

ABC of social entrepreneuring in Chile: entrepreneurs' definition/s of success

Ieva Žebrytė^{1,2,*}, Gisela Ulloa³

¹Department of Management and Economics, Universidad de La Frontera (UFRO), Chile; ²ISM University of Management and Economics, Lithuania; ³Student of the Master's in Local and Regional Development program of UFRO, La Araucania, Chile

[*ieva.zebryte@ufrontera.cl](mailto:ieva.zebryte@ufrontera.cl)

In Chile the phenomenon of social entrepreneuring is gaining traction and is characteristic of some A.G. (agrupaciones gremiales), B corps (law is pending) and Cooperatives (sometimes seen as the only true expression of business+social organising). These distinct forms of organising with purpose have many things in common. After observing social entrepreneuring scene in Chile and Latin America for the last ten years (Žebrytė and Jorquera, 2017) we started wondering, how social entrepreneurs of Southern Chile understand and construe the definition of “success” of their business with impact ventures? Hence, the name of the present Research Project: ABC of social entrepreneuring in Chile: entrepreneurs' definition/s of success. We are looking to answer the research question through the study embedded in the constructionist paradigm hinging on the open and emerging design.

To inform our research protocol we drew on Johannisson's (2018) definition of social entrepreneuring because the research question on comprehension of success by entrepreneurs has strong processual and social practice connotation. Everyday practices documented by researchers feed theory creation and/or expansion (Charmaz, 2014). In addition, preliminary data collection revealed that some of the entrepreneurs who participated in the study do not define themselves as seeking social improvement. However, their day to day entrepreneurial practices are evidence of the contrary. Interpretative-constructionist paradigm conditioned open and emerging study design where data collection techniques will be adopted

as the occasions arise. Johannisson's (2018) definition of social entrepreneuring informs the development of the instruments for data collection (semi-structured interview guide) and data analysis approach.

So far eight (8) semi-structured interviews have been conducted out and on four (4) occasions non-participant overt observation at the vents of either B corps (Empresa B in Spanish), A.G. (específicamente Sociedad Regional Turismo Mapuche A.G.) and cooperatives with commercial and social mission have been carried out and recorded. Further, the websites and public posts on the social media pages or channels of the businesses of the ten interviewees have been captured through Nvivo and will be analysed later.

Saebi's et al (2019) study thoroughly mapped out social entrepreneurship research and call for research on causality and deterministic explanations of the relationships, mimicking Foss and Saebi (2017) study on business model innovation. However, social entrepreneuring in emerging economies such as Chile is only surfacing (Žebrytė and Jorquera, 2017; Kimmitt and Muñoz, 2018). It is too early to call for theory testing because not all elements and dimensions of social entrepreneuring phenomenon have not been mapped out yet.

Assuming that social value creation is an important element in social business venture's success, we take into consideration value creation drivers studied by Spieth's et al (2018). They showed how integration of distinct and even divergent values and of multiple stakeholders as per Yunnus' et al (2010) through social business model innovation permits social venture to reinvent itself.

Building a business model means envisioning and structuring the future of the business. Since the business does not function in isolation or 'out of context', nor are they a macro-level actor (see Kim et al (2016) on meso-level analysis of micro-level entrepreneurial action). The communities of practice and networks in and around social enterprising such as Sistema B in Latin America (Žebrytė and Jorquera, 2017), are consolidating around the world (Seelos and Mair, 2005; Herrera, 2016). However, empirical evidence is lacking as to how entrepreneurs envision success. The participants of the present study, in some cases, having declared social mission of their business practices did not define success in terms of social change. We are proceeding with the study to unveil the subjective and elusive concept of success as it is construed and experienced by the social entrepreneuring entities in the South of Chile.

Figure 1.



Figure 1 sums up the literature from business, engineering, management and social entrepreneurship fields as a way to visualise clusters of relevant concepts covered by previous research.

