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**Master programme in Innovation
and Spatial Dynamics**

**Key Factors and Challenges of Scaling Up in Social
Entrepreneurship
A Case Study of Successful Social Enterprises**

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Abstract: Social innovation and social entrepreneurship receive rapidly growing attention today, due to the inability of current structures and policies to meet the most pressing social problems facing the world. This has concentrated attention on the significance scaling social impact can have on social change. This thesis adds to the literature on scaling up in social entrepreneurship, where the main focuses are theoretical on processes and strategies. The thesis takes an explorative approach and aims to identify, explore, and provide an understanding of what the key factors and main challenges are of scaling up in social entrepreneurship. The thesis is based on an analysis of case studies of four different types of successful social enterprises in Sweden. Interviews were conducted with the social entrepreneurs of the different cases and with two external individuals. The analysis identifies as key factors and main challenges: a sustainable team and the social entrepreneur, replication, ability to meet social demands, a long-term sustainable financial model, partners and alliance building, adaptability, timing, and communication. The outcomes contribute with a wider understanding of what the key factors and main challenges are of scaling up in social entrepreneurship, which can add important knowledge for other social entrepreneurs and people involved in this area.

Key words: Social entrepreneurship, key factor, main challenge, scaling up, social enterprise, social entrepreneur

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1 Introduction

The challenges facing the world today have taken on an increasingly social dimension, and these social challenges need to be solved, which require improved governance and more sustainable resource management. These challenges range from climate change to ageing societies, poverty, social exclusion, migration, and social conflicts. In these areas, the potential for social innovation and social entrepreneurship play a significant role (Barroso, 2011; Dacin, Dacin & Tracey, 2011; Konda, Starc & Rodica, 2015). Social innovation is innovative activities and services that address a social need. Social entrepreneurship is entrepreneurial activities, where the primary mission is to create social value by supplying solutions to social issues (Dacin, Dacin & Tracey, 2011; Mulgan, 2006). Social innovation is nowadays significant for social development plans. The emergence of social innovation and social entrepreneurship is due to the inability of current structures and policies to meet the most urgent economic and social problems (Barroso, 2011; Dacin, Dacin & Tracey, 2011; Konda, Starc & Rodica, 2015). The rapidly increasing attention to this field is driven by its potential to tackle pressing social issues, and its potential to change the current structures and policies (Maclea, Harvey & Gordon, 2012; van der Have & Rubalcaba, 2016).

Social innovation in particular is an opportunity not to be missed to generate new solutions, to connect with the citizens and to promote a better quality of life. Social innovation should be at the core of our social market economy and also contribute to make our social market economy more competitive. If we are prepared to adapt to our fast-changing world, if we address today's social and economic challenges in a smart way, it has the potential to unleash fresh waves of creativity and innovation and create new sources of sustainable growth and jobs (Barroso, 2011, p.3).

Social innovation and social entrepreneurship is an important and growing area of entrepreneurship, and a highly-debated topic. During the last decade, this relatively unexplored academic field has received rapidly growing attention. Social entrepreneurship meets a societal need where the demand often is unarticulated, and it can generate significant social change. This topic is under-researched and especially significant today due to the social issues many societies face, which makes it particularly important for this thesis (Adam & Hess, 2010; Austin, Stevenson & Wei-Skillern, 2006; van der Have & Rubalcaba, 2016; Volkmann, Tokarski & Ernst, 2012; Westley et al. 2014).

In the growing area of social entrepreneurship, a major challenge is scaling social impact. Numerous social innovations fail to achieve their potential and this problem is what this study wants to explore. Scaling is essential to maximize the social impact of a proven-effective innovation by diffusing it to broader contexts. It is not suitable to scale up in every case, but for social entrepreneurs that have developed an innovation that has the potential should consider scaling it (Bloom & Chatterji, 2009; Cannatelli, 2016; Gabriel, 2014).

Austin, Stevenson and Wei-Skillern (2006) point out that there is still a need for contribution both in theory and practice in the area of social entrepreneurship. Mair and Martí (2006) argue that attempts must be made in this field to clarify, explain and define key concepts and models. In the research by Weber, Kröger and Lambrich (2012), they point out the gap in literature of the complexity in scaling social impact of social enterprises. Therefore, this thesis intends to explore and contribute to this topic by identifying key factors and main challenges of scaling up in social entrepreneurship from the perspective of successful social entrepreneurs.

1.1 Background

Neither social innovation nor social entrepreneurship are new phenomena, but its importance has accelerated in present days (Mulgan, 2006; Alvord, Brown & Letts, 2004). There are various definitions of social innovation and social entrepreneurship. Konda, Starc and Rodica (2015) even stress that social entrepreneurship is social innovation. Mulgan (2006, p.146) defines social innovation as “innovative activities and services that are motivated by the goal of meeting a social need and that are predominantly diffused through organizations whose primary purpose are social”. Further, the social innovation emerges when an individual or a group of individuals discover a social need and find a novel solution for this need (Westley et al. 2014).

Social entrepreneurship could be explained by a combination of passion for a social mission with an idea of business, innovation, and determination (Dees, 1998). Some researchers explain social entrepreneurship with a combination of commercial businesses and social impact, while some argue that it is innovating for social impact. The last argument is when the purpose of the innovation is to solve a social problem, which usually is associated with insignificant focus on economic feasibility (Alvord, Brown & Letts, 2004). In almost all definitions of social entrepreneurship, the driver is to generate social value instead of personal and shareholder wealth. The main driver is to tackle the social problem and create a specific organizational form of a social enterprise that most efficiently can mobilize the resources required to tackle the problem. The major issue for the social entrepreneurs' innovations, is to mobilize the essential resources required to meet this problem (Austin, Stevenson & Wei-Skillern, 2006).

Westley and Antadze (2010) argue that a social enterprise has business interests with social outcomes and that it answers to a social need. Social enterprises can be private owned enterprise, a profit-oriented enterprise (Westley & Antadze, 2010), a corporate social enterprise, in the nonprofit sector (Austin, Stevenson & Wei-Skillern, 2006), or as hybrid structural forms, which is a combination of for-profit and nonprofit approaches (Dees, 1998). For a social entrepreneur, the central focus is the social mission, according to Dees (1998). Social entrepreneurs identify an opportunity to meet an unmet need, create new ideas and organizations, and establish or distribute new products or services (Weber, Kröger & Lambrich, 2012; Westley et al. 2014). Weber, Kröger and Lambrich (2012) claim that the difference between a traditional entrepreneur and a social entrepreneur is that the central focus of a social entrepreneur is on a social mission and on social needs. Alvord, Brown and Letts (2004) stress that social entrepreneurs concentrate

on social issues, and generate innovative initiatives, create new social actions, and mobilize resources required for these issues rather than market criteria.

The discussion above indicates that social innovation, social entrepreneurship, social enterprises, and social entrepreneurs are closely related to each other and that the definitions are diverse. This thesis focuses on social entrepreneurship, which is defined here as innovating to solve a social problem and to generate social value. In this research, social entrepreneurs refer to people that are focused on the social mission they want to solve, and the social enterprises are their social entrepreneurial organizations.

Scaling up has been explored over the last decade, and it is one of the major challenges and important topics in the social entrepreneurship area. There is a search for organizational models to simplify the progression of scaling social impact (Cannatelli, 2016). Weber, Kröger and Demirtas (2015, p.12) define scaling as “the most effective and efficient possible increase in social impact created by a social enterprise based on its operational model, with the goal of satisfying the demand for the relevant product or service”. This means that the focus is to increase social impact and not essentially on the growth of the social enterprise (Weber, Kröger & Demirtas, 2015). Bull, Hedley and Nicholls (2014) also point out that scaling is not restricted to size, the important factor of scaling is to reach more people.

Dees, Anderson and Wei-Skillern (2004) claim that there are several questions social entrepreneurs should ask themselves in order to understand the most efficient way and the most favorable strategy of scaling their innovation. Scaling social impact has become a substantial challenge for social entrepreneurs (Bloom & Chatterji, 2009). Mulgan (2006) argues that scaling up a beneficial idea requires a qualified strategy and a coherent vision, combined with the capability to mobilize resources and support, and to recognize the key points of influence. Not all social innovations are planned to be scaled out or up, some innovations are intended to stay at a local scale and not be diffused to broader contexts, while some are intended to be diffused and affect more people (Westley et al. 2014).

Scaling social innovations is associated with several challenges due to the complexity of social problems and the scarcity of investor incentives, in combination with an overall absence of will to strive for scale (Bull, Hedley & Nicholls, 2014). Bull, Hedley and Nicholls (2014) define successful scaling with a result of a decrease in the level of need relative to a specific problem by an increase in the number of people whose needs are being fulfilled by a successful approach. Scaling up is equally significant for social enterprises as it is for other sectors, but several social enterprises are still young and the focus is usually on short-term performance rather than the long-term sustainability (ATKearney, 2015). Social enterprises might not have the resources or the capability to grow immediately, which probably requires a plan for a long-term growth strategy, according to Austin, Stevenson and Wei-Skillern (2006). Westley et al. (2014) stress that numerous social enterprises fail to scale up, which leads to what this thesis intends to explore.

1.2 Aim of the Thesis and Research Questions

This thesis intends to identify, explore, and provide an understanding of what the key factors and the main challenges are of scaling up in social entrepreneurship. This will be done in the perspective of reflections from different social entrepreneurs whose social enterprises have scaled up in a successful way. In this thesis, scaling up successfully is defined by a social enterprise that is sustainable financially and has achieved to increase the social impact. Financially sustainable means that they have a sustainable financial model, or that their funding is not an issue. The social enterprises have not necessarily grown in terms of turnover or number of employees, the importance is the increase in social impact. These social entrepreneurs have tackled the challenges and are aware of which factors that made them successful.

Thus, to fill a gap and develop the field of scaling up in social entrepreneurship, by selecting different successful social enterprises, and explore the key factors and main challenges in the perspective of the social entrepreneurs. This research will contribute to a broader understanding of scaling up in social entrepreneurship. It will also display what actually have worked for successful social entrepreneurs, which further can facilitate for other social entrepreneurs to understand the significant key factors and the main challenges they might face when scaling up. This leads to the research questions this thesis aims to answer.

What are the key factors to successful scaling up in social entrepreneurship?

What are the main challenges to successful scaling up in social entrepreneurship?

This thesis intends to answer these research questions through a case study of four cases of social enterprises from Sweden that have scaled up successfully. An explanation of how these research questions will be answered is found in the methodology chapter.

