Business Support Organizations and For-profit Social Ventures

An exploratory study of how incubators and accelerators in Sweden understand social ventures and manage their inherent hybridity tensions.

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Abstract

The rise in entrepreneurial activity over the last 15 years has created space for a nascent industry among the public and private sectors: Business Support Organization (BSO). In the last years, some BSOs have broadened their offer to include for-profit social ventures. Unlike traditional businesses, these ventures try to create a positive social impact while attempting to be economically self-sustainable. However, these disparate goals create several paradoxes and tensions within the organization of the venture that can put at risk its growth and existence. It is relevant to ask whether the support that BSOs offer to social ventures differs from that which they offer to traditional ventures. In a qualitative analysis of how BSOs in the Skåne region of Sweden understand and work with for-profit social ventures and the performing tension inherent to them, results show that there is significant variety between BSOs. BSOs that work primarily with traditional ventures do not account for the performing tensions when providing guidance, while those BSOs that are socially oriented have widely recognized that this and other tensions are an unavoidable part of running a social venture, and view them as inherent to the business model.

Keywords: Business Support Organization, Social Entrepreneurship, For-profit Social Venture, Hybrid Organizing, Paradoxes, Tensions

Table of Contents

List of Tables

1   Introduction

The Business Support Organization (BSO) industry has grown significantly in recent years as the result of an increase in entrepreneurial activity. The rise of this industry has proven interesting for scholars as well (Grimaldi & Grandi, 2005; Cohen & Hochberg, 2014). As the name states, the role of BSOs is to provide support for new businesses and entrepreneurs at different stages of a business' life cycle, especially the earliest ones. This support translates into services such as financing, business advice, networking, office space, and marketing. In more recent years, BSOs have opened space for social ventures to benefit from their offerings (Shanmugalingam et al., 2011; Casasnovas & Bruno, 2013).

Social ventures have gained academic attention over the last decade as part of the bigger phenomenon of social entrepreneurship (Martin & Osberg, 2007). Social ventures bring together the social mission of non-profit organizations with the economic vehicles of for-profit ventures, in order to use commercial activity to achieve a strong central social mission (Doherty et al., 2014; Luke and Chu, 2013; Dees and Anderson, 2003). The importance of social ventures as part of social entrepreneurship resides in their outcome; they seek contribution by improving the quality of life of human beings or the natural ecosystem (Zahra & Wright, 2015). Although this merger has shown evidence of providing a positive outcome (Yunus et al., 2010), it can also pose a threat to the social ventures' own sustainability and viability (Nee, 2015; McGlade, 2013; Rykaszewski, 2013; Scott & Teasdale, 2012).

Hybrid organizing is defined in literature as "the activities, structures, processes and meanings by which organizations make sense of and combine aspects of multiple organizational forms" (Battilana & Lee, 2014). Social ventures can be categorized as hybrid organizations since they combine aspects from different forms of organizations, meaning non-profits or NGOs and for-profit ventures (Battilana & Lee, 2014; McMullen & Warnick, 2014). The inherent hybridity organization of social ventures results in the organizational tensions they face (Battilana & Lee, 2014; Canales 2014; Ebrahim et al., 2014).

These organizational tensions that are inherent to hybrid organizations are the root of the threat to a social venture's stability. Theory states there are four inherent tensions within this organizational structure; organizational, structural, learning, and performing (Smith & Lewis, 2011; Wilson & Post, 2013; Smith, Gonin, & Besharov, 2013; Battilana & Lee, 2014). We shall be looking at the performing tension in particular as it arises from the differing desired outcomes of different shareholders and is apparent through the multiple output and resource demands on the venture due to those wanted outcomes (Smith & Lewis, 2011; Mason & Doherty, 2015; Smith et al., 2013). In contrast, the remaining three tensions relate to a build-up that comes about as the venture grows, creating a past and the interpersonal relationships internal to the venture (Smith & Lewis, 2011; Mason & Doherty, 2015). We are examining a time period where the ventures are involved with a Business Support Organization, and as such are still in their nascent stage (Aernoudt, 2004; Cohen, 2013). Consequently, the ventures don't have a long-standing history or a lot of interpersonal clash due to their size and immaturity, so the performing tension is the most problematic and noticeable tension in the ventures' nascent stage (Smith & Lewis, 2011; Smith et al., 2013; Aernoudt, 2004; Cohen, 2013).

