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Who Are The Social "Entrepreneurs" and What Do They Actually Do?

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WHO ARE THE SOCIAL "ENTREPRENEURS" AND WHAT DO THEY ACTUALLY DO?[1]

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ABSTRACT

There is increasing interest in the social entrepreneur and the process of social entrepreneurship. This has led to criticisms of fuzziness surrounding these concepts. This paper explores the concept of the social entrepreneur, considering whether social entrepreneurs can really be termed "entrepreneurs" or if they are something else - individuals motivated by meeting social objectives to achieve social change. Drawing on structuration theory, we place the agent (a social entrepreneur) in the structure (a social system/the context), arguing that they are engaged in a process of co-constructing the current momentum in social entrepreneurship development.

Key words: social entrepreneur, social entrepreneurship, rural, structuration

INTRODUCTION

Although as a research area it is one still in its infancy, the current and growing interest in social entrepreneurs and the area of social entrepreneurship has led to it becoming one of increasing academic enquiry. Work looking at social entrepreneurship to date has not only been significant in opening up the discussion and debate surrounding the area (Zahra et al, 2008; Austin et al, 2006), it has also begun to consider the impact such activity can have on communities (Tracey et al, 2005, Pedro and McLean 2006). However, as researchers have looked to try and understand social entrepreneurs, the activities in which they are immersed as well as the reasons, motivations and outcomes of the ventures they create, not only has the relevance and importance of these types of ventures been highlighted but also gaps in our knowledge and understanding have been brought to the fore. Work thus far has shown a general consensus that the activities of social entrepreneurs and the organisations they create have a key role to play in contemporary society (Farmer et al., 2008a; Steinerowski et al., 2008). There is also a common perception that social entrepreneurs are motivated by the need to address social problems and that the activity of social entrepreneurship involves enterprise activity with community goals, generating profit for re-investment in the social venture (Austin et al., 2006; Harding, 2006). Moreover, we have been left feeling as though the number of individuals "classified" as social entrepreneurs has risen in recent years (Mort et al., 2002; Roberts and Woods, 2005).

Yet, despite the area becoming one of increasing academic enquiry, questions arise. First there is the issue of terminology. Both the terms "social entrepreneur" and "social entrepreneurship" have been criticised as being poorly defined concepts (Mair and Marti, 2006). From their review of the literature, Zahra et al (2008) identified twenty definitions and descriptions of social

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entrepreneurship or the social entrepreneur so it is probably not too surprising that such criticism has been made. Second is the problem of identity and although social entrepreneurs might be perceived as a "type" of entrepreneur (Dees, 1998), how this form of activity relates and compares to other forms of entrepreneurship has been heavily scrutinised (Austin et al, 2006; Mair and Marti, 2006). Perhaps too often we have seen differences sought but comparisons made, yet social entrepreneurs differ in terms of motivations and spheres of operation. As a consequence of the work carried out thus far, we are still left looking to understand what it is that social entrepreneurs do actually do and recognising who the social entrepreneurs really are.

In this study we looked to expand understanding about social entrepreneurs and the actual activity of social entrepreneurship. To do this we "experiment" with the application of structuration theory (Giddens, 1991) and work on entrepreneurial embeddedness (Jack and Anderson, 2002) to help explain *who are the social entrepreneurs?* And, *what do they actually do?* We apply these theoretical ideas to data we have collected from social entrepreneurs and others involved in the activity of social entrepreneurship in the Highland region of Scotland. Using an exploratory approach and qualitative techniques the findings from our study suggest that the strong emergence of social entrepreneurs in recent years is closely related to contextual factors and, that social entrepreneurs are simultaneously, the actors in, and creators of, the social entrepreneurship movement (Giddens, 1991). A duality, where the agent (a social entrepreneur) and the structure (a social system/the context) co-construct, is certainly evident from our empirical study. There also appears to be an association between Sarason et al's (2006) concept of "opportunity" and how opportunities are recognised by social entrepreneurs. As a consequence, within the area of social entrepreneurship it could be argued that entrepreneurial processes are socially embedded and constructed (Jack and Anderson, 2002; Parkinson and Howorth, 2008).

Through our approach we also deal with some of the criticisms work surrounding the area of social entrepreneurship has faced, that there are few studies profiling social entrepreneurs (Cools and Vermeulen, 2008). Like Parkinson and Howorth (2008) we acknowledge the complexity of entrepreneurship but taking an exploratory approach means our findings are driven by the experiences of social entrepreneurs and those involved in the area of social entrepreneurship, the situations faced day-in and day-out. This study also addresses the need identified by Zahra et al (2008) that social entrepreneurs and their ventures need to be studied closely in further research and that by exploring them in context, how they function, why they succeed or fail can help to enrich theory building.

The structure of this paper is as follows. First theoretical considerations are given to demonstrate knowledge and understanding about the areas under investigation and why structuration provides a suitable lens to use for this study. An account of the methodology, research design and analytical approach used is then provided. Thereafter, our findings, interpretation and analysis are discussed. Finally, conclusions are given and ideas for future research offered.

THEORETICAL CONSIDERATIONS

Entrepreneurship and entrepreneurs

Although first written about more than 250 years ago, entrepreneurship remains a complex and contested notion (Austin et al, 2006; Berglund and Johansson, 2007). As a process, it is suggested to involve knowledge, information, innovation, change, creativity, discovery, development, movement, virtue, action, risk, uncertainty and exploitation (Acs and Audretsch, 2002). This implies that because entrepreneurs deal with all these aspects at some level and in some way, they are multi-faceted, multi-talented individuals. But, as suggested by Shane and Venkataraman (2000: 217), perhaps their main distinctive quality is their ability to mobilise resources to produce businesses from opportunities. Berglund and Johansson (2007) emphasise the entrepreneur as a creator, who inspires hope and confidence in the future. It is simultaneously acknowledged that entrepreneurs are not homogeneous (Allinson et al., 2000; Brigham et al., 2007; Cools and Vermeulen, 2008). Instead, they are many kinds of them with a number of values that differentiate them. As noted by Cyert and March (1963:6) 'entrepreneurs, like anyone else, have a host of personal motives' that reflect economic as well as non-economic goals. Thus, motives might differentiate the way how entrepreneurs act.