1.3 Outline of the Thesis

This thesis is organized as follows. The next chapter consists of two sections, where the first section examines previous research on the topic of scaling up in social entrepreneurship, followed by the second part, which is a development of the analytical framework that is used in the analysis. After the theory chapter, there is a methodology chapter with detailed descriptions of how the research questions are answered, the selection process of the cases, how data are collected and analyzed, and a section with validity, ethical considerations and limitations. The methodology chapter is followed by the empirical chapter with short descriptions of the cases and the results, and the analysis chapter where the results are analyzed. The last chapter in the thesis consists of a conclusion and a wider discussion and future research.

2 Theory

This chapter starts with an examination of previous research on scaling up in social entrepreneurship, followed by a development of the analytical framework for the analysis.

2.1 Scaling Up in Social Entrepreneurship

As mentioned above, academic research on social entrepreneurship and scaling up is still relatively unexplored and exhibit gaps that need to be filled. Bloom and Chatterji (2009) claim that scaling social impact is a huge challenge for a social entrepreneur. Scaling social impact is emerging as a larger problem in the current debate to fight global problems. Different circumstances with different social issues that need to be met, require a unique but adaptable solution that could be implemented fast (Cannatelli, 2016). These arguments explain why there is a growing interest of key conditions that increase or limit the potential to scale social impact for social enterprises, both in theory and practice (Weber, Kröger & Lambrich, 2009; Bloom & Smith, 2010). The theoretical studies are mainly focused on the development of practitioner frameworks, and empirical studies of understanding the drivers of successful scaling for social enterprises are scarce according to Bloom and Smith (2010).

In a previous study by Bloom and Chatterji (2009), they developed a conceptual model called The SCALERS Model (Figure 2.1). The model consists of seven drivers/organizational capabilities, which can stimulate successful scaling by a social enterprise. The SCALERS (drivers/organizational capabilities) are *Staffing, Communication, Alliance Building, Lobbying, Earnings Generation, Replication, and Stimulating Market Forces*. To what extent the different drivers will affect the scaling success depends on specific situational contingencies. These situational contingencies have an impact on each individual SCALERS. There are probably specific characteristics of the enterprise's internal and external environment that will energize or mitigate a SCALERS's impact. In some cases, efficient distribution of all the SCALERS is needed to scale up successfully, but in some cases, an efficient distribution of only a few SCALERS might impact successful scaling. The purpose of including specific contingencies, is to make the model more flexible, rise the explanatory influence, and to develop the usefulness. The scale of social impact, accomplished by a social enterprise, or to what degree the enterprise has been able to scale wide (help more people), and deep (improve outcomes more dramatically by putting more effort on staffing, communication, and alliance building), is affected by how efficient the enterprise has been at developing some combination of the seven drivers (Bloom & Chatterji, 2009).

The purpose and outcome of their research was to develop The SCALERS Model (Figure 2.1) to be more useful for both academics and practitioners (Bloom & Chatterji, 2009). Bloom and

Chatterji (2009) claim that earlier studies about scaling social impact have been focused on the inside of the social enterprises, while recent studies are focused on the value the external ecosystem brings to scaling social impact. The purpose of The SCALERS Model is to help social entrepreneurs understand the factors of scaling social impact and growing their enterprises. In the research, they used cases of social organizations that have scaled up successfully and where they could adopt all or a few SCALERS (Bloom & Chatterji, 2009). The SCALERS Model is used as a part of the analytical framework in this thesis, and the different SCALERS are integrated with the components from The Scalability Framework, which is explained further down. The drivers/organizational capabilities from The SCALERS Model is explained more detailed in the next section.

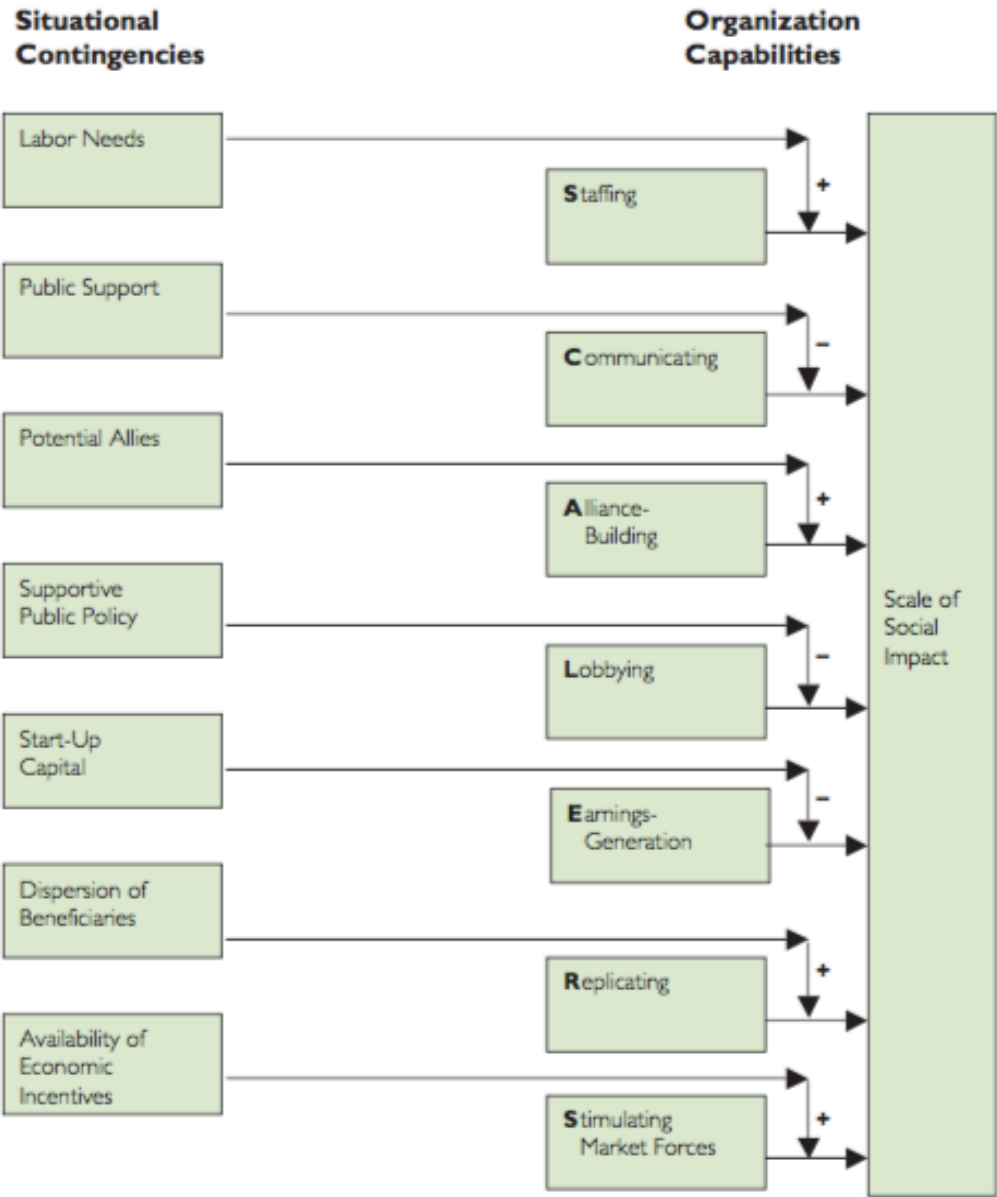


Figure 2.1 The SCALERS Model.

Source: Bloom & Chatterji, 2009, figure I.

Bloom and Smith (2010) and Cannatelli (2016) did further developments and extended works of The SCALERS Model. Bloom and Smith (2010) argue that the issue with the model is that it is based on a small number of case studies, but the model is based on two significant theoretical traditions, which are different types of capital and organizational capabilities. Each SCALERS is an organizational capability to generate, develop, and retain different types of capital that can be used to scale social impact of social enterprises (Bloom & Smith, 2010). In the research by Bloom and Smith (2010), they did a theoretical development and tested the model empirically on nonprofit organizations in the US.

Cannatelli (2016) did a further development of the research by Bloom and Smith (2010), and the research is an empirical investigation of nonprofit organizations in Italy, which contributed to the development with empirical data. The model was used within the contingency theory framework, to enhance the validity, and explain how and why the social impact from social enterprises might differ as a result of collaboration with some contextual factors (Cannatelli, 2016). Cannatelli (2016) points out that the model is just partially grounded within a theoretical framework, which restricts its wide use and dissemination, and that is why the development of the model is within the contingency theory. The focus is on the collaboration between some situational contingencies and organizational capabilities, which social enterprises ought to improve to reach the scaling of impact. The SCALERS Model is significant in two ways. The first is that it recognizes seven particular actions that social enterprises might undertake to scale social impact, by concentrating on the interface between the enterprise and the context it operates in. The second way is that the model consists of situational contingencies, which limit the direct relationship between each SCALERS and the scaling of social impact (Cannatelli, 2016). Cannatelli (2016) also points out the lack of empirical research in the field of scaling up in social entrepreneurship.

As indicates in these studies, scaling up requires capabilities and actions from the social enterprises, and The SCALERS Model is a theoretical model that displays potential paths to achieve scaling. As discussed above, this model has been developed in order to get a higher validity as a theoretical model, but it still needs to be developed. The model does not explain why many social enterprises fail to scale up. This thesis takes a more exploratory approach and the aim is not to develop the theoretical model, but the model is used as a base for the questionnaires and it is a part of the analytical framework. This choice makes it easier to categorize the answers, but also to see if these drivers are important or challenging for the social entrepreneurs successful scaling.

Several of the studies in scaling up in social entrepreneurship are concentrated on strategies and processes. Lyon and Fernandez (2012) did a case study with the aim to study different strategies social enterprises can use to scale up their impact. The cases they used are from the early year's sector of supporting children and families. Outcomes from the study displayed that several strategies, depending on the capacities of the organizations, could increase the social impact. They point out that social enterprises need to develop several strategies to maximize their social impact (Lyon & Fernandez, 2012). Lyon and Fernandez (2012) argue that further research is needed to explore scaling social impact on a diversity of social enterprise approaches.