1.1 Theoretical Gap

Battilana and Lee (2014) call for a better theoretical understanding of how leaders of organizations combat the tensions of hybridity they face. As BSOs take the role of a leader and guiding force to the ventures they support, we need a better understanding of how they deal with the tensions inherent to the ventures (Casasnovas & Bruno, 2013). Awareness of hybridity and its resultant tensions by the social ventures as well as their stakeholder may play a role in countering the negative effect these tensions have on the viability and growth of social ventures (Battilana & Lee, 2014). However, researchers are unsure if BSOs, both those focused on social ventures and those who work with traditional ventures, have any true effect upon the outcome of social ventures (Casasnovas & Bruno, 2013). While this study will not address the effectiveness of BSOs in supporting the ventures they work with, it is useful to describe the understanding that BSOs have of social ventures and their inherent tensions, as well as the diverse ways in which they offer assistance to the ventures they work with. Such

an understanding paves the way for later studies to examine the effectiveness of such methods.

1.2   Aim and Objectives

The purpose of this thesis is to better understand how supportive Swedish BSOs are regarding social ventures. Special interest is put in finding how aware BSOs are of the tensions social ventures face due to their inherent hybridity. We will focus specifically on the performing tension identified in Smith et al. (2013) because only the performing tension arises during the nascent stage of a venture, when it is working with a BSO (Aernoudt, 2004; Cohen, 2013; Smith & Lewis, 2011). Furthermore, we are interested in finding how BSOs, if aware, manage their support targeted at dealing with these tensions. To do this we focus upon the following research questions:

1. *How much awareness do BSOs have of the characteristics of social ventures and the tensions related to their hybridity?*
2. *Regarding the previous question, what type of support related to hybridity tensions do they offer social ventures?*

These questions address an exploration of the understanding that BSOs have of social ventures and their inherent tensions, and the different ways in which they help the ventures they work with. By building upon the research that exists around the tensions related to social entrepreneurship and hybridity (Smith, et al., 2013; Battilana, et al., 2012; Besharov & Smith, 2014) this study can contribute to advancing research in how business support organizations see and work with social ventures.

Through the findings of this study, the reader should gain a better understanding of whether BSOs recognize the difference in organizational structure present in social venture, the issues this causes, and if they adjust their support accordingly. The authors aim to contribute to our understanding of how traditional business support organizations work with social ventures and their hybridity.

1.3   Outline of the Thesis

This thesis is structured as follows: Chapter 1 has offered an introduction to the context, actors and main concepts regarding our research. Chapter 2 offers a theoretical review of Business Support Organizations, Social Ventures, Hybridity Organization and Tensions. First, we provide a summary for the recent history and explanation of the nature of BSOs, their mission and how they work. Next, we explore and review the concept of social ventures within social entrepreneurship. We then move to understand how social ventures are hybrid organizations and connect that with the tensions they face; specifically, to the performing tension. Chapter 3 offers a review of our methodological approach. Chapter 4 presents the findings of our research and makes a relation with the overarching literature. Chapter 5 presents our analysis and discussion of our findings. Finally, Chapter 6 presents the main conclusions, for future research.

2 Literature Review

This chapter is structured as follows. The first section explores what Business Support Organizations are, their role and activity, and the reason for their origin. The authors select two types of BSOs for this study and explain this choice. The last paragraph of this section identifies a gap in the theoretical knowledge on this topic. The second section explores the concepts of social entrepreneurship and social ventures. A specific type of social venture is selected for this study, followed by relevant reasoning. The third section delves into the concept of hybrid organizing, as it applies to social ventures. This section ends with the exploration and description of the paradoxes and tensions that hybrid organizations face.

2.1 Business Support Organizations: Incubators and Accelerators

The main purpose of BSOs is to support ventures during the start-up period (Aernoudt, 2004; Cohen, 2013). To do this, BSOs offer tools and guidance to budding ventures, giving them access to resources and networks they otherwise would not have. By backing these nascent ventures, BSOs help entrepreneurial activity develop and support regional economic development (Cohen, 2013; Cohen & Hochberg, 2014; Ebbers, 2013; Grimaldi & Grandi, 2005; Aernoudt, 2004). For this thesis, we will focus on two specific types of BSOs: incubators and accelerators. Both offer similar programs, and the number of BSOs that work exclusively with social ventures has dramatically increased in the recent past (Casasnovas & Bruno, 2013).