Although more and more entrepreneurship is being perceived as a process in which an individual is immersed, it is still dependent on individuals and the ways in which they enact their environment (Anderson and Jack, 2002; Jack and Anderson, 2002; Johannisson et al, 2002; Parkinson and Howorth, 2008). An increasingly accepted view is that the entrepreneur is someone emerging from his/her social world. This implies that entrepreneurship is actually something that is socially embedded and influenced by the social context in which the individual is located (Jack and Anderson, 2002; Parkinson and Howorth, 2008). This links with the notion that entrepreneurship is a "social undertaking" and a phenomenon that should really be understood within the context of social systems (Sarason et al., 2006: 287). Enacting the environment involves an understanding of the rules and social systems that shape and structure the practices of that environment (Jack and Anderson, 2002; Jack, 2005; Parkinson and Howorth, 2008; Zarah, 2008). These give meanings and values to that structure, and influence how it functions, is guided and operates. The social structure can affect resources for entrepreneurship by encouraging resource allocation, making resources available or withholding them (Jack, 2009). If this is so then when considering what an entrepreneur is and what they actually do, recognition should be given to the influence of the social context and the embedded nature of entrepreneurial behaviour.

Commercial and social entrepreneurship
Alongside the emerging movement towards corporate social and environmental responsibility, we are seeing what might traditionally be conceived as commercial entrepreneurship itself taking a social turn towards being more socially aware (Bruchell and Cook, 2006). The desire for positive social outcomes is now becoming a by-product or - for some even the foci - of entrepreneurial activity (Tracey et al, 2005). Thompson (2002) suggests those with a social motivation might even be found working in profit-seeking businesses. The social products of entrepreneurship can be argued to have a positive impact on societal development by bringing employment and innovation.

A body of work is now emerging that seeks to identify the similarities and differences between commercial and social entrepreneurs. Cognitive style is proposed as a way of recognising entrepreneurs (Allinson et al., 2000; Cools & Vermeulen, 2008). The cognitive approach

considers the knowledge structures and mental models used to make judgements and decisions involving opportunity evaluation, venture creation and growth (Mitchell et al., 2002). Cools and Vermeulen (2008) compare similarities and differences in the cognitive approach of commercial and social entrepreneurs by investigating three aspects proposed to be related to "entrepreneurial orientation": risk-taking propensity, proactiveness (inclination to be opportunity-seeking and forward-looking) and innovativeness. In relation to cognitive style, they observed that there are no significant differences between social and commercial entrepreneurs. However, they did find that social entrepreneurs engaged in apparently less innovative and risk taking approaches in activating their business compared with their commercial counterparts. Furthermore, willingness to engage in and support new ideas, creative processes and experimentation and to make large, risky commitments without knowledge of probable outcome was less likely to occur in social enterprises. The researchers suggest that differences might be caused by the different orientation of social and commercial enterprises. Mitchell et al (2002) support this perspective, stating that the environment frames entrepreneurs' thinking. Corbett and Neck (2006) also concur, suggesting that corporate entrepreneurs possess the same cognitive "scripts" as entrepreneurs starting independent businesses, but they act differently because they operate in different settings. Thus, it is possible that, when it comes to entrepreneurial orientation, social and commercial entrepreneurs are not necessarily different in their propensity to take risks. Instead, their risk aversion might be conditioned by an environment where being a social entrepreneur is not associated with accepting high financial risk.

Dees (1998) states that entrepreneurs tend to have a high tolerance for ambiguity and learn how to manage the outcomes of risk-taking as learning experiences. Innovativeness is another aspect that, proposed by Cools and Vermeulen (2008), differentiate commercial and social entrepreneurs.

Turning to opportunity perception, social entrepreneurs may see places for business where others do not because of their life and work experiences, beliefs and attitudes. It is suggested as mistaken to view opportunities as objective phenomena, separated and distinct from the entrepreneur (Shane, 2000; Shane and Venkataraman, 2000).

Sahlman's (1996) model captures the key elements critical for commercial entrepreneurship: the people, the context, the deal and the opportunity (PCDO). These elements are used by Austin et al. (2006) to compare commercial and social entrepreneurship. Both, it is argued, are concerned with customers, suppliers, entry barriers, substitutes, rivalry, and the economics of the venture. This could lead to the conclusion that social entrepreneurs are but one species in the genus entrepreneur - entrepreneurs with a social mission (Dees, 1998). But, Austin et al. (2006) suggest this would be mistaken. How the aspects of social and commercial entrepreneurship interact may differ (see Table1) because of differing missions and challenges. Social entrepreneurs may choose, for example, to pursue opportunities within an inhospitable environment because they have a social goal. Therefore social entrepreneurs may react in apparently perverse ways to adverse contextual conditions compared with their commercial counterparts who must make economic returns (Austin et al., 2006).

Social entrepreneurship

Literature of the late 1990s heralded a new term, "social entrepreneurship", giving rise to research in this area (Dees, 1998; Johnson, 2000; Thompson, 2002; Zadek and Thake, 1997). The sheer number of events, papers, books, journals, websites and specialist associations which display an interest in the social enterprise sector, but which have also quite suddenly emerged, show it to be a popular if still emerging area (Parkinson and Howorth, 2008; Zahra et al, 2009).