Westley et al. (2014) developed a contextual model of pathways, with five different configurations, for system change. System change means changing the system where the social

problem is. This was a case study of nonprofit organizations, and the goal of the model was to develop different strategies social entrepreneurs and nonprofit organizations can use to scale their impact, but also to provide some understanding of why many social enterprises fail to scale up. There is a central focus on the complexity to achieve larger social impact. There was no general conclusion of recommended pathways to scale up because the cases, used in the study, had different pathways for scaling up (Westley et al. 2014). Moreover, Westley and Antadze (2010) did research on the complexity of strategies and dynamics of scaling up social innovations in complex systems. The focus in the research was concentrated to the challenges of scaling up and the specific dynamics of scaling (Westley & Antadze, 2010). These studies indicate the complexity of scaling social impact, which recently has received attention and still needs to be developed.

Another previous study in the field of strategies for scaling is by Dees, Anderson and Wei-Skillern (2004). In their study, they explored different ways of defining and diffusing social innovations and to help social entrepreneurs to discover the most promising strategies to do so. The conclusion they made was to incessantly isolate and implement the strategy with the Five R's, Readiness, Receptivity, Resources, Risk, and Returns, in mind (Dees, Anderson & Wei-Skillern, 2004).

Weber, Kröger and Lambrich (2012) developed a scalability framework, where the aim was to classify, integrate, and relate the central theoretical and empirical findings in the topic of scaling up in social entrepreneurship. Even if there is a growing knowledge of the complexity in the literature, there is not a developed model that indicates strategies, drivers, and obstacles of scaling social impact. The development of The Scalability Framework purposed to fill this gap. The research provided a comprehensive approach and significant new understandings of the processes and capabilities of social enterprises. The identified key components in the framework are *Commitment of the Individuals Driving the Scaling Process, Management Competence, Entire or Partial Replicability of the Operational Model, Ability to Meet Social Demands, Ability to Obtain Necessary Resources, Potential Effectiveness of Scaling Social Impact with Others, and Adaptability*. These seven key components are identified through 241 key drivers from 88 articles and book chapters from relevant literature of scaling social impact. Each component is critical for scaling, which makes the framework a guide for social entrepreneurs in their scaling processes (Weber, Kröger & Lambrich, 2012). The Scalability Framework is also a part of the analytical framework developed in the next section, and the different components are explained in that section. As mentioned above, in the analytical framework, the components from The Scalability Framework are integrated with the drivers/organizational capabilities from The SCALERS Model, where they relate to each other.

The previous studies of investigations and understandings of different strategies and processes of scaling up in social entrepreneurship exhibit the complexity and challenges scaling up bring about. Several of the studies point out the significance of scaling up to have greater social impact, but scaling up is complex. There is still a gap in this field, and research needs to be done and developed. Many studies take a theoretical approach, with development of different models and strategies of scaling up, and this is probably because the lack of well-developed theories in this academic field. The different studies discussed above investigate both successful and unsuccessful cases, but they are more concentrated on theoretical approaches social entrepreneurs can use to

scale up. This thesis takes another, more explorative approach, starting from successful social entrepreneurs and their reflections of key factors and main challenges of successful scaling, but does also explore why many social entrepreneurs fail to scale up. Several of the studies have nonprofit social enterprises or only one type of sector as cases, but the organizational form in a social enterprise can differ, therefore in this thesis the social enterprises are different from each other. There is a gap of investigations of key factors and main challenges for social entrepreneurs that have scaled up successfully and achieved to be sustainable both in a social and financial way. This thesis can fill this gap and contribute to the development in this academic field, by exploring key factors and main challenges to scale up successfully in different types of social enterprises.

The next section is a development of the analytical framework used in the analysis. This analytical framework is developed with an integration of primarily The Scalability Framework and The SCALERS Model, but also from other relevant sources connected to the framework and the model.

2.2 Analytical Framework

The analytical framework used in this thesis has The Scalability Framework, developed by Weber, Kröger and Lambrich (2012), and The SCALERS Model, developed by Bloom and Chatterji (2009), mentioned in the previous section, as basis. A development and integration of the different components from the framework, and the drivers/organizational capabilities from the model follows beneath. The components from The Scalability Framework and the drivers/organizational capabilities from The SCALERS Model are consolidated where they relate to each other. The analytical chapter is divided into these consolidations (Table 3.3.1).

The first key component in The Scalability Framework is *Commitment of the Individuals Driving the Scaling Process*. This component refers to the individuals who drive the process of scaling social impact, and these individuals could be the founder, the management, involved employees and volunteers, and members of the enterprise's network. The component explains the incentive of individuals to drive the scaling process. Built on the first component, the second key component is *Management Competence*. This component refers to the capability of professionally manage the scaling process. The importance of this component is due to that social enterprises, in general, need to work more and more in a business-like way. Failure to work in a business-like way might lead to an unsuccessful scaling process. In order to manage the scaling process professionally, it requires constant focus on the social mission, which makes this component significant (Weber, Kröger & Lambrich, 2012). Skills of the managers could be a critical factor when a social enterprise wants to replicate. It is important to fill new positions with the right people. To be able to do that, it requires an explicit understanding of the skills needed to manage and adopt the change. Training and socialization of the individuals is then required to fill possible skill gaps (Bradach, 2003).

Connected to the arguments above, one of the drivers/organizational capabilities in The SCALERS Model is *Staffing*. This driver is explained by the effectiveness of the enterprise to

fulfill its labor needs, which means that all posts are filled with people that have the necessary skills for their positions. Effectiveness of this driver would be to fill all the positions with competent people (Bloom & Chatterji, 2009). Bloom and Chatterji (2009) stress that having the necessary human resources to encourage organizational growth is well known in the management literature. This is also relevant for social enterprises because of the shortage of skills social enterprises might face, which can hamper scaling success. To what extent staffing will drive scaling success, depends on the situational contingency of the enterprise's labor needs (Bloom & Chatterji, 2009). Cannatelli (2016) argues that the capability to entice, retain, and train the members of the enterprise might result in a significant source of control over the insecurity, caused by diverse cultural and social conditions.

Moreover, the third component in The Scalability Framework is *Entire or Partial Replicability of the Operational Model*. When the social enterprise's operational model has been determined to be feasible, the complexity should be decreased to ease the replication process. Reduction of the complexity might be to focus on core factors of the operational model and then replicate the factors that increase social impact most effectively (Weber, Kröger & Lambrich, 2012). If the enterprise's theory of change is complex, replication might be difficult, and that is why it is important to be able to identify the core factors of the operational model (Bradach, 2003). Bloom and Smith (2010) claim that replicating is more directly connected to the characteristics of the social innovation itself, that refers to the capability of the social solution to simply be replicated. According to Cannatelli (2016, p.7), "replicating refers to the extent to which the model is less dependent on unique characteristics of a specific entrepreneur". Lyon and Fernandez (2012) have social franchise as one scaling strategy and a part of that refers to the ability to identify what needs to be replicated. Bradach (2003) stresses that replication is a process of planned development, which involves the three critical questions, where and how to grow, what kind of network to build, and what the role of the center needs to be.

Replicating is one of the SCALERS in The SCALERS Model, and the definition of this driver/organizational capability is "the effectiveness with which the organization can reproduce the programs and initiatives that it has originated" (Bloom & Chatterji, 2009, p.122). To be efficient in this driver means that the services, programs, and other works of the enterprise can be copied or extended without a decrease in quality, using training, franchising, contracting, and other tools to guarantee quality control. Social enterprises that are capable at replicating can reach more people with high-quality services and programs, which results in faster scaling. The degree of impact from this driver/organizational capability depends on the situational contingency, diffusion of beneficiaries, which is explained by "the extent to which variation exists in the people the organization is trying to serve, including demographic and geographic variation" (Bloom & Chatterji, 2009, p.123). According to this argument, some social enterprises might scale deep, and will probably put more effort on SCALERS as staffing, communications, and alliance building, while some want to scale wide, and put more effort on replicating (Bloom & Chatterji, 2009).

Ability to Meet Social Demands is the fourth component of The Scalability Framework and that is explained by, where and how the core factors of the operational model is capable to scale the social impact most successfully. This component is significant for social enterprises due to that

the main driver of social entrepreneurs is to maximize the social impact. The social demands are usually much larger than the extent of a social enterprise's activities, because the social issues have not been met by the government or the market yet. The hindrances that constraint the capability to scale social activities could be due to operational complications, as shortage of distribution channels, or economic limits. The ability to meet social demands, depends on the efficiency of the social enterprises to overcome these hindrances (Weber, Kröger & Lambrich, 2012).

A driver/organizational capability in The SCALERS Model that might help to overcome the hindrances that limit the capability to scale social impact is *Stimulating Market Forces*. That driver explains the effectiveness of a social enterprise to generate incentives that inspire people or institutions to aim for private interests and at the same time serve the public good. Stimulating market forces can result in significant social change, but to what extent depends on the situational contingency of the accessibility of economic incentives. A social enterprise that operates in a sector where economic incentives incentivize people's behavior, is probably more efficient in stimulating market forces (Bloom & Chatterji, 2009). Bloom and Smith (2010) stress that the capability of the social enterprise to create financial capital, consequently provides financial capital for scaling.

Moreover, the next component in The Scalability Framework is *Ability to Obtain Necessary Resources*, which is clustered into two key drivers, resourcing, and networks and supporters to obtain resources. Scaling social impact requires additional activities and efforts than the activates in the regular operations of the social enterprise, and these activities and efforts need to be the right amounts and the right resources. It is complicated for social enterprises to obtain the necessary resources for scaling social impact. These resources could be financial, economic, human and social capital (Weber, Kröger & Lambrich, 2012). This component is linked to one of the drivers/organizational capabilities in The SCALERS Model, *Earnings Generation*. Bloom and Chatterji (2009, p.121) define this driver as "the effectiveness with which the organization generates a stream of revenue that exceeds its expenses". Earnings generation will mainly have a social impact through how they enable the social enterprise to increase the effectiveness of their other SCALERS. Of course, earnings generation can have an important influence on social impact on its own. A social enterprise that implement a systematic, business-like approach where building revenue is central, will probably increase earnings generation. However, many social enterprises have trouble implementing this approach because they believe that if their cause is significant, the revenues will increase consequently. The impact from this driver depends on the financial resources the social enterprise has when scaling (Bloom & Chatterji, 2009).

