enterprise’s network can be a vital relational resource that assists in developing social innovation (Ko et al., 2019; Le Ber and Branzei, 2010). Impliedly, social enterprises should always look for means of ensuring that they receive social support which will eventually translate to development of successful social innovation. Overall, the empirical findings discussed here imply that social support is an important resource for social enterprises seeking to enhance their social innovation initiatives, which improves current knowledge in the literature on the social innovation construct.

Together, the findings on the antecedents of social innovation shed light on the important role of several factors such as directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, funders’ perception, and social support on the social innovation efforts of social enterprises. Broadly, these findings aid in enhancing our understanding of social innovation within the social enterprise context.

10.4 Discussion of research question 3: What are the organisational related outcomes of social innovation in social enterprises?

The third research question I addressed in this PhD thesis is related to the outcomes of social innovation in social enterprises. Previous research has suggested that social innovation is crucial to the activities of social enterprises (Phillips et al., 2019). However, very little is currently known about the organisational related outcomes of social innovation (see João-Roland and Granados, 2020; Lee et al., 2019). The few existing empirical studies have focused on social innovation as a performance outcome rather than using it as predictor for organisational outcomes (see Ko et al., 2019; Dwivedi and Weerawardena, 2018). Hence, empirical insights concerning the
organisational related outcomes of social innovation within social enterprises is limited, which warrants scrutiny.

Accordingly, to provide an answer to research question 3, I discuss the findings from the qualitative and quantitative phases of this PhD investigation. From the qualitative findings in the qualitative phase, I uncovered five emergent organisational related outcomes of social innovation which includes social enterprise objectives, continuous business survival, social enterprise reputation, community, and work pressure as highlighted in Chapter 5 (see Section 5.5). Further, I used insights from the qualitative phase and the extant literature to develop testable research hypotheses concerning social innovation and the five identified outcomes as demonstrated in this study’s conceptual framework (see Figure 6.1). In Table 10.2, I summarise the results of the hypothesis testing concerning social innovation and its organisational related outcomes in social enterprises. Additionally, I discuss the results of the hypothesis testing in relation to the qualitative findings and existing research.

<table>
<thead>
<tr>
<th>Organisational related outcomes</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>H11</strong> Social innovation is positively related to achieving the social enterprise objectives</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H12</strong> Social innovation is positively related to continuous business survival</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H13</strong> Social innovation is positively related to social enterprise reputation</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H14</strong> Social innovation is positively related to community impact</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>H15</strong> Social innovation is positively related to work pressure</td>
<td>Not supported</td>
</tr>
</tbody>
</table>

**Social innovation and social enterprise objectives**

To achieve social enterprise objectives, social enterprises often rely on their ability to engage in social innovation (cf. Bhattarai *et al.*, 2019). In this hypothesis, I predicted that social innovation is positively related to achieving the social enterprise objectives. As I expected, the results from the hypothesis testing revealed that the relationship between social innovation and achieving the social enterprise objectives was positive and significant. Additionally, this result is consistent with the qualitative findings from the qualitative phase of this PhD thesis which I uncovered that successful social innovation is an important element for strengthening the attainment of social enterprise objectives.

Further, from a resource-based perspective (e.g., Ko *et al.*, 2019; Bacq and Eddleston, 2018; Desa and Basu, 2013), this finding indicates that social innovation is a vital
resource for social enterprises seeking to attain their organisational objectives. This finding extends our current knowledge and highlights that social innovation can be considered an important organisational capability that sets apart social enterprises who meet their objectives and those that do not.

**Social innovation and continuous business survival**

Social enterprises rely on their social innovation efforts to remain competitive in the marketplace (Weerawardena and Mort, 2012). In this hypothesis, I hypothesised that social innovation is positively related to continuous business survival. As I expected, the results from the hypothesis testing revealed that the relationship between social innovation and continuous business survival was positive and significant. Besides, this result is congruent with qualitative findings from the qualitative phase of this PhD thesis where I discovered that successful social innovation is likely to increase the likelihood of continuous survival of social enterprises.

Additionally, these findings seem to suggest that unlike several profit-seeking small and medium organisations, social enterprises engaging in successful social innovation may not have been adversely affected by nonnormal business shocks like the COVID-19 pandemic (cf. Katare, Marshall and Valdivia, 2021). Importantly, these findings generate rich insights on the strategic role of social innovation in ensuring the competitiveness and continuous existence of social enterprises.

**Social innovation and social enterprise reputation**

Previous research suggests that environmentally focused innovation like social innovation could be important for the reputation of organisations (cf. Liao, 2018; Vidaver-Cohen and Brønn, 2015). In this hypothesis, I predicted that social innovation is positively related to social enterprise reputation. The results from the hypothesis testing demonstrated that the relationship between social innovation and social enterprise reputation was positive and significant. Furthermore, this result corroborates with exploratory insights from the qualitative phase of this PhD thesis which suggested that successful social innovation can assist social enterprises to strengthen their organisational reputation.

Moreover, these findings were expected because from engaging in social innovation initiatives, extant studies on reputation contends that social enterprise would receive positive feedback from beneficiaries and earn the trust of their market (Manohar *et al.*, 2019).
Besides, to the best of my knowledge, this research is one of the very first that provides empirical support for the role of social innovation as a valuable predictor of social enterprise reputation. Hence, this finding contributes to existing studies by improving our understanding of the social innovation discourse and highlighting the importance of social innovation to the reputation of social enterprises.

**Social innovation and community impact**

Community impact represents the effect that the actions of social enterprises have on people in the community. In this hypothesis, I predicted that social innovation is positively related to community impact. As I expected, the relationship between social innovation and community impact was positive and significant.

Besides, this result resonates well with the qualitative findings of this PhD thesis which I demonstrated that successful social innovation is a driver of a social enterprise’s community impact. These findings are consistent with suggestions in the social innovation literature. Previous studies have largely indicated that social innovation assists organisations to improve the conditions of the community (Peerally, et al., 2019; Caroli, et al., 2018; Weerawardena and Mort, 2012). Consequently, this finding extends past research on social innovation by being one of the first to provide both qualitative and quantitative evidence on the positive influence of social innovation and community impact.

**Social innovation and work pressure**

I also evaluated the hypothesis that social innovation is positively related to work pressure in social enterprises. Unexpectedly, the result of this hypothesis suggested that there is no significant positive relationship between social innovation and work pressure. This result challenges the exploratory findings I uncovered in the qualitative phase indicating that work pressure is an adverse outcome of social innovation initiatives in social enterprises.

One possible explanation for the hypothesis result could be that social enterprises I sampled may have been in situations where they have developed successful social innovation without experiencing any serious form of work pressure. Hence, it may be the survivorship bias of the sampled social enterprises (Bloom and Smith, 2010). Another potential reason for the unsupported proposed positive linkage between
social innovation and work pressure may depend on the industry focus of social enterprises. For instance, this adverse effect of social innovation may be more pertinent in social enterprises focusing on health and social care which requires significant amount of physical and mental job stress to deliver their service to beneficiaries. Consequently, the findings discussed here regarding work pressure as a potential dark side of social innovation warrants further investigation in future research if only for its intuitive appeal (see Atuahene-Gima, 1996).