Although various definitions of the social entrepreneur and social entrepreneurship exist, a clear definition has yet to be arrived at (see Zahra et al. (2008) for a more complete overview). Any definition should, however, reflect both the social and economic needs and considerations involved with social entrepreneurship (Townsend and Hart, 2008; Zahra et al, 2008). What most existing definitions do highlight are the social and economic considerations involved with social entrepreneurship and that it is about exploiting opportunities for social change and improvement, rather than profit maximization (Zahra et al, 2008). But no matter how they are defined, people running social enterprises are increasingly perceived as vital elements of an economy. Within developed economies, social entrepreneurs have become "highly visible agents of change" (Zahra et al, 2008), with social entrepreneurship being described as a "panacea to failure in market and state mechanisms" (Parkinson and Howorth, 2008: 292). A social entrepreneur has been characterised, perhaps simplistically, as one who establishes a social enterprise, defined as "an *organisation that operates independently of the state and is specifically concerned with investment and surplus reinvestment for social objectives*" (DTI, 2002). The social entrepreneur is seen to be an individual "strongly motivated to achieve some socially desirable objective" (Zahra et al, 2008); an individual who looks to "identify and exploit market opportunities and assemble the necessary resources in order to develop products and/or services that allow them to generate "entrepreneurial profit" for a given social project" (Tracey and Jarvis (2007: 671) with reference to Schumpeter, 1934; Boschee and McClurg, 2003 and Oster, Massarsky and Beinhacker, 2004). The actual process entailed with social entrepreneurship has been defined as the "use of entrepreneurial processes for social purpose" (Parkinson and Howorth, 2008: 291); "the activities and processes undertaken to discover, define and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner" (Zahra et al, 2008: 5); "the challenge of balancing social and commercial objectives" (Tracey and Phillips, 2007: 267). But no matter how it is defined the notion of "trading for a social purpose should really represent the core of social entrepreneurship (Tracey and Jarvis, 2007: 671). Given the complexities involved and the sheer breadth of expectations it is perhaps no wonder that social entrepreneurship has been described as a "harmful marriage between opposing values" (Zahra et al, 2008).

Although still in its infancy some of the criticisms work in the area has faced thus far is that there are too few studies actually profiling social entrepreneurs (Cools and Vermeulen, 2008); that the academic literature on the subject is not well developed, although recent contributions have begun to change this perception (Tracey and Jarvis, 2007); that probably too much work has focused on comparing (or attempting to differentiate) social entrepreneurship from commercial entrepreneurship (Tracey and Jarvis, 2007).

In what ways then, do social and commercial entrepreneurs differ?

Applying structuration and related theory

Giddens' (1984) view of structuration deals with the duality of structure and agency, the recursiveness which social life displays, and accords structure a formative position in social action. Structures represent products of the system, produced and reproduced through interaction; agents are individuals who draw on the structure and resources within that structure to bring about change (Jack, 2009). In doing so, agents create the next level of structure and resources (Jack, 2009). According to Giddens (1984) structure provides the conditions for the possibility of action, guiding how actions take place, but recognises that it is agents who produce and reproduce the structure through their activities (Fay, 1996). So, Giddens (1984) recognises the agent's freedom to modify the structure so that it changes. A structuration view also implies that "social systems are comprised of multiple agents that are being enabled and constrained by social structures" (Sarason et al, 2008). Agents do not create structures but structures are not created, maintained or changed without agents (Sarason et al, 2008).

Within the area of management, Giddens' (1984) theory of structuration is well established. His ideas are now beginning to emerge in the entrepreneurship literature and, although at times contested (see Mole and Mole, 2008), structuration offers a useful theoretical lens to expand our understanding about entrepreneurship and what it is that entrepreneurs do (Jack and Anderson, 2002; Sarason et al, 2006; Sarason et al, 2008; Jack, 2009). A structuration take on entrepreneurship presents it as "recursive processes that evolve as the entrepreneur interfaces with the sources of opportunity and engages in the venturing process" (Sarason et al, 2006: 287). Thus, the entrepreneur and the opportunity are really perceived as a duality where each is interdependent on the other (ibid). So if we think about opportunities, this perspective implies the entrepreneur and the opportunity exist together, even define each other (Sarason et al, 2008) and that neither would exist without the other. In earlier work, applying structuration to the study of entrepreneurship has been offered as a mechanism to recognise how social structures affect and encourage entrepreneurial activity, especially when it comes to resource availability or constraint, and appreciate how societal influences shape entrepreneurial agency, and how agency redefines or develops structure (Jack and Anderson, 2002). In terms of entrepreneurship it has also been proposed as a useful lens because it allows the entrepreneur and the opportunity to be seen as a duality where neither can be separated from the other; that entrepreneurs do not just fill gaps but purposefully co-evolve with social structures to create opportunities and enact ventures; and, that certain structures will be more prominent at different stages in the entrepreneurial process (Sarason et al, 2008).

In this paper, we do not look to test structuration. Instead, we use it as a theoretical lens to explore the links between the social entrepreneur and the structure. To do so, we experiment with the applicability of structuration theory to our empirical data. We feel this might offer a way to understand how the social entrepreneur (the agent) emerges in relation to the community/society (the structure). Current perspectives seem to be that the social enterprise climate should be nurtured and promote the concept of social enterprise not only as a solution in itself but as producing value-added contributions of social, economic and human capital as well as wellbeing for individual participants and communities. Simultaneous with this climate we see the emergence of social enterprises and social entrepreneurs. There is an undeniable link between the development of policy and the emergence of entrepreneurs. The policy encourages entrepreneurs; simultaneously, their emergence encourages others and shapes the structural conditions (for example, legal and financial) and societal conditions (for example, the extent to

which people come to accept social enterprise as a legitimate form of service provision) for the development of further social enterprise. In the other words, there is the potential for a duality, where the agent (a social entrepreneur) and the structure (a social system/the context) co-construct. Applying Sarason et al's (2006) theory to the context of social entrepreneurship implies that recognition and realisation of opportunity depends on the entrepreneurs' place in the social structure. Therefore, emergent social entrepreneurs must be placed in the structure in a situation where they both understand the context (promotion of the idea of social enterprise) and can see business opportunities. Once they have identified opportunities, according to Jack and Anderson (2002), embedding in the social context enables the entrepreneur (in our case the social entrepreneur) to utilise the specifics of the environment in activating resources for their activities. Consistent also with structuration theory, the agent can be simultaneously enabled and constrained by the structure, so it is pertinent to look at what exists within the context that acts as a barrier to the development of further social entrepreneurs (see Table2). In the following section we explain how empirical data was obtained that allowed us to explore our research questions *who are the social entrepreneurs?* and *what do they actually do?*

METHODOLOGY AND RESEARCH DESIGN

The context

Throughout the World, social entrepreneurship is increasingly being promoted as one way to address a broad number of social problems (DTI, 2002, 2006, Farmer et al., 2008a, 2008b; Parkinson and Howorth, 2008; Zahra et al, 2008). With the downsizing of its welfare state, the United Kingdom (UK) presents a useful example where the growth and development of this sector is being emphasised as a necessity by policy-makers at all levels. This is part of a neo-liberal shift concerning the way in which public services are to be organised and delivered in the future (Steinerowski et al., 2008). The intention is to reduce reliance on the welfare state and build the capacity of communities and individuals to become more responsible for their own destiny (ibid.). As a consequence of this shift, social entrepreneurs are being looked on to play a more prominent role in addressing a range of social issues, particularly in the areas of health and social care sectors (Haugh, 2007; Tracey and Phillips, 2007). And the UK government suggests a role for communities in developing social enterprises to provide services "in partnership" with the state (DTI, 2002, 2006; Brich and Whittam, 2008).