The earnings generation that let the social enterprises have necessary financial capital to scale the social impact, could come from earned income efforts, donations, grants, sponsorship, membership fees, investments, and other sources. This driver is significant because of the constraint of growth capital in the social sector (Bloom & Smith, 2010). Cannatelli (2016) argues that a well-developed earning strategy is a significant step for social enterprises. This makes their model more suitable in different contexts, and their financing is not dependent on the public awareness of a specific social problem, or on possible donors in the new contexts. Earnings generation is especially significant for social enterprises, where the focus is not on lobbying, and

for social enterprises that do not arrange for large economic resources, in the beginning, that could guarantee financial coverage (Cannatelli, 2016). Bradach (2003) points out the critical aspect of having transparent underlying economics. Sources for earnings generation usually want an economic clarity of the social enterprises, and results never come for free according to Bradach (2003). To be a reliable source might rise the scaling success because the leaders can focus on other relevant parts instead of finding new ways to increase funds, and it may reduce the diverse interest of funders (Bradach, 2003).

The sixth component in The Scalability Framework is *Potential Effectiveness of Scaling Social Impact with Others*, which refers to the capability of having other organizations, companies, and/or institutions supporting diffusion of the social impact. Social enterprises can choose to scale their social impact by themselves or by relying on others, to obtain the necessary resources. The choice between these two depends on which one that most effectively can maximize the social impact. As mentioned before, maximizing the social impact is the central focus for social entrepreneurs (Weber, Kröger & Lambrich, 2012). *Alliance Building* is a driver/organizational capability of The SCALERS Model that refers to this component. This driver is explained by the effectiveness of the social enterprise to create linkages to entail wanted social change. These linkages could be partnership, coalitions and joint ventures, just to mention some. Recently, alliance building has been a significant ingredient for successful scaling of social enterprises, and successful social entrepreneurs are usually characterized as masters at mobilizing alliances of groups and individuals to all work towards the goal. As for the other SCALERS, the importance of this driver depends on the situational contingency, potential allies. Some social enterprises require more alliance building than others to achieve social change (Bloom & Chatterji, 2009).

Alliance building might help to create relationships that can support with necessary additional resources required for development and implementation of a strategy for social change. This allows the social enterprise to scale social impact with support of other organizations (Bloom & Smith, 2010). Cannatelli (2016) claims that alliance building is typical in the generation of external resources. Alliance building is important for social enterprises that have a lack of social capital, but have the capability to guarantee financial resources to attract possible partners (Cannatelli, 2016). Scaling social impact with others is driven by how efficiently other organizations, companies, or institutions can lever social impact succeeded by the social enterprise according to Weber, Kröger and Lambrich (2012).

The driver/organizational capability *Lobbying* in The SCALERS Model is connected to the potential effectiveness of scaling social impact with others. Lobbying is defined as “the effectiveness with which the organization is able to advocate for government actions that may work in its favor” (Bloom & Chatterji, 2009, p.120). Lobbying is used flexible and effectiveness in this driver could be that the social enterprise has achieved to get the courts, administrative agencies, legislators, and government leaders to support its cause. Actions from government can be important for scaling social impact, and even if social entrepreneurship might be an alternative for government action, private and market-oriented social enterprises might be insufficient to solve some social problems. The importance of the impact from lobbying depends on the extent the supportive public policy affects the social enterprise. Some social enterprises might benefit from changes in public policy, while the impact from lobbying is not that important for some

(Bloom & Chatterji, 2009). This driver is focused on the increase of political capital, which could be explained by the resources and power generated through political processes. Development of political capital by a social enterprise might increase the scaling of social impact (Bloom & Smith, 2010).

Adaptability is the last component in The Scalability Framework and that refers to the ability to effectively scale the social impact. This component is dependent on the social demand the social enterprise aims to meet. Scaling social impact is different for social enterprises, some want to reach out to wider geographies, some to other target groups, and some to products or services different from the previous they had. In these cases, it might be that the social enterprises must change the activities, depending on the level of differences or similarities of the new contexts they aim to scale to, and the contexts they were active in before. Scaling social impact to other contexts might require a change of the operational model in order to meet the social demands. According to these arguments, scaling social impact need not only the replication of the operational model, it needs the implementation of the replicated model to a targeted context (Weber, Kröger & Lambrich, 2012). Bradach (2003) stresses that effectiveness of the operational model is usually dependent on the context.

Communicating, which is a driver/organizational capability of The SCALERS Model, is related to several of the components from The Scalability Framework. Communicating refers to effectiveness of the social enterprise to be able to convince key stakeholders that the enterprise's strategy is worth implementing and/or supporting. Examples of this could be convincing volunteers and employees to work for the enterprise, or convincing donors/financiers to supply funds to the enterprise. To be effective at communicating probably leads to more capability to scale, because people probably want to know that the enterprise can bring a value for them. Several social enterprises have not been able to spread the word and to be convincing about what they are doing, due to that they have not attracted attention from the media and reached the public. To what extent communicating will have an impact on successful scaling depends on the situational contingency, public support. If the general public already support the social enterprise's strategy, there might be other drivers that have a greater influence on the scaling success (Bloom & Chatterji, 2009). Bloom and Smith (2010) argue that communicating is closely related to the growth of social capital, which might enable growth and scaling social impact.

3 Methodology

This chapter is a detailed description of the method used in this thesis with an ending section of validity, ethical considerations and limitations.

3.1 Research Design

To be able to achieve the aim: identify, explore, and provide an understanding of what the key factors and the main challenges are of scaling up in social entrepreneurship, and to answer the research questions, made an inductive qualitative approach the most appropriate one. This thesis required information gathered from individuals that have the knowledge and the experiences about social entrepreneurship, to be able to see it in a view from social entrepreneurs. To fulfill the aim, this choice was the most natural. This thesis is designed as a case study with four cases.

3.1.1 Selection of Cases

The cases are four social enterprises in Sweden that have achieved to scale up successfully. The cases are Invitationsdepartementet (nonprofit, 4 employees), Matmissionen (nonprofit, 10 employees), Ung Omsorg (for-profit, over 900 employees), and Yalla Trappan (hybrid, 34 employees). A case study is appropriate in this thesis because the purpose is to explore, identify, and provide an understanding of the key factors and the main challenges from the view of social entrepreneurs that have scaled up their social enterprises successfully. There were three criteria for the selected cases. The first criteria were that all of them have achieved to scale up successfully, the second was that the cases should have different organizational forms, and the last one was that it should be cases with different sizes in terms of employees. Different sizes are classified as, small sized 0-9 employees, medium sized 10-40 employees, and large sized 41< employees.

These criteria were created to get a wider understanding of the issues from different types of social enterprises. These selection criteria generated answers from different perspectives, which brought validity to the research and at the same time limited the bias. The choice of having different types of social enterprises was also to identify if there were similarities and differences in the answers, and to avoid collect information from only one type of social enterprises. Once the selection criteria were created, Hanna Sigsjö, executive manager at Forum for Social Innovation Sweden, was contacted to help identify the cases. Forum for Social Innovation in Sweden is a national platform that brings academia, business sector, public- and nonprofit organizations

together in Sweden, in order to promote the emergence of social innovations and social entrepreneurship.

This was valuable for the thesis because Hanna Sigsjö and Forum for Social Innovation in Sweden know, and have contact with relevant individuals in Sweden. This selection process enabled to select cases that could respond with significant information, which made this sampling process appropriate.

3.2 Data Collection

Data to the research was collected through semi structured face-to-face interviews or skype interviews. Semi structured interviews were chosen to get as valuable and relevant information as possible to the research. The interviews were prepared with two well-elaborated interview guides with open-ended questions, which left space to follow-up questions and made the interviews flexible. It was one interview guide for the four social entrepreneurs (Appendix A) and one interview guide for the two external individuals (Appendix B). These kinds of interviews make it easier for the participants to answer from their view and opinions, but there is still a control over the questioning and that was significant for this study. To collect data this way was beneficial because it provided detailed information and the researcher had control over the questioning. Limitations to the thesis of having interviews were that the information was coming from the view of the interviewees and the answers might be biased. Another limitation was that the responses might be biased by the researcher. These limitations are discussed more in the last section of this chapter.

3.2.1 The Interviewees

Six interviews were conducted during the study. Four of the interviews were with the social entrepreneurs of the cases. The social entrepreneurs are Ebba Åkerman at Invitationsdepartementet, Anne Lunde Dinesen at Matmissionen, Benjamin Kainz at Ung Omsorg, and Christina Merker-Siesjö at Yalla Trappan. All the selected social entrepreneurs have created the innovative initiatives and have followed the scaling up process from the beginning. To collect the data from these individuals were important in order to gather correct and significant information about the key factors and the main challenges of scaling up successfully in social entrepreneurship, but also to be able to get a precious understanding. General data of the cases were also collected through their respective websites (Appendix C).

The other two interviewees were Maja Frankel who is the director of Ashoka Scandinavia, and Andreas Netz who is a business developer and in charge of social innovation at Vinnova. The choice of having interviews with two external individuals were to collect general information in the topic of scaling up in social entrepreneurship, but also to bring more validity to the thesis, and to be able to support the responses from the social entrepreneurs. The selected external individuals are people who work in organizations that are working with social entrepreneurship,

and they have the experiences and the knowledge in this area. Ashoka is the world's leading organization for social entrepreneurship and changemaking, and Vinnova is a Swedish innovation authority whose role is to promote sustainable growth (Appendix C). To broaden the understanding, increase the validity, and to see it from the opposite perspective, information about why many social entrepreneurs fail to scale up is also gathered from all the interviews.

3.2.2 The Interview Process

All interviews were recorded, hand notes were taken, and they were transcribed afterwards. Before the interviews, the participants were contacted through phone calls or by e-mails with information about the aim of the interview, the approximate time the interview would take, and how the information would be treated. They were asked about how the information should be used, if they approved of recording, and if it was possible to contact them if the information needed to be complemented. A final draft of the thesis was sent to all the participants to check if the information was used in an appropriate way for them. The whole process was done to guarantee for the interviewees that the information they gave would be treated in an appropriate way, and that they were not forced to participate in the interviews.

3.3 Data Analysis

As mentioned in the previous section, all the interviews were transcribed, which simplified to analyze the data collected. The transcriptions were read a couple of times to process the information and to get an overall picture of general answers in the responses. To organize the data, the interviews were coded, and specific key words were found, which made it easier to find themes and patterns, and to find similarities and differences in the responses. The responses were coded from the different parts of the analytical framework into categories to answer the research questions. The empirical part was structured with a description of the cases, followed by their key factors, main challenges, and why they think many social entrepreneurs fail to scale up. All the cases were described separately to get a clear picture. After the cases, the empirical results from the two external individuals were presented. Further, the empirical results were analyzed through the different parts of the analytical framework developed in the theory section.