Together, these findings discussed here based on the combination of insights from the qualitative and quantitative phases of this research demonstrates that social innovation is a valuable predictor of social enterprise objectives, continuous business survival, social enterprise reputation and community impact. Succinctly, these findings extend our current understanding about the role of social innovation in the success of social enterprises.

10.5 Additional findings: development of directors’ exposure scale
In this PhD thesis, I also developed and validated the directors’ exposure construct using the inductive method (see Hinkin, 1998). This was essential given that there was no suitable scale in existing studies to measure the construct in the context of this PhD thesis.

The results of the EFA (see Section 8.4) and the CFA (see Section 9.4) indicated that the newly developed measure of directors’ exposure is psychometrically reliable and valid. Imperatively, my development of the directors’ exposure measure (one of the antecedents) was crucial to the testing of its hypothesised relationship with social innovation in the PhD thesis. Consequently, the developed scale provides room for further investigation from researchers on how the directors’ exposure notion connects with other constructs within the social entrepreneurship domain.

10.6 Summary
This chapter discussed the findings of this PhD investigation. In providing answers to research question 1, I discovered that social innovation has a multidimensional nature comprising of three dimensions of social-focused creativity, transformative value, and inclusiveness orientation. Further, I also developed and validated a second-order measurement scale for the social innovation construct to capture its multidimensional nature.
For research question 2, the findings from the qualitative data revealed 10 antecedents that influence social innovation. However, the hypothesis testing results from quantitative data showed that only six of the antecedents were positive and significantly related to social innovation. These include directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, funders’ perception, and social support.

For research question 3, I uncovered five organisational related outcomes of social innovation from the qualitative data analysis. The quantitative phase results further revealed that social innovation is positive and significantly related to social enterprises’ objectives, continuous business survival, social enterprise reputation and community impact. However, one of the hypothesised relationships positively linking social innovation to work pressure was not supported.

Lastly, I also discussed the additional findings related to the scale development and validation of directors’ exposure measurement scale. In the next chapter, I outline the research implications and future research directions of this PhD investigation.
CHAPTER 11

CONCLUSION

11.1 Introduction
In this final chapter of the PhD thesis, I outline the research contributions, implications, and limitations of the study. Specifically, I begin the chapter by revisiting the research purpose. Next, I highlight the contributions of the study to existing knowledge. Finally, I discuss the practical implications, limitations, and avenues for future research of this PhD investigation.

11.2 Research purpose and questions
In this research, I adopted an exploratory mixed methods design involving both qualitative (in-depth interviews) and quantitative (survey) phases to answer the following research questions:

1) What is the nature of social innovation in social enterprises and how can it be conceptualised?
2) What are the antecedents favouring or hindering social innovation in social enterprises?
3) What are the organisational related outcomes of social innovation in social enterprises?

These three research questions were asked to better understand how managers can develop and implement social innovation within their social enterprises. In the subsequent section, I outline the contributions of this PhD thesis to knowledge.

11.3 Academic contributions
This PhD thesis makes several academic contributions. First, I contribute to existing knowledge by extending our understanding of the nature of social innovation. The social innovation construct is often mentioned in nearly all relevant studies relating to social enterprises (e.g., Philips et al., 2019; Montgomery, 2016; Paulsen and McDonald, 2011). However, there is very little understanding of its nature, beyond the argument that it can aid in addressing social and environmental problems. In this PhD thesis, I identify that social innovation has a multidimensional nature comprising of three domains of activity (dimensions) which are social-focused creativity, transformative value, and inclusiveness orientation. Specifically, the qualitative
findings of this PhD thesis reveal that social innovation involves a social enterprise becoming social purpose-orientated and engaging in knowledge exchange (social-focused creativity), creating context-specific novelty and using it for anchoring change (transformative value), and engaging in collaborative behaviour while devoting the organisation to community-driven actions (inclusiveness orientation). In comparison to prior studies, these findings are novel and important because they provide a clearer explication of the multidimensional nature of social innovation and enhance our understanding of the construct in the extant literature (e.g., Ozdemir, and Gupta, 2021; Van der Have and Rubalcaba, 2016; Phillips et al., 2015).

Second, I also contribute to existing knowledge by developing an inductive process model of social innovation that highlights the connections between the three different dimensions of social innovation. In this study, I offer a more holistic picture of the process of social innovation by capturing the linkages between social enterprises’ ability to use their social-focused creativity, transformative value, and inclusiveness orientation to develop social innovation. Particularly, I discovered that social enterprises’ attempt to create transformative value is strengthened when they utilise their earlier ability of being social purpose-orientated and knowledge exchange associated with social-focused creativity. Equally, I also found that social enterprises’ efforts to ensure inclusiveness orientation is linked to their ability of establishing context-specific novelty and anchoring change, which are both sub-dimensions of transformative value. This contribution is important given that previous studies were mainly conceptual (e.g., Cajaiba-Santana, 2014; Shaw and de Bruin, 2013; Lettice and Parekh, 2010) and the few existing empirical studies focused on business model typology of social innovation (Gasparin et al., 2021; Shier and Handy, 2015b). Hence, this PhD thesis captures a less straightforward but complex picture of the nature of social innovation in the social enterprise context.

Third, I make an important contribution to knowledge by advancing a more relevant definition of social innovation that could guide future research in this area of study. Specifically, I define social innovation as:

“a social enterprise’s context-specific programs and initiatives that are built on the foundation of social-focused creativity with the aim to enhance the
current position of the organisation and its stakeholders through attributes of transformative value and inclusiveness orientation.

Previous research has indicated the absence of an agreed definition on the social innovation construct (e.g., Arocena and Sutz, 2021; Marques et al., 2018). By developing this operationalised definition of social innovation, I outline the specific activities that fall within the scope of social innovation and develop a new way of thinking of about the construct. This can assist scholars in their research on social innovation in relation to social enterprises and other third sector organisations in the future.

Fourth, I identify the antecedent factors that can influence the development of social innovation. These include 10 antecedents (directors' exposure, directors' personal values, entrepreneurial mindset, mission-focused employees, staff diversity, staff skills, available finance, funders' perception, community readiness and social support) via my qualitative findings in this PhD thesis. However, the quantitative results demonstrates that six of the 10 identified antecedents - directors' exposure, directors' personal values, entrepreneurial mindset, mission-focused employees, funders' perception, and social support – theoretically promote social innovation. To the best of my knowledge, this is the first study to show the positive significant relationships between these antecedents and social innovation. Thus, this brings more clarity on the specific antecedent conditions that can drive the development of social innovation in social enterprises and third sector organisations (see Shier et al., 2019; Dwivedi and Weerawardena, 2018). Additionally, these findings on the antecedents advance our understanding of the resource-based theory within the social enterprise context by highlighting the important resources (including capabilities) social enterprises should possess to develop successful social innovation.

Fifth, another contribution relates to the uncovering of new evidence on outcomes of social innovation. Specifically, from the qualitative findings, I identified five organisational related outcomes of social innovation consisting of social enterprise objectives, continuous business survival, social enterprise reputation, community impact and work pressure in this PhD thesis. Further, the quantitative results indicate that social innovation positively impacts on four of these outcomes including social enterprise objectives, continuous business survival, social enterprise reputation and
community impact. Importantly, this research also is the first to the best of my knowledge that shows empirical support for the relationship between social innovation and these identified organisational related outcomes of the construct. These findings extend our understanding on the important role of social innovation on the organisational outcomes of social enterprises, thereby responding to calls for understanding the impact of social innovation in organisations (Lee et al., 2019). Furthermore, these findings also enrich our insights about the resource-based and knowledge-based theories by helping to address the “what” question relating to the outcomes of social innovation as a valuable resource for organisations. Therefore, answering the “what” question is important because it aids in explaining and reinforcing social innovation as a vital resource for social enterprises seeking to enhance their performance outcomes (see Zahra, 2021; Acedo, Barroso and Galan, 2006).