The authors specifically selected incubators and accelerators because they share a key similarity: the set of resources they offer to the ventures they support, which other institutions lack (Casasnovas & Bruno, 2013). This set of resources usually consists of a combination of access to a shared working space, mentorship and educational programs, guidance,

networking opportunities, and access to external capital. This external capital may come either directly from the BSOs, from venture capitalists or business angels, or through grants and sponsorships (Bruneel et al., 2011; Grimaldi & Grandi, 2005; Aernoudt, 2004; Cohen, 2013; Gonzalez-Uribe & Leatherbee, 2015).

Incubators are an old and time-tested form of new-business support in the western world. The industry underwent large growth in the early 1980s stemming from a shift in their offering to nascent ventures, as they transformed from being a basic shared workspace with limited resources, to one that offered additional coaching and mentorship (Bruneel et al., 2011). A second evolution led to incubators' current role: besides mentorship and guidance, they offer rent-free working space, business development education, and access to external capital, technology and HR services (Bruneel et al., 2011; Grimaldi & Grandi, 2005; Aernoudt, 2004).

In contrast, accelerators are a new phenomenon, and their origin is contested. Some scholars claim that "Y Combinator", founded in 2005 after the "dotcom" boom in California, was the first accelerator (Miller & Bound, 2011; Cohen & Hochberg, 2014). Meanwhile, others claim the first accelerators appeared as early as 1987 (Casasnovas & Bruno, 2013; Pandey et al., 2017).

One difference between incubators and accelerators regards the aim of the program itself and its structure. The concept of business incubation is to shelter nascent ventures to let them grow before becoming independent (Cohen, 2013). It "links technology, capital and know-how to leverage entrepreneurial talent, accelerate the development of new companies, and thus speed the exploitation of technology" (Grimaldi & Grandi, 2005 p. 111). This aim is focused on developing the entrepreneurs and their ventures. Therefore, incubators take on entrepreneurs who are still in the idea stage of their venture, rather than in the development or production stages (Soetanto, 2013). In contrast, accelerators aim not to shield the venture from the marketplace, but rather speed up the go-to-market process (Cohen, 2013). To achieve this, accelerators put a large amount of weight on education of the business component within the already existing venture, instead of personal development (Gonzalez-Uribe & Leatherbee, 2015). Incubators place a larger emphasis upon business model development and planning (Grimaldi & Grandi, 2005), while accelerators focus on growth strategies (Casasnovas & Bruno, 2013).

10

In terms of structure, the programs' duration is a key differentiator between organizations. Incubator programs typically last between 1 to 7 years (Cohen, 2013; Aernoudt, 2004; Cohen & Hochberg, 2014), while accelerator programs last 3 to 6 months (Cohen, 2013; Miller & Bound, 2011).

A second main difference is the ownership and funding of these BSOs. Accelerators are more likely to be privately owned than incubators (Grimaldi & Grandi, 2005). This allows them to offer seed or starting capital directly and to provide access to external funding. Alternatively, incubators are often state or publicly supported, which forces them to rely upon grants and public funding (Casasnovas & Bruno, 2013).

Accelerators and incubators have been extensively researched in terms of their effectiveness in working with traditional ventures (Aernoudt, 2004; Gonzalez-Uribe & Leatherbee, 2015). In recent years, other scholars have explored the effectiveness of accelerators and incubators that focus exclusively on social ventures (Pandey et al., 2017). Casasnovas and Bruno (2013) found that, due to being a new industry with many different models, there is no way of knowing if a social venture will effectively benefit from working with a BSO (either socially oriented or traditional). However, they found that mentorship from past social entrepreneurs positively influences the success of the ventures participating in the programs, with limitations (Casasnovas & Bruno, 2013). One line of research is studying BSOs working with conventional ventures (Hallen et al., 2014; Aernoudt, 2004). The other line is looking at the effectiveness of BSOs specializing in social ventures. This leaves a gap of research where the social venture meets the traditional BSOs, which, until recent years, have worked exclusively with traditional ventures. Furthermore, recent literature has noted a misalignment of objectives between the BSO and the venture, with the venture looking for specific needs for their firm, and the BSOs looking to provide the ventures they support with a standardized offering (Soetanto & Jack, 2013). How does this desire to provide a standardized offering by the BSO affect the ways in which they address the distinct needs of social ventures?