3.3.1 The Scalability Framework and The SCALERS Model

The analytical section in the thesis is developed through the analytical framework, developed in the theory chapter. As mentioned before, the analytical framework was composed of the different key components from The Scalability Framework, developed by Weber, Kröger and Lambrich (2012), and the drivers/organizational capabilities from The SCALERS Model, developed by Bloom and Chatterji (2009). Relevant answers from the interviewees were categorized and analyzed under a consolidation of related components and drivers/organizational capabilities that were developed in the analytical framework (Table 3.3.1). This strategy made it

easier to get a clear and structured picture and analysis of the responses, and to answer the research questions in an appropriate way.

The SCALERS Model was also used as a base for the questionnaires in order to categorize the answers, and to make it easier to clarify the responses, because the questions were of course not answered in exact the same way. It is only the drivers/organizational capabilities that were used as a frame and not the situational contingencies.

Commitment of the Individuals Driving the Scaling Process, Management Competence - Staffing
Entire or Partial Replicability of the Operational Model - Replicating
Ability to Meet Social Demands - Stimulating Market Forces
Ability to Obtain Necessary Resources - Earnings Generation
Potential Effectiveness of Scaling Social Impact with Others - Alliance Building, Lobbying
Adaptability
Communicating

Table 3.3.1 Consolidation of the Components and Drivers/Organizational Capabilities from the Analytical Framework.

Source: Bloom & Chatterji, 2009, figure I; Weber, Kröger & Lambrich, 2012, pp.4-7.

3.4 Validity, Ethical Considerations and Limitations

For this thesis to be as accurate as possible and to avoid ethical issues, the validity and the ethical considerations have been in mind during the whole process. There has been a procedure to check for the accuracy in the outcomes. This procedure has been significant to make sure for the readers that the thesis is trustworthy and accurate. The sampling process was an important part of the validity in the study. Because of the selection criteria and the help from the key respondent to find these relevant participants to the research, the people that were interviewed are people that know this topic very well and all of them have a lot of experiences, which generated important answers to this research. Moreover, there was an awareness that these participants are people the key respondent consider as successful. Some people might not consider that they have scaled up successfully, which probably depends on how people define scaling up successfully in

social entrepreneurship. In order to handle this bias, there was clear selection criteria, and the answers were supported by the external individuals and the literature.

The validity strategies used were to interview social entrepreneurs that have different social enterprises, which contributed with answers from different perspectives and experiences. Moreover, the interviews with Maja Frankel and Andreas Netz brought more general information about the topic and that was significant to make sure that the answers from the social entrepreneurs were credible and it simplified to categorize and support the answers. If the interviews needed to be complemented, they were. Another part of the strategy was to gather information about why many social entrepreneurs fail to scale up to see it from a different perspective than the successful part. That part increased the validity too.

Further, a final draft of the thesis was sent to all the participants to have a look at the findings and to have thoughts, which helped to give more balanced answers. This was also for them to see that the responses were treated in an appropriate way and that no information with confidentiality was presented. The whole interview process and to let the participants read the final draft was also a significant part to avoid ethical issues in the research. During the process, there has been self-reflections from the researcher's side to limit the bias the researcher might bring to the thesis as much as possible. The data analysis has been an extremely careful and accurate process. All the transcriptions have been read a couple of times to secure that there were no mistakes and the coding was done carefully.

Limitations of this thesis is first that the results are complicated to generalize to other contexts. It could probably be generalized to other contexts in Sweden, but not to contexts outside of Sweden. The responses from the participants might be subjective but to avoid this as much as possible, the responses were supported by the external individuals. The answers from the participants could be biased by the presence of the researcher (Creswell, 2014). Even if the responses could be biased in this way, they were supported by the answers from the external individuals, which made the findings credible.

Future research would benefit from collection of more data and a few more cases. That could bring more relevant information and there could be more support for the outcomes. Due to the time limit of this thesis that was not possible. Even though it might be good with more collected data, there has been a triangulation between the different collected data to validate the findings and to have theoretical saturation in the thesis.

The next section of the thesis starts with an empirical part, followed by analysis, conclusion, and discussion and future research.

4 Case Studies and External Interviews

In this empirical chapter, there are short presentations of the cases followed by empirical results from the interviews.

4.1 Invitationsdepartementet

Invitationsdepartementet is a nonprofit social enterprise that exist to bring people that want to learn better Swedish together with people that talk fluent Swedish over a dinner in somebody's home. The aim of the social enterprise is to get people visit new districts, learn more about the Swedish society, learn more about the Swedish- and other cultures, and to learn and be better at Swedish in an everyday environment. The aim is to improve the understanding about being new in Sweden, but also to work towards a more including society and to get people to feel more welcome in Sweden. The social mission is to try to circumvent social exclusion and xenophobia by meeting over the dinner table. Invitationsdepartementet is available at around thirty places around in Sweden. They started with 0 employees and today, they are 4 employees.

When it comes to the key factors of Invitationsdepartementet's successful scaling, the absolute first one is the trust and the access to the target group, recently arrived migrants. In line with this key factor comes the credibility to the whole initiative, which was an attractive story for media. The whole scaling process is more or less driven by the media and social media, and the process has been very organic, which consequently resulted in that social media is one of the key factors for the successful scaling. Invitationsdepartementet is a communicative social enterprise and they meet the media in a good way, which has helped them to reach people and funders. A treasure-chest for them is the ability to communicate the result and the social impact they create. Another important factor is the timing. There are many factors in society that resulted in that it is the right time.

The funding from Axfoundation, who stands for 85 percent of the budget, is significant for the successful scaling. They do not have a sustainable financial model, but with their result, they do not think that it would be a problem to get earnings. Inkludera Invest, who is an involved partner and has been extremely supportive, is an important factor for the scaling too. The employees have been extremely important for the success. All the employees work in positions in the social enterprise where their skills fit the best.

A main challenge is the structure of the whole social enterprise due to that there was no working structure and no target in the beginning, it was only a fun project. Further, to use the available competences, such as digital tools is a challenge. Another challenge for Invitationsdepartementet is to match supply and demand, but this is much more efficient today. Physical wellbeing and the

time has also been challenges to overcome. Interviewee 1 (Appendix C) says that “It was punishing physically and that is why it is a dream to get colleagues. People can do what they are good at instead of doing 120 things incomplete just to have it done”.

A part of the reason many social entrepreneurs fail to scale up is because they do not have a financial model. A lot of social entrepreneurs are dependent on the people they work with, and that it is the right people in the scaling and quality assurance. This personal- and trust part takes longer time than the financial part, which might result in that they do not match in timing. Interviewee 1 (Appendix C) point out that “One has to understand that there is not a financial model on every social problem but one must puzzle it together and there must be funding for every social problem”. There are many social entrepreneurs that do not understand their smallness, they understand their result but they are too small to be able to scale up.

4.2 Matmissionen

Matmissionen is a supermarket that makes it possible for people that live in economic vulnerability to buy food at a reduced price. It is also a place for work training and it contributes to the reduction of food waste. The social problems Matmissionen work against are to reduce the food waste, to increase the economic space for people in economic vulnerability, and integration in the labor market for people that have been outside the labor market under a longer period. Matmissionen is a nonprofit social enterprise. They started with 1 employee and there are 10 employees today. To measure the result of the social impact Matmissionen creates, they have assessments, but also targets for example tons of food and number of members.

One of the prime key factors for the successful scaling of Matmissionen is that they work with an already existing model and did not think about doing everything from the beginning, but instead took a model that was available. They use a social supermarket model from Europe, which they have adapted and developed to a Swedish model. Moreover, they have looked at how the Nordic countries work with food waste and seized knowledge from that. To have a significant partner is extremely important for the scaling. One of Matmissionen’s main partner and co-founder is Axfood, which is an organization in the branch of food, and the match between them, with different competences is very successful. They have other partners too that are important, but Axfood is their main partner. Another part is that Stockholm Stadsmission, which is the social organization that owns Matmissionen, is a well-known large professional social organization with several support processes, and good routines. Stockholm Stadsmission is an established organization with a lot of competences and they have a good trade mark, which makes it easier for establishment of funding. That together with their partners is significant when it comes to food donations and sponsors too. The timing is also an important key factor for the successful scaling.

An extremely important part are the employees and their competences in the social enterprise. It is not only the employees, Matmissionen also have competence support from people in their network, which has been and are still important for their development. The communication

primarily to the branch of food, but also to the members is a key factor for the scaling. Matmissionen is dependent on the surplus of food, which makes this significant. It has been very important to match the revenues and expenses for Matmissionen and they have a sustainable financial model, which also is a prime key factor.

When it comes to the challenges for the successful scaling of Matmissionen, the largest challenges are to find a place for the supermarkets and to find establishment funding. Even if the cooperation with Axfood is one of the key factors, the partnership is also one of the main challenges. It is not easy for actors coming from different sectors to initiate a partnership, and a lot of coordination and dialog is necessary for successful collaboration and result. This cooperation is very complicated because Matmissionen is dependent on the branch of food but at the same time do they help them take care of the food waste. Moreover, a question is how the limited resources should be prioritized. Even if it is a social mission and they work not for profit, in some way you must earn money, and that is very challenging.

The reason why many social entrepreneurs fail to scale up is because there are no support processes to scale and there is a lack of skills. It could also be that you drive a small social enterprise and that is all you are able to handle. This, in line with that there are a lot of people in the social sector that are not thinking business, could be a huge challenge. Another part is also the support from society. The support for social enterprises and social entrepreneurs needs to be improved, both in terms of money and competences.

4.3 Ung Omsorg

Ung Omsorg is a for-profit social enterprise that hire youths, usually as their first extra job, to visit retirement homes to bring that extra gold lining for the elderly. Above all, the social mission is to make the elderly feel less lonely and to give them a gilt edge, but also for the youths to have a valuable first extra job, and hopefully inspire them to work with elderly care in the future. The thought is also to create an engagement in the elderly care and make it hipper. Interviewee 3 (Appendix C) says that “the thought is to make a societal change with business enterprise as a tool”. They started with 4 youth employees and today they are over 900 employees, and they exist at around one hundred elderly cares all over Sweden. Ung Omsorg measure their social impact mainly through enquiries to see, for example how many of their previous employees that have continued with elderly care, but also employee enquiries to measure the development of the social enterprise.