Sixth, this PhD thesis builds on the convergence of resource-based theory and knowledge-based theory to explain the process of social innovation. Previous research on the integration of resource-based theory and knowledge-based theory illustrates how these two theoretical lenses may be applicable to innovations (see Ziesemer, 2013). Thus, I refine the convergence of these two theories by demonstrating the interplay of their roles on social innovation via its three emergent theoretical dimensions in this study. Particularly, I show that the theoretical dimensions of social-focused creativity and inclusiveness orientation adds to the development of resource-based theory as they demonstrate that social enterprises routines are fundamental to their social innovation initiatives, whereas the other theoretical dimension of transformative value adds to further refinement of knowledge-based theory in social entrepreneurship as a knowledge-based capability necessary for social innovation. Moreover, under the social-focused creativity theoretical dimension (see Figure 5.1), the first second-order theme of ‘social-purpose oriented’ extends the resource-based theory as it can be considered an ‘emotional resource’ that stimulates social enterprises to devote significant efforts toward achieving their social mission (see Ko et al., 2019; Cardon et al., 2017b). Conversely, the second second-order theme of ‘knowledge exchange’ adds to the knowledge-based theory as it portrays how social enterprises share and integrate aspects of knowledge uncommon among them to aid their social innovation efforts (see Nag and Gioia, 2012, Grant, 1996). Altogether, this
research enriches our understanding of a greater convergence between resource-based theory and knowledge-based theoretical lenses by highlighting the importance of understanding their interplay at the micro-level in determining a successful development of social innovation in social enterprises. Therefore, this could assist scholars to distinguish and explain the role of each specific theory on the different theoretical dimensions of social innovation.

Finally, building on the insights from my findings, this PhD thesis offers a theoretical rationale that epitomises the convergence between resource-based theory and knowledge-based theory to explicate how several antecedent conditions in social enterprises including directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, funders’ perception, and social support significantly encourage social enterprises to build up the capability to develop successful social innovation, which ultimately impacts on their organisational related outcomes such as social enterprises’ objectives, continuous business survival, reputation, and community impact. Thus, this PhD thesis goes beyond previous studies that have mainly used only resource-based theory (e.g., Ko et al., 2019; Vézina et al., 2017) to explain the social innovation process in social enterprises. Hence, it is the first study to the best of my knowledge that empirically demonstrates the convergence of resource-based theory and knowledge-based theory in explaining the process of social innovation in social enterprises. Consequently, I advance a fresh theoretical angle that provides valuable insights on the antecedents–social innovation–outcomes linkage within the social enterprise context.

In the subsequent section, I discuss the methodological contributions of this PhD thesis.

11.4 Methodological contributions
I also make two main methodological contributions through the development of measurement scales for two constructs and my use of mixed methods research design. First, I used qualitative insights developed from Gioia methodology to uncover the multidimensional nature of social innovation. Thereafter, the results from the EFA supported the 3-dimensional nature of social innovation with their items (first-order categories) loading on its respective dimension and the CFA procedure revealed that the newly developed social innovation measure possesses sufficient reliability,
convergent and discriminant validity. Further, the results of the hypothesis testing further demonstrated the nomological validity of the newly developed social innovation measure. In this way, I make a methodological contribution to existing knowledge by developing and validating a robust, valid and reliable multidimensional measure of social innovation. My development of this new measure of social innovation is important given the growing need for quantitative studies that examine social innovation within and beyond the context of social enterprises (e.g., Ko et al. 2019; Kickul et al., 2018). Additionally, I also developed and validated a measurement scale of directors’ scale in the PhD thesis. This newly developed reliable measure of directors’ exposure is a starting point that can assist future research to generate further insights on the dynamics of directors’ exposure in organisations.

From a methodological perspective, this PhD thesis successfully exemplifies the complementarities of the qualitative and quantitative phases of the mixed methods research design (Molina-Azorín, 2011; Onwuegbuzie and Leech, 2004). The qualitative phase was crucial in gaining a deep understanding of the nature, antecedents, and outcomes of social innovation via in-depth interviews and supplemented with archival documents. Whereas the quantitative phase was suitable for explicating the predicted relationships between social innovation and its identified antecedents and outcomes via survey questionnaires. Overall, such a methodological approach I took in the PhD thesis provided strong evidence via the corroboration and convergence of the findings of both the qualitative ‘zooming in’ and quantitative ‘zooming out’ phases, and thus making a robust contribution to existing knowledge (Harrison et al., 2020).

In the following section, I discuss the practical implications of this PhD thesis.

11.5 Practical implications
Beyond the contributions to knowledge, this PhD thesis also has several practical implications for managers and policymakers.

11.5.1 Managerial implications
Based on the discussions in this PhD thesis, I offer the following managerial implications. First, I have identified three domains that facilitate the development of social innovations in social enterprises. Hence, this research provides managers with an overview of the important areas they can concentrate their attention to strategically
plan and improve the social innovation initiatives of their organisations. Particularly, managers can focus their attention on embracing social-focused creativity, developing transformative value, and pursuing inclusiveness orientation.

Second, the grounded theorising approach I used in the qualitative phase of this PhD thesis advances informative concepts that managers can employ to make richer evaluations of the ways in which they understand, seek, and utilise social innovation in their social enterprises. For instance, given the complexity of a manager’s work and daily routines, if managers seek to build inclusiveness orientation for their social enterprises, they can engage in the individual activities of collaborative behaviour and community-driven actions. Likewise, if they seek to develop transformative value, they can focus on the two activities of context-specific novelty and anchoring change.

Third, my development of a multidimensional scale of social innovation fills an important gap for managers. Contemporarily, there is an increasing importance for public and private financing of social innovation initiatives due to pressing societal problems. Thus, developing an instrument that provides a coherent and straightforward understanding of social innovation and how it can be assessed is imperative. Consequently, the developed social innovation scale should assist practitioners to evaluate the scope of social innovation of their organisation in relation to competing organisations. Such knowledge can help inform future decisions on the development of their social innovation.

Fourth, the qualitative findings in this PhD thesis reveal that there are several antecedent conditions that may drive the social innovation efforts of social enterprises. However, the result in the quantitative phase suggests that not all the recognised antecedent drivers are positively related with social innovation. Hence, I recommend that managers of social enterprises practitioners should focus on the appropriate antecedent drivers such as directors’ exposure, directors’ personal values, entrepreneurial mindset, mission-focused employees, funders’ perception, and social support that are essential to the development of successful social innovation.

Fifth, another managerial implication concerns the findings related to the outcomes of social innovation. Results from both the qualitative and quantitative phases of the PhD thesis indicate that social innovation of a social enterprise is an essential determinant of several organisational-related outcomes including social enterprises’ objectives,
continuous business survival, social enterprise reputation and community impact. Thus, this gives the impression that managers of social enterprises should attempt to enhance the social innovation efforts of their organisations to meet specific performance related outcomes of their social enterprises. Furthermore, while the qualitative findings also suggest that social innovation may be a trigger for work pressure in social enterprises, the quantitative results did not find support for the hypothesised positive relationship between social innovation and work pressure. Nevertheless, managers should be conscious of situations where their quest to develop social innovations may lead to increased work pressure and put in place strategies to mitigate such issue.