By 2005 Scotland had 3000 social enterprises and their total contribution to the economy was estimated at around £1 billion a year (Scottish Executive, 2007). Yet, although in Scotland the social economy already plays a substantial role in disadvantaged communities, both Scottish and UK governments want social entrepreneurs to grow their contribution (Scottish Executive, 2003, 2007; DTI, 2006). Policy support is manifest in social enterprise strategies (Scottish Executive, 2007) and the currently favourable policy climate may be the most important factor underpinning the rise of social entrepreneurship within the UK. This may also help to explain why non-state players are also being stimulated to deliver social services in Scotland (Scottish Executive, 2003, 2007).

The data reported here form part of a study looking at the promoters and barriers to social enterprise and social entrepreneurship funded by Highlands and Islands Enterprise (HIE), the regional development agency for the north of Scotland. HIE is concerned with strengthening

communities as well as building economic development and thus have multiple interests in study outputs. The Highlands has a population of 441,000, covers an area of nearly 40,000 square kilometres and is one of the most sparsely populated areas of Europe (HIE, 2003). Although rural business has been considered in previous work (OECD, 2006, 2008; HIE, 2003), few have considered social entrepreneurship within such an environment. Yet, to us, rural areas present a number of advantages. Scarcity of population and bounded space make observation easier and how individuals are influenced by their environment is likely to be more transparent (Anderson and Jack, 2000).

Sample and research techniques
To consider the questions *who are the social entrepreneurs?* and *What do they actually do?*, an exploratory approach and qualitative techniques were used. A topic guide for data collection and analysis was developed based on literature review and research questions. Perspectives from different stakeholders were gathered because we considered it important to gain the views of social entrepreneurs and key players in the field who might have more reflective "distance" on the topic. Respondents were identified by using snowball sampling, which is especially useful when the desired population is ambiguous, multi-faceted or elusive, and when the sampling frame is not easily accessible (which was the case it this investigation) (Bryman and Bell, 2007).

Face-to-face interviewing was used because it allowed focus on the main topics, whilst allowing for elaboration, which is important for deeper understanding of "who", "why" and "how" questions (Saunders et al., 2003). Thirty-five in-depth semi-structured interviews were conducted with a range of stakeholders involved in social enterprise activity, including: ten social entrepreneurs (for our study, defined as individuals leading socially-oriented enterprises, independent from the state sector; they included a range from service providers to those who produce products; marked in this paper as SE); five employees of social enterprises (ESE), five volunteers of social enterprises (VSE) and five managers of social enterprises (MSE); five health and social care professionals (HCP); two councillors (C) and three politicians (P). This approach allowed rounded characterisation of social entrepreneurs and their activities. The interviewer held free-flowing discussions, allowing interviewees to expand on topics of interest. As interviews built, it was possible to ask for the opinions of interviewees on points that had been made by previous interviewees, although clearly names and designations were not divulged. This method was appropriate for an exploratory study and particularly beneficial in that, in some cases, discussions led into areas that had not previously been identified, but which were significant for addressing the research questions.

Interviews lasted 40-60 minutes and were recorded, with consent, and subsequently they were transcribed. Field notes were also collated and observations recorded. All data were coded, categorised and analysed using the constant comparison method and analytic induction. This involved, manually inductively trawling transcripts for themes, but also deductively considering the data against points from the literature on entrepreneurship. All transcripts were initially read by AS and samples were also, independently, read by SJ and JF. Emerging themes were discussed and consensus reached on an initial coding schedule. This formed the basis for systematic analysis of transcripts using NVivo qualitative data analysis software program. Further iterations of analysis occurred following feedback on initial coding. This approach elicited detail about social entrepreneurs, allowing for description and comparison with

commercial entrepreneurs (from the literature), while also allowing for emergence of themes to be explored in future research.

FINDINGS AND DISCUSSION

Findings

This section compares our empirical data from a study in the Scottish Highland region with our identified theoretical framework around features of entrepreneurship and structuration and related theory.

Ways that social and commercial entrepreneurs are alike

Considering the general modus operandi of social entrepreneurs, it is possible to decide that in, many ways, they transform their thoughts and ideas into an entrepreneurial outcome just like their commercial counterparts. The majority of our respondents described social entrepreneurs as: *"self motivated, very committed people" ESE2* who *"believe passionately in the things that they want to do" VSE4* and *"who will drive and take things forward" ESE5*. They also said that: *"the social entrepreneur is the driven person who will just go and make something happen"MSE1*. Passion, enthusiasm and willingness are attributes common to entrepreneurs and these may be central facets of what makes them entrepreneurs.