The primary key factor for the successful scaling of Ung Omsorg is that they have achieved to create an engagement among people to be a part of the contribution and the development of the social enterprise. Their employees believe in the core idea, and a culture where many wants to be a part of the social change and the development has been created. The whole social enterprise is built on their employees, which makes them extremely important. Another significant part is their work with procedures and routines, which they develop, evaluate, and change in order to make it easier to replicate the work. Even if the changes are small steps, they never stop to develop, and

it is very important that their decisions are in line with their values: progress, responsibility, engagement, leadership, and fellowship. This process results in a very structured social enterprise and the quality is retained.

A significant part of the successful scaling is also that Ung Omsorg is driven as a traditional enterprise. They have a sustainable financial model, and they think in long-term in order to balance a highly qualitative service for the youths and not a too expensive service for the municipalities. Communication is also a key factor in the scaling. Both the communication with the youths and with their partners is significant. Moreover, their partners, who are their main partner Vardagar and municipalities in Sweden, are an important part too. Without them they had not existed.

One of the main challenges for Ung Omsorg is to all the time dare relinquish responsibility to other people. A challenge is also to secure the quality, and engage people to contribute to the development when there are no possibilities to be there physically all the time. Another challenge is to grow organically and at the same time keep the culture they have created. They have achieved to do this, but it is still a challenge and they work with it all the time. In line with this, a challenge is also not to be tempted to take short-term decisions, instead taking decisions for long-term sustainability. Municipalities have very long decision processes and they are not easy to work with all the time, which has resulted in that perseverance is a main challenge for Ung Omsorg too.

The two reasons why many social entrepreneurs fail to scale up are because they do not dare relinquish the responsibility and want to be involved in everything, which makes it impossible to scale up. The other reason is that they have not found a sustainable financial model. Either they are dependent on funding or they have not found good partners. Social entrepreneurs usually have the idea as the primary focus and forget about the financial part. Another thing could be that you have too many ideas and focuses, which results in mediocre outcomes. It is better to focus wholeheartedly on one idea.

4.4 Yalla Trappan

Yalla Trappan is a labor integrated social enterprise that has a hybrid organizational form. It is a nonprofit social enterprise but they want as much profit as possible because everything returns to the enterprise. The social mission they work with are unemployment, political conflicts, an unequal society, and to take care of peoples' competences with the right tools. Yalla Trappan works with women from thirteen different nationalities that are farthest from the labor market. In the beginning, they were 6 employees and today they are 34 employees. They do not measure their social impact, but they know their contribution and they have measured a flat rate of societal profits generated because of their existence. Another part is that they have developed a concept to diffuse Yalla's model to other contexts around. The diffusion of Yalla's model is in progress now. To secure the quality, there is an agreement of how the organization should operate, but of course it must be adapted to the local context.

A key factor of Yalla Trappan's scaling success is that they have found a pedagogy and a methodology that have worked. This pedagogy and methodology is to build competences for the employees, needed in the working life. There is a drive and a will among the employees, which has enabled them to overcome many obstacles. There is a strong participation among all the involved personnel in the social enterprise, which is extremely important. In line with this is the conviction that the initiative is right, and there is a trust. Their market value has always been obvious for them.

Another significant key factor is that they grow organically. Yalla Trappan has succeeded in their communication and they have reached out to people. They can show a good result, as Interviewee 4 (Appendix C) says "if we could not show a good result, nobody would have been willing to cooperate with us". It has only been positive media and they have a good reputation wherever they are. This is a result of their external monitoring of the societal development. The partners are an important key factor too. They have a sustainable financial model because of their diversity in both the organization and in the financial input. Around half of the turnover comes from commercial profits while the other half comes from their partners.

A big challenge for Yalla Trappan is to develop working routines for the employees. This is significant for the social enterprise to function. Another main challenge is to argue and find practicable ways for cooperation. They are very open, but they still want to keep their integrity. Moreover, to preserve the participation is also a challenging part. Finding more customers, more markets, and to find long-term funding to be safe, are also main challenges for the scaling.

The main reason why many social entrepreneurs fail to scale up is due to the lack of support and support structures. To be able to succeed, there need to be a cooperation between the public-, private-, and civil society sectors, and people must understand the value of social entrepreneurship.

4.5 External Interviews

One of the primary key factors for successful scaling is to have an innovative smart solution for a social problem that creates value. Related to this, it requires a deep understanding of the social problem that they aim to solve. Moreover, it is definitely to find a sustainable financial model that is sustainable in long-term, because that is what enables scaling. This is relevant to be able to hire people that complements you so you can focus on the right things, basically it is to have a sustainable team. A sustainable team and the social entrepreneur are very important. Co-workers and partnership actors are also extremely important and that could be crucial for the scaling. It requires a high degree of involvement from both the target group and the stakeholders. The social entrepreneur needs to dare relinquish the control over the operational work and take a more strategic role, and hire other people for the operational work. An important part is not to be dependent on only one revenue source. Moreover, another significant key factor is to have a scaling plan, which is to have a forward direction with strategic targets and so on. This involves grow organically and not interfere too much. A significant part is also to be able to measure and

communicate the change and the social impact the social enterprise creates. Both these parts are important in order to reach out to key people and stakeholders who want to support the idea. What social problem do you want to solve, how are you doing it, and what social impact have you created? These are questions that are significant to be able to communicate.

Alliance building is significant too because it enables support and help from each other, and you are stronger together. To be able to scale as a social entrepreneur you need to have some sort of alliance building. Lobbying is very important too. When it comes to replication, which also is an important part, it is significant to be clear about the core business, the principles, and the values, and from them grow in a specific context.

One of the main challenges of scaling up successfully is to be able to communicate and formulate what the social problem is that they want to solve is, how they are doing it, and what social impact they create. In line with the previous, it is also to be able to formulate the change the social enterprise creates. Communicate and reach out with the idea is very challenging. Finding cooperation with the right actors is a main challenge of successful scaling too. Another challenging part is to find a sustainable financial model and it is a huge challenge to find a smart financial model that works in the specific social context. It could also be a challenge to be dependent on only one revenue source due to that it makes the cooperation very vulnerable. In this sector, it is very common to be dependent on funding, which makes it a challenge to be sustainable in long-term. You must find someone that is willing to fund the project. In line with the financial part, it is also to find the right resources to be able to diffuse the idea. In social entrepreneurship, it takes time to diffuse and convey the idea and it is resource demanding. Further, a main challenge is also for the social entrepreneur to dare relinquish the control.

The main reason why many social entrepreneurs fail to scale up is because they do not have a sustainable financial model. The ambitions do not correspond to the resources they have. Another reason is that they have not taken enough time to create a direction and a plan before they put the work in action. The reason for this is because social entrepreneurship is driven by passion, and people want so much and want things to happen fast. They often fail to reach out and communicate the idea. The other part is that the ecosystem for social entrepreneurship in Sweden needs to develop, which could result in that more people could take part of the competences, the knowledge, and the mistakes other have done. The ecosystem means the awareness of the area social entrepreneurship.

5 Analysis of the Empirical Results

The analytical chapter is compartmentalized into the different consolidations of the related components and drivers/organizational capabilities from the analytical framework. The results from the previous chapter are analyzed in the different sections where they are most appropriate.

5.1 Commitment of the Individuals Driving the Scaling Process, Management Competence – Staffing

All the cases point out their employees as a significant key factor for their scaling success. The external interviewees argue that a sustainable team and the social entrepreneurs are important key factors. A key factor for Matmissionen is the competence support from people outside the enterprise that are important for the development too. These key factors are classified under the key factor, a sustainable team and the social entrepreneur. Moreover, a challenge for Invitationsdepartementet is to use the available competences, which connects to a sustainable team. The components *Commitment of the Individuals Driving the Scaling Process* and *Management Competence*, and the driver/organizational capability *Staffing*, are in line with this key factor. In the cases, there exists an incentive from both the employees and the social entrepreneurs to drive the scaling process (The Scalability Framework). All cases have the right competences among the employees and there are people with right skills at right positions. Efficiency at *Staffing* and to fill the positions with competent people is what drives the capability for scaling successfully, and all cases have this efficiency (The SCALERS Model).

Ung Omsorg and Yalla Trappan, where the social enterprises are built on their employees, have an engagement, a will, and a drive to contribute to the development among the employees, and everyone believe in the core idea. It is significant for Yalla Trappan with a strong participation among all involved personnel. This contribution to the scaling success proves the commitment, and the significance of this key factor. To maintain the participation and engage people to contribute to the development, is a main challenge too. Even if that is challenging, the social enterprises have overcome the challenge, which could be argued as professionally manage the scaling process (The Scalability Framework).

Training of the employees is important for required skills, which Bradach (2003) and Cannatelli (2016) also argue. A key factor for Yalla Trappan is the created pedagogy and methodology to build the employees' competences, which links to the importance of training the employees and to fill possible skill gaps as Bradach (2003) claims. According to the previous, development of working routines with the employees are a main challenge for Yalla Trappan too. Further, this

indicates the challenge, competences required for right positions, might be. A lack of skills is also one of the factors pointed out why many social entrepreneurs fail to scale up.

One can argue that the social entrepreneurs from the cases professionally have managed the scaling process, otherwise they probably would not have been as successful as they are. The ability to be professional at this requires constant focus on the social mission (The Scalability Framework). The social entrepreneurs have well-defined descriptions of what their social mission is and they constantly work towards it. Ung Omsorg has created a culture where many want to be a part of the social change and their decisions are in line with their values.

Almost all the social entrepreneurs work in a business-like way, which is significant to professionally manage the scaling process (The Scalability Framework). Even if some are not for profit enterprises, they still thinking business. Not thinking business is also a factor why many social entrepreneurs fail to scale up. Social entrepreneurs need to dare relinquish the control over the social enterprise and hire people that complement the social entrepreneur. This could be a part of professionally manage the scaling process. Relinquish the control and let other people take responsibility is also one of the main challenges for successful scaling. If the social entrepreneur does not relinquish control, physical health might be a challenge. As Interviewee 1 (Appendix C) says “It was punishing physically and that is why it is a dream to get colleagues. People can do what they are good at instead of doing 120 things incomplete just to have it done”. That again refers to have competent people at the right positions (Bradach, 2003; The SCALERS Model).