References

- Charmaz, K. (2014). *Constructing grounded theory*. Sage.
- Choi, N., & Majumdar, S. (2015). Social innovation: towards a conceptualisation. In *Technology and innovation for social change* (pp. 7-34). Springer, New Delhi.
- Creswell, J.W. (2014) *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. 4th Edition. SAGE Publications, USA.
- Foss, N. J., & Saebi, T. (2017). Fifteen years of research on business model innovation: how far have we come, and where should we go?. *Journal of Management*, 43(1), 200-227.
- Henry, C., & Foss, L. (2015). Case sensitive? A review of the literature on the use of case method in entrepreneurship research. *International Journal of Entrepreneurial Behavior & Research*, 21(3), 389-409.
- Herrera, M. E. B. (2016). Innovation for impact: Business innovation for inclusive growth. *Journal of Business Research*, 69(5), 1725-1730.
- Johannisson, B. (2011). Towards a practice theory of entrepreneuring. *Small business economics*, 36(2), 135-150.
- Johannisson, B. (2018). Disclosing everyday practices constituting social entrepreneuring—a case of necessity effectuation. *Entrepreneurship & Regional Development*, 30(3-4), 390-406.

- Kim, P. H., Wennberg, K., & Croidieu, G. (2016). Untapped riches of meso-level applications in multilevel entrepreneurship mechanisms. *Academy of Management Perspectives*, 30(3), 273-291.
- Kimmit, J., & Muñoz, P. (2018). Sensemaking the 'social' in social entrepreneurship. *International Small Business Journal*, 36(8), 859-886.
- Olofsson, S., Hoveskog, M., & Halila, F. (2018). Journey and impact of business model innovation: The case of a social enterprise in the Scandinavian electricity retail market. *Journal of cleaner production*, 175, 70-81.
- Osterwalder, A., & Pigneur, Y. (2010). *Business model generation: a handbook for visionaries, game changers, and challengers*. John Wiley & Sons.
- Peñaloza, L., & Mish, J. (2011). The nature and processes of market co-creation in triple bottom line firms: Leveraging insights from consumer culture theory and service dominant logic. *Marketing Theory*, 11(1), 9-34.
doi:10.1177/1470593110393710
- Portales, L. (2019). *Business Models of Social Enterprises*. In *Social Innovation and Social Entrepreneurship* (pp. 97-114). Palgrave Macmillan, Cham.
- Saebi, T., Foss, N. J., & Linder, S. (2019). Social entrepreneurship research: Past achievements and future promises. *Journal of Management*, 45(1), 70-95.
- Seelos, C., & Mair, J. (2005). Social entrepreneurship: Creating new business models to serve the poor. *Business horizons*, 48(3), 241-246.
- Sheldon, P. J., Dredge, D., & Daniele, R. (2017). Moving tourism social entrepreneurship forward: Agendas for research and education. In *Social Entrepreneurship and Tourism* (pp. 317-332). Springer, Cham.
- Sheldon, P. J., Pollock, A., & Daniele, R. (2017). Social entrepreneurship and tourism: Setting the stage. In *Social Entrepreneurship and Tourism* (pp. 1-18). Springer, Cham.
- Snihur, Y. (2016). Developing optimal distinctiveness: organizational identity processes in new ventures engaged in business model innovation. *Entrepreneurship & regional development*, 28(3-4), 259-285.
- Spieth, P., Schneckenberg, D., & Ricart, J. E. (2014). Business model innovation—state of the art and future challenges for the field. *R&d Management*, 44(3), 237-247.
- Spieth, P., Schneider, S., Clauß, T., & Eichenberg, D. (2018). Value drivers of social businesses: A business model perspective. *Long Range Planning*.
- Žebrytė, I. & Jorquera, H. (2017) Chilean Tourism Sector 'B Corporations': Evidence of Social Innovation and Entrepreneurship. *International Journal of Entrepreneurial Behaviour & Research*.