Social entrepreneurs were described as people with exciting ideas: *"He's got so many new ideas, he's buzzing with ideas, absolutely buzzing. He just goes from one thing to another"MSE4*. This thought was confirmed in the discourses of all the social entrepreneurs interviewed, especially when conveying describing their activities: *"...we also sell the products online. We get a large amount of sales on-line. We have another shop ... that's been opened for the last couple of years ...we are actually going to rebrand* [it] *to pick up more business ... We started up a small recycling business and that was collecting rubbish ... and then we started the second hand shop, people donate all the products to us ... we take in old furniture, do it up and sell it on ... It's very profitable ... and that is money generated through stuff which people are throwing away. So we don't buy any of it"SE7*. This illustrates the passion conveyed when entrepreneurs talked of their businesses and the opportunities they had identified. Another example identifies an opportunity in organisational form: *"It's a franchise opportunity for the whole of Scotland and it will be manufacturing high quality products for tourists ... So, it wouldn't just work for our small community, because we've got a limited market. But because it's for all of Scotland ... it would be Orkney, Inverness, Edinburgh, etc."SE3*. Some social entrepreneurs talked of developing their networks over time and internationally: *"We work with people outside the U.K through our equal partnership, we have foreign partnerships"SE9*. This suggests that they are proactive, taking an opportunity-seeking and forward looking perspective, which is said to be a feature of commercial entrepreneurs. Social entrepreneurs were also keen to highlight their economic returns: *"So now we've got our company which we established about 4 years ago ...It manufactures a whole range of body products ... and our turnover there is probably in the region of about £1/4 million"SE2; "Last year we recycled 100 tonnes of furniture and then they pay us for that as well"SE7; "Our turnover for last year was about £1.5*

million and we fully expect that to reach £2 million"SE3. This suggests that, although they have a social mission, they are still to an extent driven by the competitive urge to show "profit".

Social entrepreneurs were described as *"very innovative, entrepreneurial, motivated people, the ones who have a true belief in the social purpose that they're supporting. They have the same kind of characteristics* [as commercial entrepreneurs] *but they have a more altruistic belief of something"MSE2; "They* [social entrepreneurs] *should be finding innovative solutions to problems in society and addressing them by taking risks and setting things up"ESE2.* Thus, our study found evidence that social entrepreneurs are regarded as innovative. In many cases, however, the innovativeness is expressed in the outcomes of their activity: *"So we're trying to pick up things that the private sector doesn't want. They don't want to employ people who are difficult to employ, who are recovering from mental health difficulties. They don't want to work in communities where people don't have a lot of money"SE6.* Hence, social entrepreneurs bring and produce social innovation: *"It's really, really satisfying. I mean, to actually set something up from nothing, from scratch and see the people, even just creating one job for someone is really, really satisfying. But if you've seen it, you've got a workforce of half a dozen people and you know that if it wasn't for you they wouldn't be working, you can't describe it, really. It's a very good feeling"SE10.*

We also found evidence of risk-taking behaviour and a lack of fear of having to take a risk: *"They take risks; they take account of assets; they trade; they just have a whole different set of characteristics"P3; "…they're taking their own personal risks in coming forward with the idea. And if you've got people with a creative sense and that type of passion and willing to take a personal risk and things, makes it even better really"C1.* Moreover, our respondents shared the view that social entrepreneurs are audacious and persistent: *"They don't see barriers to anything. If they have an idea, they will make it happen"P3; "The social entrepreneur … is the person who makes it happen regardless of resources, regardless of barriers. And they put their own personal resources, their own personal reputation, on the line."VSE2.* It was noted that competition can be inspiring and challenging: *"I hear other people's point of view saying that there's too much competition and we have to compete with all these guys. But I look at it from the other angle. Well that's great. It's good that you should compete, it just means that you've got to prove yourself and be a really good business"SE7.* Some noted how they had learned from previous social enterprise failure: *"…our accountancy was completely wrong. We invoiced people on a monthly basis so we had a large amount of money sitting out there. So if we did it in a way that people picked it up and paid for it, it would have been much better. But nevertheless that's another failed business, it's something again we would look at"SE8.* In this case, and others described by social entrepreneurs, failure is seen as a potential part of the learning process of becoming a more knowledgeable entrepreneur. The need to be persistent was noted: *"If you think like an entrepreneur, you'll try it one way and if it doesn't work, you'll try do it differently, still keeping your motive in front of you"ESE1.* The importance lies, foremost, in analysing the problem and learning from the mistake: *"We had a very good business opportunity but it was done the wrong way. And now we recognise what went wrong and we know what to do to fix it. So whatever mistakes we've made, we've analysed them to see why we've made them, that's so important. So we can say: this is where we went wrong, try it this way"SE8.*

The overall picture conveyed supports aspects of the theory explored above in which social entrepreneurs (the agents) "make things happen" by discovering and creating opportunities in their settings. At the same time, they are influenced by factors, some of which emanate from the external environment and some from their embeddedness in the social context, that support success or failure. By analysing their mistakes, the agents acquire new knowledge (the agent's behaviour changes because of the structure) and once they have interpreted this, they start working again, in different ways. They influence the structure by the way they shape and re-shape their activities and this influences others in the sector.

Ways that social and commercial entrepreneurs are different

Considering the differences between social and commercial entrepreneurs, this may be summarised in a comment from one of our interviewees: "*The commercial entrepreneurs, who have a really sound business idea, will go and say "Well, just go straight to the commercial model." But social entrepreneurs, they'll trade on the social value"C2*. This statement highlights the most obvious difference – the values and priorities of social and commercial entrepreneurs. "S*ocial entrepreneurs are the people who really want to do things and see a difference. And they're motivated by all kinds of things, not just money! In fact, a lot of people don't like a culture of individualism and making money. I think a lot of us choose not to be in that because we don't like it. It feels very, you know, that kind of dog eat dog, I'll just go where the market is"VSE4; "The main difference is that it's not about private people making money for its own sake and putting it in their own pocket. But apart from that, we* [social entrepreneurs] *do a job to achieve social ends"SE1; "The social entrepreneurs have a social motive; here, the commercial entrepreneurs have a financial motive for themselves. The only difference is motive"HCP3; "I'm thinking of a social entrepreneur like of somebody who is a visionary, somebody who has got good leadership skills and who is actually working for the benefit of the local community. It's not from necessarily a profit making motive, although that maybe is part of it, but it's making that money so that it can be invested in the local community"P1*. This opinion characterises those of several interviewees, highlighting the common theme - the motive for the activity, the "place" where the passion comes from. This leads us to probe a little deeper into what social entrepreneurs actually want to achieve and considering why they see social entrepreneurship as an outlet for their social passion. Their motivation arises from their beliefs and experiences: "*I feel anxious about social aspects ... that's much stronger than the money itself"SE6; "When you work with people you hear their stories ...I have so much respect for them. Sometimes I don't know how they get through the day; I don't know how they get up in the morning. And if you can do something for them in return and make their lives better ... that's what it's all about. It's important that people have the same chances. I'm passionate about discrimination or inequality. I think everybody has a right to being treated in the same way, to have a job and to be able to live their life"SE10; "I'm not getting profits in my pocket but that doesn't matter"SE2; "People ask me: "Why would you work all those long hours if it wasn't your own business? Why would you do that because you're not getting the return? But I believe really strongly that it's not just money that motivates us as human beings"SE7*.