11.5.2 Policymaking implications
This PhD thesis also has important implications for policymakers. First, policymakers are becoming more interested in social innovation due to increasing issues in our society (Biggeri et al., 2017). Through recognising the multidimensional nature of social innovation based on the findings in this PhD thesis, policymakers can create an enabling environment by simplifying the regulatory framework for social enterprises to be in a better position of developing and determining how their different social innovation initiatives can assist in improving the community.

Second, the findings in this research also enable policymakers to evaluate the social innovation efforts of social enterprises at different levels of abstraction that is of particular interest of them. They can evaluate social innovation at an overall level (higher abstraction level) or at a specific dimension of social innovation (lower abstraction level). On the one hand, the overall evaluation of social innovation can aid in assessing how well organisations engage in social innovation practices. On the other hand, policymakers can use the specific dimensions of social innovation to evaluate which domain is pertinent to develop strong social innovation related policies for the social enterprise sector.

In the next section, I outline the limitations and future research directions of this PhD investigation.

11.6 Limitations and future research directions
Like all research, there are inherent limitations in this PhD thesis despite my use of mixed methods. These limitations reveal promising avenues for future research.
First, I drew the sample for both the qualitative and quantitative phases of the PhD thesis from UK-based social enterprises. This could impose a boundary constraint on the generalisation of the findings from this PhD thesis, although I expect that the findings will hold for other countries with similar contexts (that is, European countries). Consequently, a possible avenue for future research would be to extend the proposed conceptual framework of this PhD thesis to other contexts (e.g., Asia and Africa) and compare the findings with those of this research to bolster the generalisability of this PhD thesis. More specifically, because social innovation is usually driven by prevalent local social problems, the nature of social problems in developing economies (e.g., Nigeria) are mainly shaped by poor institutional frameworks and extreme social inequalities that underpin their desire for social value creation. These may be important factors that shape how social innovation is created. Hence, to extend the findings of this PhD study, future research should consider how institutional elements in a country shape social enterprises’ evaluation of the social innovation process. For instance, would the process of social innovation in developing economies (e.g., Nigeria) follow a similar path as that in the UK, or differ significantly owing to its weak institutional frameworks? This could assist in explicating the richness of opportunities within these developing economies to tackle the social challenges in them.

Additionally, in extending this research to other settings, future research needs to be mindful of the cultural nuances embedded in research contexts. For instance, while the UK is mainly considered an individualistic society with low power distance, developing economies in Africa and Asia tend to have collectivistic culture with high power distance where people belong to ‘in groups’ in organisations, and are often resistant to change and novelty (see He and Filimonau, 2020; Okpara and Kabongo, 2011). As such, I cannot rule out such influences of cultural nuances in the findings reported in this PhD thesis. Therefore, future research may require adaptation of the research model examined in this study to fit into the cultural contexts of other settings. This will aid in complementing the findings of this study as well as improve our understanding of how social enterprises can use social innovation to respond to social problems and opportunities in developing countries.

Further, I collected data from social enterprises with varying industry focus operating in the UK social enterprise sector. It is possible that some identified antecedents and outcomes are largely context dependent. Hence, I suggest that future research may
extend this PhD thesis by focusing on social enterprises in a specific industry, or comparing different social enterprises, for example social enterprises devoted to health/social care services and environmental/general services.

Moreover, in the quantitative phase of the PhD thesis, I used a survey-based design to collect quantitative data from the sampled social enterprises via a representative from each of the organisations. For instance, I asked the director of a social enterprise to provide answers to the survey questions with regards to the organisation itself, which is an approach suggested by prior research (see Bhattarai et al., 2019; Liu et al., 2014). However, this exposes the survey data collected to the potential of self-serving bias from the representative (respondent) who could have ignored the questionnaire instructions and alternatively provided answers to the questions based on his or her opinion. Accordingly, I suggest that future research address this limitation by using multiple/multilevel respondents from the same social enterprises to collect the survey data for research to further verify the findings of this PhD thesis.

Finally, social innovation is an emerging academic field. Hence, I expect that the novel validated social innovation scale I developed in this PhD thesis will be extended to other settings and useful to future research investigations interested in understanding why, how, and when does social innovation occur in social enterprises and beyond such organisational contexts. Therefore, I encourage future studies on exploring other antecedents and outcomes of social innovation in organisations.

Next, I offer my closing remarks to the PhD thesis.

11.7 Closing remarks

I have embarked on studying the underexamined construct of social innovation through an exploratory sequential mixed methods research design in this PhD thesis. In this chapter, I have highlighted the value of this PhD thesis to scholars and practitioners and ways that future researchers can build on the study. Thus, I strongly believe that this PhD thesis constitutes a crucial step in generating more knowledge about the social innovation construct and how it is developed and implemented by social enterprises. Consequently, I hope that this PhD thesis will encourage future studies in this emerging research area that offers an exciting perspective to existing knowledge.
REFERENCES

Aarsand, L. and Aarsand, P., 2019. Framing and switches at the outset of qualitative research interviews. *Qualitative Research, 19*(6), pp.635-652.


Chan, C.H., Chui, C.H.K., Chan, K.S.T. and Yip, P.S.F., 2019. The role of the social innovation and entrepreneurship development fund in fostering social


Dawes, J., 2008. Do data characteristics change according to the number of scale points used? An experiment using 5-point, 7-point and 10-point scales. *International Journal of Market Research, 50*(1), pp.61-104.


Grimm, R., Fox, C., Baines, S. and Albertson, K., 2013. Social innovation, an answer to contemporary societal challenges? Locating the concept in theory and


Pearce, C.L. and Ensley, M.D., 2004. A reciprocal and longitudinal investigation of the innovation process: The central role of shared vision in product and process


342


APPENDICES

Appendix 1: Letterhead introduction

The Open University Business School
Walton Hall
Milton Keynes
United Kingdom
MK7 6AA

Recipient’s name
Address line 1
Address line 2

[Insert Date]

Dear Sir/Madam

Request to collaborate for PhD Research Project

My name is Awele Achi, and I am a PhD student under the supervision of Prof Gordon Liu and Dr Fiona Harris at the Department of Strategy & Marketing, The Open University, Milton Keynes, United Kingdom.

As part of my PhD degree requirements, I am conducting a research study titled ‘Social innovation: the construct and antecedents’. The research goal is to understand how social enterprises view their actions towards providing solutions to social/environmental challenges (i.e., social innovation) and to marry theory and practice to understand the concept of social innovation in the social enterprise context. In particular, the research aims to explain;

- what social innovation consist of;
- what factors leads to social innovation;
- which outcomes does it (social innovation) lead to in social enterprises.

To achieve this, I seek to interview senior management team personnel of social enterprises as their views would be very valuable in helping to develop knowledge and understanding of my research study. Your social enterprise has been selected as an extremely representative for this study due to its high social innovation engagement profile within the community it operates from. Normally, the interview will be audio-recorded and will last about forty-five (45) minutes. Upon agreeing to participate in the research, a poster leaflet advertising the research and the contact details of the researcher will be advertised in the staff room to seek for volunteer research participants.