5.2 Entire or Partial Replicability of the Operational Model – Replicating

One of the key factors for Ung Omsorg is to work with procedures and routines, which they develop, evaluate, and change to make it easier to replicate their work. The external interviewees stress replication as a key factor too. To be able to increase the social impact, the focus must be on the core factors of the operational model (The Scalability Framework). The external interviewees point out the importance of being clear about the core business, the principles, and the values in the social enterprise. Bradach (2003) claims that it might be difficult to replicate if the core factors of the operational model are not identified, which prove the significance of being clear about the core business. A main challenge for Invitationsdepartementet is the structure of the social enterprise, especially in the beginning because there were no working structures and no targets. This is connected to the difficulties to replicate if the core factors are not identified. A reduction of complexity simplifies the replication process (The Scalability Framework), which is exactly what Ung Omsorg are doing with their development, and their decisions in line with their values. One can argue that they have been able to identify what needs to be replicated (Lyon & Fernandez, 2012). Ung Omsorg is a social enterprise that wants to scale wide and that is probably why they put effort on making the replication process easier (The SCALERS Model).

Another key factor is to have a scaling plan and to have a direction forward, which connects to the argument Bradach (2003) stresses. He claims that replication is a process of planned development. A part of this planned development could be growing organically, which is a key factor several participants have mentioned. Growing organically and at the same time keep the created culture is a main challenge Ung Omsorg has. This challenge refers to the replication process and the focus on the core business, which Ung Omsorg has a strong focus on. A factor why many social entrepreneurs fail to scale up is because they have not taken enough time to create a direction and a plan before they put the work in action. A reason for this might be not having a strategy of where and how to grow, what kind of network to build, and what the role of the center should be (Bradach, 2003).

Effectiveness of *Replicating* is to be able to replicate and guarantee quality control (The SCALERS Model). To secure the quality is a main challenge for Ung Omsorg, and that is probably why they work with the development to facilitate the replication and to be capable to reach people with a high-quality service (The SCALERS Model). Yalla Trappan has developed a concept to diffuse Yalla's model to other contexts. They have an agreement as a tool to secure the quality. This agreement could be explained as a focus on core factors, but the concept should be adopted to the local context. These arguments are in line with the tools presented in The SCALERS Model to guarantee quality control.

5.3 Ability to Meet Social Demands – Stimulating Market Forces

A primary key factor for Invitationsdepartementet is the trust, the access to the target group, and the credibility for the whole incentive. This refers directly to the *Ability to Meet Social Demands*, which explains the capacity to scale social impact most successfully (The Scalability Framework). Even if almost none of the participants have mentioned this as a key factor, all of them have the ability to meet social demands, due to their successful scaling. If they had not met the social demands, it would have been impossible for them to scale up. All the cases have overcome the hindrances that constraint the capability to scale (The Scalability Framework). They are efficient at *Stimulating Market Forces* because of their success to reach out with their initiatives, which have inspired people and resulted in social change (The SCALERS Model). A part of this success could be due to their generation of financial capital that have enabled them to scale, as Bloom and Smith (2010) also stress.

Matching supply and demand is a main challenge for Invitationsdepartementet, and in line with this is the challenge to find more customers and more markets as Yalla Trappan points out. Both these challenges are connected to the *Ability to Meet Social Demands*. The challenge matching supply and demand is probably because the social demands are larger than the extent of the social enterprise's activities (The Scalability Framework). These challenges are linked to the challenge of reaching out with the idea, which also is a reason why many social entrepreneurs fail to scale up. This could be due to hindrances as lack of distribution channels, economic limits, or other operational complications (The Scalability Framework).

5.4 Ability to Obtain Necessary Resources – Earnings Generation

Now we have reached probably the absolute leading key factor, main challenge, and reason why many social entrepreneurs fail to scale up, and that is to have a long-term sustainable financial model, because that is what enables scaling. This is connected to the *Ability to Obtain Necessary Resources* and the driver/organizational capability *Earnings Generation*. The reason why this is significant might be due to the constraint of growth capital in the social sector, as Bloom and Smith (2010) point out. Cannatelli (2016) argues that a well-developed earning strategy is a significant step for social enterprises. One can argue that all cases have well-developed earning strategies and practically all have sustainable financial models. Interviewee 1 (Appendix C) point out that “One has to understand that there is not a financial model on every social problem but one must puzzle it together and there must be funding for every social problem”.

Scaling social impact requires the right amounts and the right resources, and it is complicated to obtain these necessary resources (The Scalability framework), but the cases have achieved this requirement. Finding the necessary resources, and to prioritize the limited resources is one of the main challenges pointed out. In line with this challenge is the challenge not to be tempted to take short-term decisions, instead taking long-term decisions for long-term sustainability. These are reasons why a sustainable financial model is challenging. It takes time and it is resource demanding to be able to diffuse and convey the idea. As mentioned above, one of the main reasons why social entrepreneurs fail to scale up are because they do not have a sustainable financial model. This is probably due to their inability to find the necessary resources to be able to scale up, and their ambitions do not correspond to the resources they have.

A part of the challenge to find a sustainable financial model is to be dependent on only one revenue source, because that makes the cooperation very vulnerable. It is common to be dependent on funding in the social sector, and that is challenging for long-term financial sustainability. Sources for earnings generation usually want an economic clarity of the social enterprises according to Bradach (2003). The cases have different earnings generation, which indicate their economic clarity, otherwise they had not been funded. In line with this is the argument from Interviewee 4 (Appendix C) “If we could not show a good result, nobody would have been willing to cooperate with us”.

The cases are efficient at generating a stream of revenues that exceeds the expenses (The SCALERS Model). All cases have different revenue sources and these earnings generation are significant for their scaling success, as Bloom and Smith (2010) claim. A social enterprise that implement a systematic, business-like approach where building revenue is central, will probably increase earnings generation (The SCALERS Model). Ung Omsorg is driven as a traditional enterprise, which is one of their key factors. They have the principal business-like approach, but nearly all the others are business minded. Moreover, many social entrepreneurs usually focus on the idea and forget about the financial part. This argument is supported by the argument, that many social enterprises have trouble implementing this approach because they believe that if their cause is significant, the revenues will increase consequently (The SCALERS Model).

5.5 Potential Effectiveness of Scaling Social Impact with Others – Alliance Building, Lobbying

The partners are a significant key factor as all cases and the external interviewees point out. They are extremely important and could even be crucial for the scaling. This is not only a key factor, it is one of the main challenges, and a reason why social entrepreneurs fail to scale up too. Alliance building enables support and help from each other. This key factor, main challenge, and reason why social entrepreneurs fail to scale up is connected to *Potential Effectiveness of Scaling Social Impact with Others*. These partners are significant for the diffusion of social impact for the cases (The Scalability Framework). The cases have chosen to scale their social impact with help from partners, which obtains necessary resources (The Scalability Framework). Matmissionen point out Stockholm Stadsmission as a key factor because they are a professional large social organization with support processes, good routines, a lot of competences, and has a good trade mark. This key factor is in line with the effect alliance building might have. The choice of having partners are probably to maximize the social impact, which is the central focus for a social entrepreneur (The Scalability Framework). The driver/organizational capability *Alliance Building*, which refers to the effectiveness to create linkages to entail wanted social change, is a central focus for the cases and they are efficient at creating linkages to achieve their desired social change (The SCALERS Model).

Invitationsdepartementet's main partner represents 85 percent of their budget. That is linked to a relationship that supports with necessary resources required for the development of social change, as Bloom and Smith (2010) stress. Their other partner pointed out as a key factor works more as a support for the social enterprise, and they have supported to implement a strategy for the social change, which probably have helped them scale social impact, as Bloom and Smith (2010) also claim. The match between Matmissionen and their main partner is very important, due to their different competences. Their other partners are also meaningful when it comes to food donations and sponsors. This alliance building is connected to the generation of external resources, but also to complement the competences Matmissionen lacks, which Cannatelli (2016) also argues.

Matmissionen's main partner is also one of the main challenges they face. The cooperation is complicated because of the dependency on the branch of food. Even if it is a main challenge, one can argue that they are efficient at creating linkages, to reach their desired social change (The SCALERS Model). Ung Omsorg had not existed without their partners, which indicates that partners are crucial for them to maximize social impact, and it is significant for their successful scaling (The Scalability Framework; The SCALERS Model). A challenge for Ung Omsorg, when it comes to partners, is the perseverance because municipalities have very long decision processes. Further, even if it is a challenge, their success indicates their effectiveness of scaling social impact with others (The Scalability framework). For Yalla Trappan a challenge is to find practicable ways for cooperation, which also proves the challenge of partners and alliance building. Moreover, to find cooperation with the right actors is a main challenge for successful scaling.

One can argue that all cases are masters at mobilizing alliances of groups and individuals that work towards the goal of social change, and that is what successful social entrepreneurs usually are characterized as (The SCALERS Model). The cases are efficient at finding significant partners to diffuse their social impact, and to obtain necessary resources from these partners to maximize their social impact (The Scalability framework; The SCALERS Model). Alliance building is a significant ingredient for successful scaling of social enterprises, and the effectiveness of this driver is exhibited in the cases' successful scaling (The SCALERS Model). A reason why many social entrepreneurs fail to scale up is probably because their inability to build alliances. Several social entrepreneurs do not understand their smallness, and a small social enterprise is all they might be able to handle.

The external interviewees argue that *Lobbying* is extremely important, but none of the cases have this as a key factor or main challenge. Some social enterprises might benefit from changes in public policy, while the impact from lobbying is not that important for some (The SCALERS Model), which might explain why it is not mentioned among the cases. The important part of lobbying is that actions from the government can be important for scaling social impact, which possibly is the reason why the external interviewees believe it is significant. One of the reasons why social entrepreneurs fail to scale up is because the lack of awareness and knowledge of the area social entrepreneurship in Sweden. There is a lack of support and support structures, and the ecosystem needs to develop. The support for social enterprises and social entrepreneurs needs to be improved, both in terms of money and competences. This is a reason why lobbying is significant. Development of the ecosystem in Sweden probably requires actions from the government and supportive public policy that can affect, and be beneficial for social enterprises. This could be extremely important for the increase of scaling social impact, and it may result in fewer social entrepreneurs failing to scale up (The SCALERS Model; Bloom & Smith, 2010).