Financial return is an intriguing issue here. Our data indicate that social entrepreneurs will work long hours, but are not highly motivated by personal financial gain: "*You want fair pay, but actually it's about seeing what difference you can make, seeing people change their lives. I think*

people want the world to be a better place and they want to make their own mark. *"SE4*. It is the passion of making a difference to people's lives that is the apparent driving motive for social entrepreneurs. Given this, there is still a range of attitudes to the question of personal gain: *"The question is about how much the individuals benefit from their social enterprise idea and that determines where they pitch themselves as a social enterprise or actually as an ethical business"*C1. In other words, we can find diverse business orientations: from being purely commercial, through being ethically-orientated, to social enterprises. This supports Austin et al's (2006) assumption about the range of businesses in the marketplace.

Given that we have argued that the motivating passion is different for commercial and social entrepreneurs, it might be easy to take this purely at face value, but it does require further probing. One question is around where their "mission" originates from. Why, if both operate in essentially the same way, does one person become a social entrepreneur and another a commercial entrepreneur? Additionally, it is important to note that, once embarked on a social or commercial entrepreneurial route, the context and environment frames the way that entrepreneurs can and are expected to, behave. That is, the different purpose of their activities imposes modes of behaviour and ways of thinking. To extend this point, we use examples from our data.

Social entrepreneurs in our study noted that they had to be concerned with the social environment in which they were placing their new business and about potential impacts on other community business activities. By developing a new social business, they had to be careful not to adversely impact small players in the marketplace: *"If you're choosing a business it's particularly difficult because you don't want to step on any local competitor, it's such a small place. So whatever business you undertake either you have to go into local partnership with someone or you look at the business which doesn't keep or substitute anybody else's business"SE8*. It might be argued that this kind of approach would not fit with commercial business, although in a small community a new business might consider other businesses in terms of its prospects for prospering. However, it might be that relationships with competitor commercial businesses are regarded in different ways by social and commercial entrepreneurs. As noted in the literature, social entrepreneurs specialise in working in inhospitable environments. Although it is extremely risky, they do so in order to address perceived social needs (a social opportunity): *"They* [a community group] *have set up a social enterprise which employs lot of people which does a lot of trading and which has moved at an incredibly fast pace but it's done it by taking a lot of risk ... and one driven person* [a social entrepreneur] *who has made it happen. And that person was told all the way along "This will never happen." And people wrote that person off. But in fact, that person just made it happen"ESE5*. Thus the challenging or even unfriendly environment does not deter the social entrepreneur who, foremost, feels the responsibility to the community. He/she is willing to take a risk hoping to bring about social change (classically, this would be considered to contrast with the commercial entrepreneur who would be considered to be looking for personal reward).

Social entrepreneurs might be argued to have a more complex task on their hands and be operating in a more complex environment than commercial entrepreneurs. Not only do they have to make their business a success, but they have to deliver social outcomes. Thus they need skills of commercial entrepreneurship, combined with a societal and ethical approach which is

characteristic of the voluntary sector: *"they're* [social entrepreneurs] *almost like the middleman between business and voluntary sector"VSE5.* Interestingly, it was suggested that: *"they* [social entrepreneurs] *want to drive things forward. And ultimately, they want to make a living out of that. They want to be able to say "Okay, now this is generating income, I want to take a wage out of this." Now, under the old structures they couldn't do that, because you couldn't be a director and a beneficiary at the same time if you had charitable status. Whereas now, people are saying this new community interest company structure has been set up specifically for that reason so that it allows someone who has got the great idea, they put the investment in to set something up and then they can benefit from it"MSE1.* One of our respondents said: *"The reason we discovered why the voluntary sector organisations weren't growing to become social enterprises is that they have a culture which is very definitely a voluntary sector mindset; again, it's quite different analysis of risk and assets, and so on. But we live in a world where quite a large number of people, who have a very strong ethical and motivational base to their lives, are emerging"P2.* These statements suggest that social entrepreneurs should be considered neither as commercial entrepreneurs nor as voluntary workers. Instead, they imply that social entrepreneurs are a distinct group of people who have entrepreneurial skills and a strong social mission.

Now we turn to the relevance of structuration theory and embeddedness in the differences between social and commercial entrepreneurs. As noted, social entrepreneurs *"feel anxious about social aspects"* and perceived inequalities stimulate them to take action to change the situation. So, the agents are influenced by aspects of the structure in which they exist – they want to change them. In the process of developing the enterprise (and as part of the general movement towards social enterprise), a number of people with similar values become more visible. The impact of their activity becomes increasingly evident to the individuals themselves, to prospective social entrepreneurs, to the wider society and to policymakers. In turn, the structure may respond to the movement; for example, a new concept - the Community Interest Company (CIC) - was created in policy in order to nurture further development of social entrepreneurship. The CIC is intended to attract more social entrepreneurs wishing to establish social enterprises. The exact relationship between policy development and the growing number of agents is difficult to precisely fathom without access to emerging policy processes: it may be that policy directly responded to need or saw CICs as a way of further stimulating social entrepreneurs with a new idea. A process of co-construction between agents and structure is, however, apparent. Several respondents highlighted that social entrepreneurs do not want to harm neighbouring businesses and this complicates identifying opportunities and bringing them to fruition. This might be regarded as a constraining aspect of being embedded in the context.

Social entrepreneurs: old wine in new bottles?