Please let me assure you that any information collected will be treated in the strictest confidence. Only I will have access to interview transcripts. No individual responses will at any time be made available to anyone else. The transcription of interviews will not bear the name of the individual respondent or the organisation, thus ensuring personal and organisational anonymity. In addition, should you wish, a copy of the aggregated findings of the study upon completion will be sent to you.

If you request more information about the research, please don’t hesitate to contact me.

Thank you for your time and consideration.

Yours Sincerely,

Awele Achi
PhD Student
awcleachi@open.ac.uk
Tel: +44 (0) 1908 853792

This project has been reviewed by, and received a favourable opinion from The Open University Human Research Ethics Committee, reference HREC/3325/Ach1
PARTICIPANT INFORMATION SHEET

This is an invitation to participate in a study on exploring social innovation within the social enterprises setting. The following provides a brief description of the project.

Project Title: Social innovation: The construct and antecedents

What is the aim of this research?
The activities of social enterprises lie in their ability to effectively use social innovation to address social and environmental problems. The purpose of this study is to explore the meaning of social innovation, identify the factors affecting it as well as the effects of social innovation in social enterprises setting.

Who is conducting the research?
Awole Achi, a PhD student in the Department of Strategy and Marketing, The Open University, Milton Keynes, United Kingdom will be conducting the research.

Why am I being invited to participate in this research?
You have been identified as an expert on social enterprises’ social innovation initiatives. For this reason, your views will be very valuable in helping to understand and meet the aim of the research.

What will participation involve?
The data collection methods of the research include semi-structured interviews with a cross section of experts and practitioners of social innovation in social enterprises setting. The interviews will run from November 2019 to March 2020, will take approximately sixty minutes and will be conducted at your workplace or another location if you prefer, at a date and time that is convenient to you. The interview will be audio-recorded. Key issues for discussion will include sharing your experience on social innovation. An interview guide will be provided beforehand. Participants are free to ask questions or seek clarification where necessary. To ensure the safety of participants, the researcher will present his identification document during meetings. Your participation is entirely voluntary, and you can opt out up to four weeks after providing information to the researcher.

Confidentiality
Your participation will be treated in strict confidence in accordance with The EU General Data Protection Regulation 2016 and the Data Protection Act 2018. No personal information will be passed to anyone outside the research team. The participants’ identities (name and organisation) will be omitted from the interview transcripts, thesis report, publications and presentations. To ensure full anonymity, participants will be provided a draft of the interview transcript for their approval/confirmation that they cannot be identified through the transcript. Interview recordings will be destroyed after transcription and anonymised transcripts stored secured in Open Research Data Online (ORDO) – an online data repository for future researchers, for a maximum of ten years unless accessed and used by other researchers.

Participant right to withdraw from the study
Participants have the right to withdraw from the study at any time during their participation by letting the researcher know they want to leave the interview. In addition, they have the right to withdraw consent during data collection up to four weeks after interview has been conducted. In the event, that a participant decides to withdraw from the research after the data collection stage, the individual’s data will be removed and destroyed.

How will the study results be disseminated?
The researcher will share the study findings with the participants and their respective organisations. This will avail participants the opportunity to provide feedback on the research. Also, the study findings will also be shared through research posters, conference papers and academic publications in journals.

Contact Details
For any questions about the research, please contact the researcher and for comments about the conduct of the research, contact his lead supervisor respectively.

Awole Achi
PhD Student
The Open University, Milton Keynes, UK
Email: awole.achi@open.ac.uk
Tel: +44 (0) 1908 653792

Professor Gordon Liu
Professor of Marketing Strategy
The Open University, Milton Keynes, UK
Email: gordon.liu@open.ac.uk
Tel: +44 (0) 1908 654566

Thank you in advance for your participation.

This project has been reviewed by, and received a favourable opinion from The Open University Human Research Ethics Committee, reference HREC/3325/Achi
Appendix 3: Consent form

INTERVIEW CONSENT FORM

Research Project Title: Social innovation: The construct and antecedents

☐ I confirm that I have read and understood the information contained in the information sheet for this study.

☐ I understand that I can ask questions and/or seek for clarifications and have these adequately addressed by the researcher.

☐ I understand that my involvement in this study is at my free will and that I can withdraw my consent at any time up to four weeks after the interview without prior notice, providing any reason and with no adverse consequences.

☐ I understand that I can request for the information I have provided to be destroyed up to four weeks after I have provided it without providing an explanation.

☐ I understand that the personally identifying details (name and organisation) I provided will be kept confidential and will be omitted from interview transcripts, study report, presentations and publications.

☐ I understand that the interview will be digitally recorded and will be transcribed within five weeks, and I will be given a copy of the transcript for approval.

☐ I understand that the anonymised transcripts will be deposited and held in ORDO for a maximum of ten years unless accessed and used by other researchers.

☐ I understand that findings from the study will be shared periodically with the top management of your social enterprise.

☐ Please check if you would like to be contacted about future involvement in the study including follow up discussions.

Participant’s Name (Printed): ____________________________

Participant’s email address: ____________________________

Participant’s signature: ____________________________ Date: __________

Researcher’s signature: ____________________________ Date: __________

Your participation in this study is highly appreciated. Thank you!
Appendix 4: Interview protocol

IN-DEPTH INTERVIEW PROTOCOL (QUALITATIVE PHASE)

Introduction
The purpose of this interview is to understand how social innovation concept is viewed by professionals within the social enterprise context. The interview will be recorded, and your name will be kept confidential. You will be provided with a copy of the interview transcripts if you wish so.

Interview questions
1. Can you tell me what you think the term 'social innovation' mean to you?
2. From your experience, what do you think it means for a social enterprise to be social innovation oriented?
3. What type of activities does a social innovation oriented social enterprise do differently from others? Are there specific features of a social innovation oriented social enterprise?
4. Can you describe situations where your social enterprise has been particularly social innovation orientated?
5. From your experience, can you think of factors that may support or hinder social innovation in your social enterprise?
6. Are there situations where being a social innovation-oriented enterprise is not helpful or important?
7. Are there environmental factors or any other factors that affect social innovation in your social enterprise?
8. In your opinion, can you give any positive consequences of social innovation? Are there negative consequences also?
Appendix 5: NVivo coding examples
Appendix 6: Ethical approval

HREC/3323/Achi: HREC Favourable Opinion

Research-REC-Review
Tue 27/08/2019 11:14
To: Aweili.Achi <aweili.achi@open.ac.uk>; Research-REC-Review <research-rec-review@open.ac.uk>
Cc: Gordon.Liu <gordon.liu@open.ac.uk>

Dear Aweili

This message confirms that the research protocol for the following research project, as submitted for ethics review, has been given a favourable opinion on behalf of The Open University Human Research Ethics Committee.

Project title: Social innovation: the constructs and antecedents

HREC approval date: 22/08/2019

As part of your favourable opinion, it is essential that you are aware of and comply with the following:

1. You are responsible for notifying the HREC immediately of any information received by you, or of which you become aware which would cast doubt on, or alter, information in your original application, in order to ensure your continued safety and the good conduct of the research.

2. It is essential that you contact the HREC with any proposed amendments to your research, for example - a change in location or participants. HREC agreement needs to be in place before any changes are implemented, except only in cases of emergency when the welfare of the participant or researcher is or may be affected.