2.2 Social Entrepreneurship and Social Ventures

The rise of the broad practice of social entrepreneurship and its impact to our society across the world has drawn academic attention in the last two decades (Mair & Martí, 2006; Dees, 2007; Zeyen et al., 2012). Yet, scholars agree that trying to define social entrepreneurship can be a confusing task (Loh & Mohtar, 2015; Abu-Saifan, 2012). There is still no agreement as to what this concept means and extends to (Choi & Majumdar, 2013), although over the last years there has been a dramatic increase of attempts to reach a concluding perspective involving different points of view (Martin & Osberg, 2007; Mair & Martí, 2006; Weerawardena & Sullivan, 2006). Still, we will provide here an overview of why it exists in practice and what its boundaries are. We will then focus on a specific materialization of social entrepreneurship: the for-profit social venture.

For this thesis, we will build on the definition of entrepreneurship provided by Davidsson (2005), who understands entrepreneurship as "the competitive behaviors that drive the market process". This definition proves useful for three reasons: first, by stating "behavior" it makes a distinction between an action taken and mere intentions; second, since that behavior "drives" a process, there is an implication of outcomes and results; finally, the "market" provides a context of supply and demand in which this behavior occurs (Davidsson, 2005).

Martin & Osberg (2007) understand social entrepreneurship by assessing how the word "social" adapts the term "entrepreneurship" into fitting a new role or objective, the pursuit or creation of social value (Mair & Marti, 2006; Peredo and McLean, 2006). Different scholars agree on understanding social value as the enhancement of the conditions of human beings by improving rooted social problems (Seelos & Mair, 2005; Weerawardena & Sullivan, 2006; Zeyen et al., 2012). In this sense, literature provides varying characterizations for social entrepreneurship. Some focus on the identification of opportunities and the performance of activities to disrupt an unfair or negative social order (Martin & Osberg, 2007). Others focus on the realization and exploitation of opportunities within that negative order (Mair & Marti, 2006; Peredo & McLean, 2006), and still others focus on taking advantage of the resources available to create social value (Dees, 1998; Reis & Clohesy, 1999; Meyskens et al., 2010). In Sweden, "there is currently no overarching legal definition of social entrepreneurship or social enterprises" (Persson & Hafen, 2014).

This thesis is built on the definition of social entrepreneur as the agent of social entrepreneurship (Abu-Saifan, 2012):

> *"The social entrepreneur is a mission-driven individual who uses a set of entrepreneurial behaviors to deliver a social value to the less privileged, all through an entrepreneurially oriented entity that is financially independent, self-sufficient, or sustainable".*

2.2.1 For-profit Social Ventures

This "entrepreneurially oriented entity that is financially independent, self-sufficient, or sustainable" is what can be found in literature as the for-profit social venture (Dees & Anderson, 2003; Yunus, 2010; Agafonow, 2015; Irene et al., 2015). Stressing this definition is highly important, as other scholars explicitly state that they use the terms "social entrepreneurship organization", "social enterprise" and "social venture" interchangeably, regardless of their profit orientation (Lumpkin et al., 2011; Luke and Chu, 2013). In this paper, the terms "social venture" and "for-profit social venture" will be used synonymously. These for-profit social ventures are twofold in their objectives: one for their social mission or social value creation, and another for their economically sustainable performance and business model (Dees & Anderson, 2003; Zahra et al., 2009, Yunus et al., 2010). The business activity and the margins it generates aim to support the social venture's mission and are a means to achieve the social goal (Peredo & McLean, 2006). This role is not of less importance to the overall viability of the social venture, as it provides the necessary resources to operate without relying on grants or donations (Zeyen et al., 2014). Still, ultimately for-profit social ventures will evaluate their own performance based on the social impact they create rather than the money they make (Dees & Anderson, 2003).

While we are utilizing this specific definition of what categorizes social entrepreneurship and social ventures, Persson and Hafen (2014) state that there have been numerous attempts to define social entrepreneurship. They posit that this may be the result of Sweden's lack of an overarching legal definition. Persson and Hafen (2014) also note that different branches within the Swedish government already use differing definitions of social entrepreneurship.