Some interviewees claimed that social entrepreneurship is just a fad. They argued that social entrepreneurs have existed for many years, they just did not get so much attention: *"This whole new concept which has come from America about social entrepreneurs, I think is nonsense … I would call it a new form of philanthropy"MSE3; "It became most well known in the 19 century, when people like Carnegie, who was a Scotsman, made a huge amount of money in America and he invested some of that money back into Scotland in things like libraries, for example. So that's the nineteenth century version of a social entrepreneur and you could argue that people like Robert Owen who came to Scotland in the eighteen hundreds and he set up … almost like a*

model community, you know, it had it's own schools, it's own shops and so on, the workers got paid reasonable wages and their working conditions were a lot better than most of the factories in those days. And he was a social entrepreneur of that age"MSE5. This group perceived a social entrepreneur as a commercial entrepreneur who later turned their finances to help social causes. Others suggested that some who were successful in commerce, might turn their hand to running social enterprises. That is, people are not destined to be commercial or social entrepreneurs – they can change: *"All these individuals who can not achieve what they want to in commercial business because they're constrained, they come out and they start their own new organisations, which is why social enterprises tend to be new organisations. Not new people but new organisations"P2*.

Am I a social entrepreneur?

We asked those termed "social entrepreneurs" in our study whether they consider themselves to be entrepreneurs. Intriguingly, this question caused confusion and embarrassment: *"Am I, I don't know, really! I don't know, what do you think? I have ideas. I have run my own business. I ran my own business. Yes, I guess so"SE6*. Only a minority readily acknowledged themselves as entrepreneurs: *"I suppose, in a way. Well, I like to look for new things and see how we can develop them and test out things"SE7*. More frequently, however, people did not perceive themselves as social entrepreneurs: *"No, I don't think that I am a social entrepreneur. I like working hard, I love working with the guys that we do, disadvantaged, learning disabled. These are personal things. I don't think I am. I think I'm a good organiser, a good planner. I'm able to hold the thing together and push things forward and jump up and down when I have to be. And I think you have to be able to fight your corner. If I was going to be entrepreneur I would be driving around in a big Rolls Royce. That's not why I'm here. I'm here because I want to help people, that's why"SE10*. It would appear, therefore, that there is some reluctance among social entrepreneurs to associate themselves with the concept of entrepreneurship. Some argued that "social" and "entrepreneur" are words that should not be aligned. This response may be problematical for social entrepreneurship's future. Social entrepreneurs seem satisfied to use the methods of business and even to talk about financial returns, but are unwilling to reconcile business and social objectives. As business becomes more socially and environmentally aware, perhaps this will change.

Discussion

Social entrepreneurship is an emergent idea, highly promoted by policy, but there is limited understanding of what social entrepreneurs do, what they should do and where they come from. Here we aimed to use data from a Scottish study of social entrepreneurship to develop understanding and the idea of what it is to be a social entrepreneur. The methods used allowed deep and broad investigation of the theme from a range of stakeholders. But the study was focused on a contained region - the Northern part of Scotland - which might shape the attitudes of social entrepreneurs. Perceptions and attitudes might differ in other settings.

The literature suggests that the cognitive style of social and commercial entrepreneurs is alike. This means that their decision-making processes about opportunity evaluation, venture creation and growth should be similar. Our findings appear to show that: a) opportunities are

individually idiosyncratic conceptualizations of the social and economic environment and they take form as the entrepreneur defines them. As the social entrepreneur has their own values, motivations, passions and life experiences, the opportunities perceived by him/her vary from those seen by the commercial entrepreneur; b) when it comes to venture creation, social entrepreneurs may appear to be "irrational" if viewed by business rules. They may establish a business in spite of, or because of, an inhospitable environment, where the private sector does not want to invest as it would not be profitable and where the public sector will not invest as it is too costly. Therefore, the decision framework about venture creation may differ between social and commercial entrepreneurs. This is rooted in their differing missions.

Turning to entrepreneurial orientation - the propensity to take risk, be proactive and innovative - the literature suggested that social entrepreneurs are not as risk-taking and innovative as their commercial colleagues. Our data did not support these proposals, instead suggesting that: a) social entrepreneurs are embedded in a social context and are influenced by the structure – their approach is a response to the context. The context affects the norms of risk-taking for the social entrepreneur who may be constrained because of exposure in a public and local community context. Our study suggests that social entrepreneurs will take risk as long as they have financial assets and the risk falls within that which would be acceptable to the environment; b) innovativeness can be defined in many different ways. In our study, social entrepreneurs were generally innovative in couching an accepted idea or model in social terms. The outcome of their activity is innovative in bringing social innovation and benefits. The mission, not the action per se, may be the innovation.

The differing motivation and passion of social entrepreneurs, when compared with commercial entrepreneurs, is perhaps the primary difference. And as the concept of embeddedness implies that it is impossible to detach the agent from the structure – the structure becomes implicated as part of this distinguishing feature. It is possible to argue that the contextual environment is implicated in shaping social entrepreneurs and breeding their passion for addressing social issues. Thus, considering our data, it is possible to argue that structuration and related theory is helpful in providing an analytical framework for considering who the social entrepreneurs are and what they do. The structure enables and constrains the entrepreneur/social entrepreneur and the structure shapes entrepreneurs minds and perceptions of the external world. The environment from which entrepreneurs emerge shape the types of enterprises they form, while their approaches and competitive instincts to succeed and "make profit" (however that is understood and applied) appear in many ways similar. In spite of this, social entrepreneurs tend to be wary of identifying with the concept of entrepreneurship. This may change as commercial entrepreneurship has to incorporate more social aspects (because of societal expectations and desires). While this study goes some way to further understanding social entrepreneurs at a particular snapshot in time, it does not answer some deeper questions: what produces and enhances the entrepreneurial behaviours and orientation of the social entrepreneurs? What produces the social orientation that stimulates certain people to enter certain sectors (e.g. public not commercial)?