3. Your HREC reference number has to be included in any publicity or correspondence related to your research, e.g. when seeking participants or advertising your research, so it is clear that it has been agreed by the HREC and adheres to OU ethics review processes.

4. Researchers should have discussed any project-related risks with their Line Manager and/or Supervisor, to ensure that all the relevant checks have been made and permissions are in place, prior to a project commencing, for example compliance with IT security and Data protection regulations.

5. Researchers need to have read and adhere to relevant OU policies and guidance, in particular the Ethics Principle for Research with Human Participants and the Code of Practice for Research - http://www.open.ac.uk/research/ethics/

6. The Open University’s research ethics review procedures are fully compliant with the majority of research council, professional organisations and grant awarding bodies research ethics guidelines. Where required, this message is evidence of OU HREC support and can be included in an external research ethics review application. The HREC should be sent a copy of any external applications, and their outcome, so we have a full ethics review record.

7. At the end of your project you are required to assess your research for ethics related issues and/or any major changes. Where these have occurred you will need to provide the Committee with a HREC final report to reflect how these were dealt with using the format on the research ethics website - http://www.open.ac.uk/research/ethics/human-research/full-review-process (HREC Final Report form)

Sent on behalf of the Human Research Ethics Committee

Professor Louise Westmarland Dr Duncan Banks Dr Claire Hewson

Chair Deputy Chair Deputy Chair

Human Research Ethics Committee - Research, Enterprise and Scholarship (RES)
The Open University, Walton Hall, Milton Keynes, MK7 6AA

Email: research-rec-review@open.ac.uk Tel: 01908 544848
http://www.open.ac.uk/research/ethics/human-research

This email is private, confidential, and intended for the named recipient. It does not necessarily reflect the views of The Open University or any of its subsidiaries. If you are not the intended recipient or have received this email in error please note that it may be subject to copyright and/or legal protection. Any disclosure, copying, distribution or reliance thereon is strictly prohibited. If you have received it in error, please contact the sender immediately and confirm that it has been deleted from your system and any hard copies destroyed.

Please consider the environment before printing this email.
Appendix 7: The final questionnaire

Dear Participant,

Thank you in advance for participating in this study. This research is interested in the practice of social innovation in social enterprises and is conducted by Awele Achi, a PhD student under the supervision of Prof Gordon Liu and Dr Fiona Harris at The Open University, Milton Keynes, UK. The research aims to improve our understanding of the drivers of social innovation as well as highlight the organisational outcomes of social innovation in social enterprises.

The survey will take approximately 15 minutes to complete. Your participation in the survey is completely voluntary, you can refuse to answer any question and can withdraw from the survey at any time without having to give a reason. The information you provide will be anonymised and treated with strict confidence in accordance with the Data Protection Act 2018. The information will be used in aggregate form only for statistical analysis in research outputs such as thesis report, publications, and conference presentations. You will not be asked to provide identifying information such as individual or organisation names.

By participating in the survey, you are providing your informed consent. Also, your consent means that the information you provide will be deposited in a specialist data centre after it has been anonymised, so it can be used for future research and learning.

**PLEASE NOTE:** You need to complete the survey in one sitting, as the system will not save your responses until you reach the very end of the survey and click ‘Finish’. You will have the opportunity to review your responses before clicking ‘Finish’.

If you have any questions about the survey, please contact the PhD student (awele.achi@open.ac.uk) or concerns about your participation, you can email the lead supervisor (gordon.liu@open.ac.uk).

Thank you for your time and support.

Awele Achi
Tel: +44 (0) 1908 653792

Do you consent?

☐ Yes
☐ No
SECTION A
Social Innovation: The following statements describe some social innovative tactics, activities, and methods that you employ in the delivery of products and services in your social enterprise. Please indicate on a scale from 1 (strongly disagree) to 7 (strongly agree) to which extent you agree with the following statements.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>We use new products, services or processes to meet societal opportunities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We apply original thinking to our product, services or processes</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our activities reflect what the organisation is about</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We focus on achieving a social purpose</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We are a vehicle for addressing social problems</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We develop partner relationships with other organisations and/or people</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We work cooperatively with the right organisations and/or people</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We adapt our innovative solutions to new market locations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We improve on existing solutions to make it more value effective</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We continuously seek out different opportunities and markets</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We engage in dialogue with our stakeholders.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We use feedback from our stakeholders to develop our innovative programs.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>The interest of the community is at the core of our activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We follow a bottom-up approach to create innovative activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our innovativeness is for the greater good of the community</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

SECTION B
The following questions are about your perception of the important factors relating to the social innovative activities and programs delivered by your social enterprise. Please indicate on a scale from 1 (Strongly disagree) to 7 (Strongly agree) to which extent you agree with the following statements.

<table>
<thead>
<tr>
<th>Directors' exposure</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our directors possess the necessary education and/or expertise relating to our organisational activities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors have first-hand experience of a social problem</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors know individuals or communities that have experience of social challenges</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors have experience from organisations focusing on societal issues</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Directors' personal values</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our directors enjoy challenges where they can apply their skills</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors work is inspiring</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors can learn or create something new</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our directors have an influence in the organisation's success</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

This project has been reviewed by, and received a favourable opinion from The Open University Human Research Ethics Committee, reference HREC/3323/Ach1

352
<table>
<thead>
<tr>
<th>Our directors enjoy their work</th>
<th>o</th>
<th>o</th>
<th>o</th>
<th>o</th>
<th>o</th>
<th>o</th>
<th>o</th>
<th>o</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entrepreneurial mindset</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We passionately pursue entrepreneurial opportunities in the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>We emphasize the disciplined pursuit of promising opportunities as part of our business development</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>We usually have consistent focus on execution</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>We have a commitment to engage everyone in identifying and pursuing entrepreneurial opportunities</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td><strong>Mission-focused employees</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a commonality of purpose in this organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>There is a total understanding of our organisational mission across all levels in the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>All employees are committed to the goals of the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Employees view themselves as partners in charting the direction of the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td><strong>Staff diversity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our staff come from various professional background</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Our staff have different educational background</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Our staff have a large diversity in terms of the amount of time in years they have been working in the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Our staff are from different age groups</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td><strong>Staff skills</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our staff use all their knowledge and skills in their work</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Staff work requires a diversity of knowledge and skills</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Our staff get the chance to do what they are good at in the organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td><strong>Available finance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to grants encourage our organisation to be innovative</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Presence of funders encourage our organisation to raise funds to be innovative</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Availability of customized financial supports encourage us to invest in research and development</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Effectiveness of financial transparency and accountability standards protects our organisation</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Ability to list social enterprises on the stock market will make capital available for our programs</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
<td>o</td>
</tr>
<tr>
<td>Funders' perception</td>
<td>Strongly disagree</td>
<td>Disagree</td>
<td>Slightly disagree</td>
<td>Neutral</td>
<td>Slightly agree</td>
<td>Agree</td>
<td>Strongly agree</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>------------------</td>
<td>----------</td>
<td>-------------------</td>
<td>--------</td>
<td>---------------</td>
<td>-------</td>
<td>----------------</td>
<td></td>
</tr>
<tr>
<td>The innovative ideas presented by our organisation to funders is appealing to them</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>The innovative ideas from our organisation appear ethical to funders</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community readiness</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is difficult to get people in the community involved in our activities.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Most people in our community are committed to addressing community issues.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our community members are willing to try new ideas to solve community problems.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Most people in our community are pretty set in their ways.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Social support</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>We utilise the local social and/or business support networks</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We work actively to have supportive relations with local agencies</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>We work actively to strengthen our ties with local communities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**SECTION C**

The following questions are about your perception of specific organisational outcomes related to the activities and programs delivered by your social enterprise. Please indicate on a scale from 1 (Strongly disagree) to 7 (Strongly agree) to which extent you agree with the following statements.