Many believe that funding and support structures must be provided with official and widely accepted definitions in order to be able to properly provide aid to social ventures (Persson and Hafen 2014). Since this study is a descriptive one, knowing how each BSO independently understands the nature of social ventures may bring insight into the different ways in which each of them understands and handles the tensions faced by the ventures they work with.

2.3   The For-profit Social Venture as a Hybrid Organization

Historically, organizations have been classified according to distinct boundaries dividing them between non-profit organizations, public organizations, and for-profit organizations (Battilana & Lee, 2014; Dees & Anderson, 2003; Dees, 1998; Doherty et al., 2014; Mair et al., 2012). However, new organizational models known as 'hybrid organizing' have blurred these boundaries (Doherty et al., 2014; Battilana & Lee, 2014). Hybrid organizing is the consequence of ventures attempting to combine multiple organizational forms and identities into one (Ebrahim et al., 2014; Battilana & Lee, 2014; Doherty et al., 2014). The combination of these identities has made organizations face internal competing logics and forces (Douglas, 2015; Battilana & Lee, 2014; Besharov & Smith, 2014).

The social venture is an example of a hybrid organization (Ebrahim et al., 2014; Jay, 2013; Starnawska, 2016; Doherty et al., 2014). For-profit social ventures, specifically, are twofold in their objectives: the fulfilment of their social mission and the need to build an economically self-sufficient business model (Douglas, 2015; Dees & Anderson, 2003; Zahra et al., 2009; Yunus et al., 2010; Doherty et al., 2014; Starnawska, 2016). This objective duality mixes the social ambitions traditionally pursued by non-profit organizations with economic methods of for-profit organizations, blurring traditionally-held boundaries (Wilson & Post, 2013; Lumpkin et al., 2013; Battilana & Lee, 2014; Luke & Chu, 2013; Dees & Anderson, 2003).

The dual mission affects the performance assessment of the for-profit social venture, as they are evaluated through their economic gain, as well as by their social impact (Battilana and

Lee, 2014; Dees & Anderson, 2003; Jay, 2013). This evaluation is referred to as serving a "double bottom line" (Dees & Anderson, 2003, p.2). To manage this dual bottom line, for-profit social ventures keep both the social and economic objectives at the core of their organization to safeguard the venture from focusing on one part of its mission at the expense of the other (McMullen & Warnick, 2016; Battilana & Lee, 2014; Smith et al., 2012). The notion that the success of the venture relies upon these two core values can be conceived as a form of "blended value", which consists of the monetary and social value (Emerson, 2003; McMullen & Warnick, 2016). In many institutions, blended value is a byproduct of their economic efforts (Emerson, 2003). However, in for-profit social ventures, it is an intended primary outcome resulting from their distinct hybrid organizational structure (Wilson & Post, 2013).

2.3.1 Paradoxes in Hybrid Organizations

Due to their combination of charity and economic organizational forms (Battilana & Lee, 2014; Jay, 2013; Ebrahim et al., 2014), for-profit social ventures experience a set of inherent tensions caused by paradoxical aspects of their hybridity (Wilson & Post, 2013; Smith et al. 2013; Battilana & Lee, 2014). Tensions are conflicts that arise out of the inconsistent demands for-profit social ventures face between their two core missions (Mason & Doherty, 2015; Smith & Lewis, 2011). They emerge from conflicts over how to delegate resources to accomplish the economic gain needed to sustain the venture or the social mission that the venture aims to carry out (Doherty et al. 2014).

The conflicting demands of the social and economic missions can be understood through paradox theory (Smith & Lewis, 2011). Paradox, in this sense, refers to the conflicting yet interdependent aspects existing in a social venture (Lewis, 2000; Smith & Lewis, 2011). Paradoxical relationships in society arise from two logics that, by definition, should be unable to simultaneously function, but in actuality are coexistent and codependent on each other to remain in balance (Lewis, 2000; Smith & Lewis, 2011). In a social venture, the loss of the economic aspect would alter the core identity of the organization, transforming it from a for-profit venture into a non-profit organization (Lewis, 2000; Smith & Lewis, 2011). Paradox theory can be used in this sense to explore how hybrid organizations such as for-profit social ventures are able to manage their competing interests (Gonin et al, 2012; Smith & Lewis,