5.6 Adaptability

A key factor is to have an innovative smart solution for a social problem that creates value. This key factor is connected to *Adaptability*, which is explained by the ability to effectively scale social impact (The Scalability Framework). To effectively scale social impact, might require a deep understanding of the social problem the social enterprise aims to solve, which is a part of the key factor. A reason why many social entrepreneurs fail to scale up could be due to attention on too many ideas instead of focus on one idea wholeheartedly. If there are too many focuses, it might be hard to be able to scale social impact. Adaptability is dependent on the social demand the social enterprise aims to meet (The Scalability framework), and that refers to the key factor of having a smart innovative solution for a social problem. If there is not a smart solution it would be hard to adopt it. Another part here is the key factor timing. The timing has been significant for some of the cases, which could be due to the dependency of the social demand the social enterprise aims to meet. If there is a lack of social demand, the timing has not been right. One can argue that all cases have the ability to effectively scale social impact. The cases have scaled their social impact in different ways, but they have probably adopted their operational model to the specific contexts in order to meet the social demands (The Scalability Framework). A key

factor for Matmissionen is their work with an already existing model, which they have adopted to Sweden. This key factor is linked to adaptability. If the cases had been inefficient at adaptability and had not had a smart innovative solution, they had not succeeded in scaling up.

5.7 Communicating

Communication is definitely one of the key factors, main challenges, and reasons why many social entrepreneurs fail to scale up. *Communicating* is explained by the effectiveness of the enterprise to be able to convince key stakeholders that the social enterprise's strategy is worth implementing and/or supporting (The SCALERS Model). The external interviewees argue that scaling requires a high degree of involvement from both the target group and the stakeholders. Social media is one of Invitationsdepartementet's key factors because the whole scaling process is more or less driven by social media. A treasure-chest for them is their capability to communicate the result and the social impact they create, which has enabled them to reach out to people and funders, but also to meet the media. This is a result of effectively convincing key stakeholders. This is definitely a reason for their capability to scale (The SCALERS Model).

A huge challenge when it comes to communication is the ability to communicate and formulate what the problem they want to solve is, how they do it, and what social impact they create. There are many social entrepreneurs failing to communicate and reach out with the idea, which consequently is a reason why many social entrepreneurs fail to scale up. Several social enterprises have not been able to spread the word and be convincing (The SCALERS Model), and that supports the argument of the challenging part of communication. A reason why communication is significant is because people want to know the value the social enterprise can bring for them (The SCALERS Model). It is important to be able to measure and communicate the change and the social impact the social enterprise creates. It seems like the cases have achieved doing that.

Communication to primarily the branch of food is significant for Matmissionen because they are dependent on the surplus of food. Their success of communication indicates their effectiveness to spread the word and convince key stakeholders to support the social enterprise, which has enabled them to scale (The SCALERS Model). This argument is also linked to the communication success Ung Omsorg has with their partners and youths. Yalla Trappan has only had positive media and they have a good reputation, which also prove their effectiveness of communicating. All cases are efficient at communication to convince key stakeholders, attract media and reach out to people (The SCALERS Model). This is shown in their successful scaling and in their key factors for their success, such as alliance building and a sustainable team. Moreover, they have succeeded to attract people to be a part of their social enterprises, which also have contributed to their successful scaling.

6 Conclusion

The aim of this thesis was to identify, explore, and provide an understanding of what the key factors and the main challenges are of scaling up in social entrepreneurship, and to answer the research questions: *What are the key factors to successful scaling up in social entrepreneurship? What are the main challenges to successful scaling up in social entrepreneurship?* Now we have reached that point. Several of the key factors mentioned are simultaneously main challenges, therefore some of them are classified under one key factor and main challenge.

The first identified key factor and main challenge is *a sustainable team and the social entrepreneur*. As a key factor, it involves necessary competences at the right positions, competence support from people outside the social enterprise, training of the employees, and engagement to drive the scaling process. As a main challenge, it includes the use of available competences, to engage people drive the scaling process, training employees to fill skill gaps, and for the social entrepreneur to relinquish the control and let other people take responsibility. The next key factor and main challenge identified is *replication*, and as a key factor it consists of development of procedures and routines to simplify replication, clarity about the core business, the principles, and the values, have a scaling plan, and grow organically. When it comes to replication as a main challenge, it consists of finding core factors of the operational model, grow organically, and secure the quality.

Further, the third key factor and main challenge is *ability to meet social demands*, which is connected to trust, access to the target group, and credibility, when talking about it as a key factor. As a main challenge, it involves matching supply and demand, finding more customers and more markets, and reach out with the idea. Moreover, the fourth key factor and main challenge is *a long-term sustainable financial model*, and as a key factor it is significant to have a business-like approach. The challenging part is to find necessary resources and to prioritize the limited resources, not be tempted to take short-term decisions, and not be dependent on only one revenue source. Another significant key factor and main challenge is *partners and alliance building*. As a key factor, it involves support with competences, processes, strategies, and necessary resources, while as a main challenge it involves being dependent on the partners, being persevering, and to find practicable ways for cooperation with right actors. Further, a key factor is *adaptability*, which consists of having an innovative smart solution for a social problem that creates social value and a deep understanding of the social problem, and to work with already existing models. Moreover, a key factor is also *timing*. The last key factor and main challenge identified is *communication* and that includes the capability to measure and communicate the change and social impact the social enterprise creates, reach out to people and key stakeholders, and attract media, which also are the challenging parts of communication.

The outcomes from this thesis contribute to a wider understanding of what the key factors and main challenges are to scale up successfully in social entrepreneurship, which can help other

social entrepreneurs and people involved in this area with knowledge of significant factors of scaling social impact. It also contributes with the development of an explorative approach and a perspective of different types of social enterprises in the literature of scaling up in social entrepreneurship.

6.1 Discussion and Future Research

As mentioned in the beginning, societies are facing many social problems that the market fails to solve, which explains the significance of social innovation and social entrepreneurship. This field needs to develop both in society and in the academia, and this thesis has contributed in the scaling up literature but there are several areas that still need to be developed, including the scaling up area. Scaling social impact is essential to reach more people and to be able to solve the most pressing social problems. Therefore, the knowledge of social entrepreneurship must increase, and the ecosystem in this area has to develop in order to create social change. Today, the government often fail to meet these pressing social problems, which indicates the importance of cooperation between the social sector and the private- and public sectors. It also indicates that the structures and the policies in society have to change to make it easier for social entrepreneurs to be able to create social change. As mentioned in the beginning, social innovation and social entrepreneurship is significant for social development plans, and without a development in this field it might be impossible to meet the social needs. Social entrepreneurship requires cross-sector cooperation to maximize the social impact, which opens for future research of new cooperation models for social entrepreneurship. To reach system change, the government regulations need to change. Therefore, it would be appropriate for future research to study the hindrances of system change, but also how the society can develop the knowledge around social entrepreneurship.

When it comes to scaling social impact, important parts are sustainable financial models, and to be able to measure the social impact. These are important areas for future research too. It would be suitable to study different sustainable financial models in social entrepreneurship, but also to study new measurement tools to measure social impact. These are factors why many social entrepreneurs fail to scale up and they need to improve. A large part of these failures lies in the lack of knowledge and support for social entrepreneurship in society. Another part is also that social entrepreneurs should think more business-like. Even if the primary focus is the social mission, there has to be some sort of business thinking to be able to scale up, generate significant social change, and be sustainable in long-term. Many social entrepreneurs forget about the financing part, which again links back to the lack of knowledge and support in social entrepreneurship. To be able to scale social impact, social entrepreneurs must overcome the challenges it brings with it, and that requires actions from the government too. It would be good with more case studies of different types of social enterprises to develop the field of scaling up in social entrepreneurship even more. To sum this up, considerable contribution is required in this field to be able to solve the social challenges society faces today.

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Appendix A – Questionnaire for the Social Entrepreneurs

- Can you tell me about your social enterprise?
 - What social challenge do you want to solve and why?
 - What are your driving forces?
 - What type of organizational form is it?
 - How many employees did you have when you started and how many do you have today/how many people was engaged in the beginning and how many are engaged today in the enterprise?

- How would you describe scaling up successfully in social entrepreneurship?
 - How do you measure the social value/social impact you create?
 - What indicators do you proceed from?
 - How would you describe that your social enterprise is sustainable both socially and financially?

- Can you describe your scaling up process?

- What are the five leading key factors for your successful scaling?
 - Can you rank them with the most important first?
 - Are there any other key factors that have been important in your scaling?

- Have these drivers/organizational capabilities been important for your successful scaling?
If yes, how and why?
 - Staffing
 - Communicating
 - Alliance Building
 - Lobbying
 - Earnings Generation
 - Replicating
 - Stimulating Market Forces

- What are the five leading challenges you have faced when scaling up?
 - Can you rank them with the prime challenge first?
 - Are there any other challenges you have faced when scaling up?

- Why do you think many social entrepreneurs fail to scale up or decide not to scale up?

- Is there anything else you want to bring up that could be valuable in my thesis?

Appendix B – Questionnaire for the External Individuals

- Can you tell me briefly about the organization and what you are doing?
- How would you describe scaling up successfully in social entrepreneurship?
 - How do social enterprises usually measure the social value/social impact they create?
 - How would you describe that a social enterprise is sustainable both socially and financially?
- What are the five leading key factors for successful scaling?
 - Can you rank them with the most important first?
 - Are there any other key factors that are important for successful scaling?
- Are these drivers/organizational capabilities important for successful scaling? If yes, how and why?
 - Staffing
 - Communicating
 - Alliance Building
 - Lobbying
 - Earnings Generation
 - Replicating
 - Stimulating Market Forces
- What are the five leading challenges of scaling up in social entrepreneurship?
 - Can you rank them with the prime challenge first?
 - Are there any other challenges of scaling up in social entrepreneurship?
- Why do you think many social entrepreneurs fail to scale up or decide not to scale up?
- Is there anything else you want to bring up that could be valuable in my thesis?

Appendix C – Interviewees

- Interviewee 1 – Ebba Åkerman, Invitationsdepartementet
<http://invitationsdepartementet.se>
- Interviewee 2 – Anne Lunde Dinesen, Matmissionen
<https://www.stadsmissionen.se/vad-vi-gor/matmissionen>
- Interviewee 3 – Benjamin Kainz, Ung Omsorg
<http://ungomsorg.se>
- Interviewee 4 – Christina Merker-Siesjö, Yalla Trappan
<http://www.yallatrappan.se>
- Interviewee 5 – Maja Frankel, Ashoka Scandinavia
<http://scandinavia.ashoka.org>
- Interviewee 6 – Andreas Netz, Vinnova
<https://www.vinnova.se>