<table>
<thead>
<tr>
<th>Social enterprise objectives</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our organisation has fulfilled the needs of beneficiaries</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has rendered services to beneficiaries</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has designed and/or delivered the right programs for beneficiaries</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has provided resources to beneficiaries</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**Continuous business survival**

<table>
<thead>
<tr>
<th>Over the last 12 months, ......</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our organisation has been profitable</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has generated a high volume of sales</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has achieved rapid growth</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>The performance of the organisation has been very satisfactory</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has been very successful</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Our organisation has fully met our expectations</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

This project has been reviewed by, and received a favourable opinion from The Open University Human Research Ethics Committee, reference HREC/13/01/A01.
### Social enterprise reputation

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our organisation has a reputation for being honest</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Our organisation has a reputation for being reliable</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Our organisation has a reputation for being trustworthy</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

### Community impact

<table>
<thead>
<tr>
<th>Compared to similar social enterprises, ……</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>We have made significant progress in providing solutions to community challenges</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>We have scaled up our capabilities to address community problems</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>We have greatly expanded the number of individuals/groups we serve</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>We have substantially increased the geographic area we serve</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

### Work pressure

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff are expected to do too much in a day</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>In general, staff’s workloads are not particularly demanding</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Our organisation’s management require staff to work extremely hard</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Staff here are under pressure to meet targets</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

### CMB item (Tradition)

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors like to keep to established ways of doing things in the organisation.</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

### SECTION D

The following questions are about your perception of factors in your general business environment. Please indicate on a scale from 1 (Strongly disagree) to 7 (Strongly agree) to which extent you agree with the following statements.

#### Competitive intensity

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The competition in our sector is cutthroat</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>We hear of a new competitor move in our sector frequently</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>There are too many similar products and services in the market</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

#### Technological turbulence

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Slightly disagree</th>
<th>Neutral</th>
<th>Slightly agree</th>
<th>Agree</th>
<th>Strongly agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The technology in our sector is changing rapidly</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Technological changes provide substantial opportunities in this sector</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>New product and service ideas have been made possible through technological breakthroughs in this sector</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>It is very difficult to forecast where the technology in this sector will be in the next few years</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
</tbody>
</table>

This project has been reviewed by, and received a favourable opinion from The Open University Human Research Ethics Committee, reference HRBC/0323/Achi.
### SECTION E

The following statements are aimed to capture the characteristics of your social enterprise. This information is for classification purpose only. Please select the appropriate option under each heading.

**How long has your organisation been in operation?**

- Less than 1 year □
- 1 – 3 years □
- 4 – 6 years □
- 7 – 9 years □
- 10 years and above □

**What is the staffing size of your organisation?**

- 1 – 10 employees □
- 11 – 20 employees □
- 21 – 30 employees □
- 31 employees and above □

**Which industry does your organisation operate in?**

- Arts and Creative industries □
- Education and Training □
- Environmental and General Services □
- Finance and Professional Services □
- Health and Social Care □
- Hospitality and Food □
- Manufacturing □
- Real Estate/Housing □
- Retail □
- Others □

**What is your organisation turnover size?**

- Less than £30,000 □
- £31,000 – £60,000 □
- £61,000 – £90,000 □
- £91,000 – £120,000 □
- £121,000 and above □

**Where is your organisation located?**

- London □
- East of England □
- Midlands □
- North East □
- North West □
- South East □
- South West □
- Yorkshire and the Humber □
- Scotland □
- Others (Wales & Northern Ireland) □

**PLEASE NOTE:** You are reaching the end of the survey and will not be able to go back and change your responses once you click ‘Finish’. If you wish to review any of your responses please do so now, before clicking on the ‘Finish’ button below to submit your responses.

☐ Finish
Appendix 8: Parallel analysis for EFA

A. Principal Factor analysis eigenvalues

<table>
<thead>
<tr>
<th>Factor</th>
<th>Total</th>
<th>Initial Eigenvalues</th>
<th>Extraction Sums of Squared Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of Varance</td>
<td>Cumulative %</td>
</tr>
<tr>
<td>2</td>
<td>1.883</td>
<td>8.189</td>
<td>49.210</td>
</tr>
<tr>
<td>3</td>
<td>1.568</td>
<td>7.251</td>
<td>56.461</td>
</tr>
<tr>
<td>4</td>
<td>1.076</td>
<td>4.678</td>
<td>61.139</td>
</tr>
<tr>
<td>5</td>
<td>1.018</td>
<td>4.425</td>
<td>65.564</td>
</tr>
<tr>
<td>6</td>
<td>0.871</td>
<td>3.788</td>
<td>69.352</td>
</tr>
<tr>
<td>7</td>
<td>0.817</td>
<td>3.552</td>
<td>72.903</td>
</tr>
<tr>
<td>8</td>
<td>0.744</td>
<td>3.234</td>
<td>76.137</td>
</tr>
<tr>
<td>9</td>
<td>0.685</td>
<td>2.977</td>
<td>79.115</td>
</tr>
<tr>
<td>10</td>
<td>0.622</td>
<td>2.704</td>
<td>81.818</td>
</tr>
<tr>
<td>11</td>
<td>0.552</td>
<td>2.401</td>
<td>84.219</td>
</tr>
<tr>
<td>12</td>
<td>0.504</td>
<td>2.189</td>
<td>86.409</td>
</tr>
<tr>
<td>13</td>
<td>0.454</td>
<td>1.973</td>
<td>88.382</td>
</tr>
<tr>
<td>14</td>
<td>0.401</td>
<td>1.745</td>
<td>90.127</td>
</tr>
<tr>
<td>15</td>
<td>0.386</td>
<td>1.679</td>
<td>91.807</td>
</tr>
<tr>
<td>16</td>
<td>0.344</td>
<td>1.494</td>
<td>93.301</td>
</tr>
<tr>
<td>17</td>
<td>0.340</td>
<td>1.480</td>
<td>94.781</td>
</tr>
<tr>
<td>18</td>
<td>0.295</td>
<td>1.284</td>
<td>96.065</td>
</tr>
<tr>
<td>19</td>
<td>0.227</td>
<td>0.986</td>
<td>97.051</td>
</tr>
<tr>
<td>20</td>
<td>0.214</td>
<td>0.932</td>
<td>97.983</td>
</tr>
<tr>
<td>21</td>
<td>0.166</td>
<td>0.720</td>
<td>98.704</td>
</tr>
<tr>
<td>22</td>
<td>0.155</td>
<td>0.674</td>
<td>99.378</td>
</tr>
<tr>
<td>23</td>
<td>0.143</td>
<td>0.622</td>
<td>100.000</td>
</tr>
</tbody>
</table>
### Parallel analysis eigenvalues