CONCLUSION

As a form of enterprise, social entrepreneurship is becoming increasingly prominent in developed economies throughout the World (Tracey and Phillips, 2007). This paper explores the concept of the social entrepreneur. It considers whether social entrepreneurs really are "entrepreneurs" or if they are simply individuals motivated to meet social objectives to achieve social change. Our exploration suggests that social entrepreneurs should be classified as entrepreneurs as they possess significant entrepreneurial characteristics. They differ from commercial entrepreneurs, however, because they have a different mission and distinctive spheres of operation. Social entrepreneurs tend to be driven people who want to create a better world by helping needy people. They use entrepreneurial activity to do this. So, they utilise their entrepreneurial skills and knowledge to bring social innovation. Here, the notion of innovation itself may require unpacking in the context of social entrepreneurship. Social enterprises may not introduce innovative products or services, but they may produce them in settings previously considered uneconomical or with staff groups previously considered unemployable. Their outputs may represent a social bonus. Thus, it might be argued that producing under a social banner utilising commercial tools is hugely innovative in itself.

Social entrepreneurship is an emerging area of academic inquiry and growing it, as neo-liberal governments would like, requires further study (Austin et al., 2006). Our findings show individuals that are entrepreneurially minded, but operate in a different structure to commercial entrepreneurs. This structure is affected by politics and exposure in an arena of needy people and, potentially, where "public" services are being produced, in an arena of high public scrutiny. This structure seeks to grow them, but it also constrains them. Social entrepreneurs need help with how to steer their entrepreneurialism through a potentially hazardous structure and certainly one that has many differences to the structure and context for growing commercial organisations. Particular areas for research may be how and why entrepreneurs take a social, rather than a commercial route, how they can protect themselves from the whims of the political arena and public sector structures to grow and flourish and how the reaction of the public/society responds to the growth of social enterprise as a provider of goods and services – that is – how agents and structure change as they mutually co-construct.

The shared term "entrepreneur" implies common aspects; for example, both commercial and social entrepreneurs are proposed to identify opportunities in the environment and then seek resources to pursue them (Cools and Vermeulen, 2008). However, it may be that those who activate organizations in a social cause, may only be termed "entrepreneurs" because this is a "trendy" term, fitting with the pervasive enterprise culture.

In the same way that Kirzner (1997) argues that entrepreneurship is a mechanism through which temporal and spatial inefficiencies in an economy are discovered and mitigated, social entrepreneurship could be understood as a process that recognises social inequalities and imperfections and sets out to address them in an entrepreneurial way.

There is still confusion about identifying social entrepreneurs, with some who might be described in this way not recognising themselves as such (Thompson, 2007).

In terms of more traditional forms of entrepreneurship, our findings imply that if structuration theory indicates a symbiotic relationship between agents and structure, then it follows that if

commercial entrepreneurship increasingly embraces social outcomes, this will impact on society's expectations of commercial business more widely (Jack and Anderson, 2002; Berglund and Johansson, 2007). Following, structuration theory implies that opportunities are not phenomenon existing separately from individuals. Rather, opportunities should be conceptualised as occurrences, which are viewed and interpreted differently by different individuals. They take form as the entrepreneur defines them and the entrepreneurial process emerges through defining and evaluating perceived opportunities. A structuration perspective views opportunities not as an interpretation of a singular social and economic gap, but as an individually idiosyncratic conceptualization of an instantiated social and economic system (Sarason et al., 2006). Within this argument, it could be suggested that social and commercial entrepreneurs are "the same" in that they identify opportunities; it is simply that their individual backgrounds, experiences and beliefs allow them to perceive opportunities in different places.

A further complication for the social entrepreneur is their exposure within the social context. However, in their environment, the social entrepreneur can be the focal point for a needy group of people who have invested their personal faith in the social enterprise. Seeking funding for the idea of the social enterprise might require buy-in from public sector or third-sector agencies whose governance is in the public domain. There may be less hiding space for the social entrepreneur. This might exert a very personal pressure. Consequently, for social entrepreneurs, failure is not a private experience, but could cause disappointment to other people and within their community.

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Table1. Comparison of commercial and social entrepreneurs based on Austin et al. (2006).

COMMERCIAL ENTREPRENEUR	SOCIAL ENTREPRENEUR
OPPORTUNITY	
- focus on break-throughs and new ideas - an opportunity must have a large or growing total market size; the industry must be structurally attractive - unexploited, profitable, high-growth opportunities are hard to capture	- focus on serving basic, long standing needs more effectively through innovative approaches; meeting needs in a superior way - sufficient market size is guaranteed by a recognised social need, demand or market failure; existence of the need is not a problem itself but finding resources to satisfy existing needs might be problematic - opportunities are wide and visible, and often outstrip the resources available to address them
CONTEXT	
- affected by economic activity - compete with other commercial enterprises for resources such as: funding form investors, market share for customers and the most talented employees - an inhospitable context discourages commercial entrepreneur and might be the reason for looking for an alternative opportunity - commercial marketplace rewards entrepreneur for superior performance - inefficiency and ineffectiveness is punished by the exit/replacement of the entrepreneur	- affected by economic activity - compete with other social enterprises for philanthropic financial support, government grants and contracts, volunteers, community mindshare, political attention and clients or customers, and talents in their industry contexts - an inhospitable context e.g. economic breakdown intensify social needs and thus the activity of the social entrepreneur - social marketplace does not reward entrepreneur for superior performance - poor economic results do not cause immediate replacement/exit of the social entrepreneur as there is a greater forgiveness factor and margin for errors
PEOPLE & RESOURCES	
- human talents and experienced	- human talents and experienced

managers and employees are critical to be successful - commercial enterprises can financially afford to attract and retain well-prospering human resources - relatively easy access to the financial resources - significant importance of well developed networks	managers and employees are critical to be successful - inability to access or retain skilful workforce due to lack of ability to pay them market rates for their work - difficulties in obtaining financial support - significant importance of well developed networks
DEALS	
- relatively homogenous stakeholder group simplifies deal-making - commercial customers have strong economic or market power which in turn reduce the power of the commercial entrepreneur - financial deals are fairly straightforward	- considerably heterogeneous set of stakeholders makes it difficult to satisfy every stakeholder - social customers have little economic or market power which gives better dealing position - financial deals are complex and often time consuming

Table2. The relationship between the structure and social entrepreneurship in the space of time.

PAST   PRESENT   FUTURE