<table>
<thead>
<tr>
<th>Component or Factor</th>
<th>Mean Eigenvalue</th>
<th>Percentile Eigenvalue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.696974</td>
<td>1.835673</td>
</tr>
<tr>
<td>2</td>
<td>1.573170</td>
<td>1.662185</td>
</tr>
<tr>
<td>3</td>
<td>1.481838</td>
<td>1.550886</td>
</tr>
<tr>
<td>4</td>
<td>1.399640</td>
<td>1.466904</td>
</tr>
<tr>
<td>5</td>
<td>1.331565</td>
<td>1.386934</td>
</tr>
<tr>
<td>6</td>
<td>1.268584</td>
<td>1.322144</td>
</tr>
<tr>
<td>7</td>
<td>1.211895</td>
<td>1.260062</td>
</tr>
<tr>
<td>8</td>
<td>1.160785</td>
<td>1.208202</td>
</tr>
<tr>
<td>9</td>
<td>1.108133</td>
<td>1.152016</td>
</tr>
<tr>
<td>10</td>
<td>1.060023</td>
<td>1.100654</td>
</tr>
<tr>
<td>11</td>
<td>1.016826</td>
<td>1.051534</td>
</tr>
<tr>
<td>12</td>
<td>0.965286</td>
<td>1.004797</td>
</tr>
<tr>
<td>13</td>
<td>0.919492</td>
<td>0.956761</td>
</tr>
<tr>
<td>14</td>
<td>0.876051</td>
<td>0.912513</td>
</tr>
<tr>
<td>15</td>
<td>0.833500</td>
<td>0.872590</td>
</tr>
<tr>
<td>16</td>
<td>0.792697</td>
<td>0.831109</td>
</tr>
<tr>
<td>17</td>
<td>0.749327</td>
<td>0.787710</td>
</tr>
<tr>
<td>18</td>
<td>0.707159</td>
<td>0.748495</td>
</tr>
<tr>
<td>19</td>
<td>0.665112</td>
<td>0.707772</td>
</tr>
<tr>
<td>20</td>
<td>0.621535</td>
<td>0.662886</td>
</tr>
<tr>
<td>21</td>
<td>0.575203</td>
<td>0.622766</td>
</tr>
<tr>
<td>22</td>
<td>0.527311</td>
<td>0.574246</td>
</tr>
<tr>
<td>23</td>
<td>0.464004</td>
<td>0.518125</td>
</tr>
</tbody>
</table>

**Decision:** The first table (Principal Axis Factoring) contains eigenvalues from the initial EFA on the original data, whereas the second table (Parallel Analysis) contains the random eigenvalues from the parallel analysis EFA using 500 randomly generated correlated matrices. We see that the first three eigenvalues based on the original data are greater than the random eigenvalues. Therefore, this suggests a three-factor solution.
### Appendix 9: Two-stage regression analysis

<table>
<thead>
<tr>
<th>Dependent variable</th>
<th>Social innovation</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Control variables</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational age</td>
<td>0.033 (0.453)</td>
<td>1.600</td>
</tr>
<tr>
<td>Organisational size</td>
<td>-0.121 (-1.870)*</td>
<td>1.292</td>
</tr>
<tr>
<td>Drama, Arts and Creative industries</td>
<td>0.056 (0.830)</td>
<td>1.417</td>
</tr>
<tr>
<td>Education and Training</td>
<td>-0.005 (-0.076)</td>
<td>1.613</td>
</tr>
<tr>
<td>Environmental and General Services</td>
<td>-0.063 (-0.965)</td>
<td>1.299</td>
</tr>
<tr>
<td>Finance and Professional Services</td>
<td>0.006 (0.094)</td>
<td>1.220</td>
</tr>
<tr>
<td>Health and Social Care</td>
<td>0.104 (1.418)</td>
<td>1.661</td>
</tr>
<tr>
<td>Hospitality and Food</td>
<td>0.003 (0.049)</td>
<td>1.222</td>
</tr>
<tr>
<td>Real Estate/Housing</td>
<td>0.038 (0.585)</td>
<td>1.327</td>
</tr>
<tr>
<td>Retail</td>
<td>0.048 (0.759)</td>
<td>1.222</td>
</tr>
<tr>
<td>Organisational turnover</td>
<td>-0.062 (-0.845)</td>
<td>1.686</td>
</tr>
<tr>
<td>London</td>
<td>0.060 (0.852)</td>
<td>1.516</td>
</tr>
<tr>
<td>East of England</td>
<td>0.133 (1.861)*</td>
<td>1.590</td>
</tr>
<tr>
<td>North East</td>
<td>0.103 (1.517)</td>
<td>1.417</td>
</tr>
<tr>
<td>North West</td>
<td>0.078 (1.137)</td>
<td>1.476</td>
</tr>
<tr>
<td>South East</td>
<td>-0.134 (-1.852)</td>
<td>1.626</td>
</tr>
<tr>
<td>South West</td>
<td>0.033 (0.486)</td>
<td>1.419</td>
</tr>
<tr>
<td>Yorkshire and the Humber</td>
<td>0.020 (0.291)</td>
<td>1.429</td>
</tr>
<tr>
<td>Scotland</td>
<td>-0.049 (-0.709)</td>
<td>1.506</td>
</tr>
<tr>
<td>Others (Wales &amp; Northern Ireland)</td>
<td>0.061 (0.946)</td>
<td>1.285</td>
</tr>
<tr>
<td>Competitive intensity</td>
<td>0.112 (1.296)</td>
<td>2.314</td>
</tr>
<tr>
<td>Technology turbulence</td>
<td>0.143 (1.900)*</td>
<td>1.761</td>
</tr>
<tr>
<td>Market turbulence</td>
<td>-0.178 (-1.903)*</td>
<td>2.710</td>
</tr>
<tr>
<td><strong>Main predictors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors’ exposure residual</td>
<td>0.159 (2.206)*</td>
<td>1.605</td>
</tr>
<tr>
<td>Directors’ personal values residual</td>
<td>0.127 (1.742)*</td>
<td>1.650</td>
</tr>
<tr>
<td>Entrepreneurial mindset residual</td>
<td>0.279 (4.215)***</td>
<td>1.358</td>
</tr>
<tr>
<td>Mission-focused employees residual</td>
<td>0.193 (2.375)*</td>
<td>2.054</td>
</tr>
<tr>
<td>Team diversity residual</td>
<td>0.015 (0.917)</td>
<td>1.675</td>
</tr>
<tr>
<td>Staff skills residual</td>
<td>0.004 (0.047)</td>
<td>2.439</td>
</tr>
<tr>
<td>Available finance residual</td>
<td>-0.047 (-0.705)</td>
<td>1.404</td>
</tr>
<tr>
<td>Funders’ perception residual</td>
<td>0.16245 (2.124)*</td>
<td>1.447</td>
</tr>
<tr>
<td>Community readiness residual</td>
<td>0.065 (1.015)</td>
<td>1.265</td>
</tr>
<tr>
<td>Social support residual</td>
<td>0.220 (3.394)***</td>
<td>1.301</td>
</tr>
</tbody>
</table>

**Model statistics**

- F-value: 5.722
- P-value: 0.000
- R-square: 0.609

**Notes:** N= 155; ***p < 0.001; **p < 0.01; *p < 0.05; †p < 0.10. Standardised coefficients are reported with (t-value) in parentheses; VIF = Variance Inflation Factors