2011; Smith et al., 2013). The competing demands for-profit social ventures experience arise through the management of the dual demands held by stakeholders (Mason & Doherty, 2015; Battilana & Lee, 2014). The paradoxes, and associated tensions, for-profit social ventures face from their dual missions can be categorized into four areas: performing, organizing, belonging, and learning (Jay, 2013; Smith et al., 2012; Smith & Lewis, 2011). We will focus on the overarching paradoxes that Smith and Lewis (2011) identified, to further examine if BSOs consider the difference in organizational structure when working with for-profit social ventures. Table 1. below summarizes a description of each paradox and how they materialize.

Paradox:	Where tensions emerge:	Example in Social Business Ventures
Performing	Emerges through the different goals held by the stakeholders in a social venture and through the different methods of measuring those goals.	The two organizational models need to rely upon two different measuring metrics. How can the organization be successful in one while not destroying the other?
Organizing	Emerges from the internal dynamics of the organization such as the act of hiring skilled workers to increase the venture's profitability or hiring "disadvantaged employees as a means of achieving the social mission" (Smith, et al. 2013, p.410).	Who should the organization hire? Do they prioritize hiring people to fulfill their mission or people orientated towards economic gain? How much of the organization's social mission should be integrated into its organizational structure?
Belonging	Emerges out of the different identities held by subgroups that make up the venture as well as the difference in identities held by those involved with the venture; some may identify more with the social mission while others with the economic vision.	The different presentation of the organization's make-up to different current or potential stakeholders. If they are looking for investment capital they may show-off more of the economic gain while if the venture is after public funding they may expand the social aspect.

16

Learning	Emerges from the discrepancy in the horizons of the dual outcomes of a for-profit social venture.	For a social venture to be successful it looks to the long-term outcome while an economic venture looks at the short-term outcome of its actions.

Table 1: Paradoxes in hybrid organizations (Smith & Lewis, 2011)

2.3.2 The Performing Paradox and its Tensions

This study is focused on the performing paradox and the tensions it creates, which emerge through the two distinct missions associated with for-profit social ventures (Gonin et al. 2012). This paradox is apparent through the multiple output and resource demands that ventures face due to their various and conflicting goals (Mason & Doherty, 2015; Smith et al., 2013). Tensions arise through stakeholders placing preference on one expectation over another (Mason & Doherty, 2015). By doing so they take the venture's dual missions out of a state of equilibrium, resulting in one of the major tensions of the performing paradox, the struggle between the social and economic objectives (Mason & Doherty, 2015). If more weight is placed upon the quantifiable metrics of the organization, the economic mission may override the social objective (Smith et al., 2013). On the other hand, if the entrepreneur's passion for social betterment is prioritized, the financial sustainability of the venture may break down (Smith et al., 2013; Battilana & Lee, 2014). This movement of a social venture to focus on either the financial side or the social side of their mission is referred to as "mission-drift" (Ebrahim, 2014; Doherty et al., 2014; Battilana & Lee, 2014).

A consequence of mission-drift may be the failure of the social venture (Ebrahim et al., 2014). However, if they don't fail, they rarely remain hybrid in nature and instead become either a non-profit organization or for-profit entity (Battilana & Lee, 2014). Due to the potential of drifting away from one of their two core missions, for-profit social ventures must find equilibrium between the acquisition of resources to achieve their social vision and maintain their competitive advantage in the marketplace (Doherty et al., 2014). Because the goal of a BSO is to generate growth through creating a working business model, they may perceive this tension as a problem to be fixed within a hybrid organization rather than an

inherent aspect of a for-profit social venture (Casasnovas & Bruno, 2013; Grimaldi & Grandi, 2005; Cohen, 2013; Gonzalez-Uribe & Leatherbee, 2015).

2.3.3 What About the Other Paradoxes?

In the time that ventures are a part of a BSO, they are still in a nascent stage, and as such have not yet developed a long history or acquired many stakeholders (Aernoudt, 2004; Cohen, 2013).

Of the paradoxes inherent in hybrid organization, solely performing tensions emerge in the nascent stages (Smith & Lewis, 2011). Others emerge as the venture grows: learning tensions arise from long term growth aspects, belonging tensions emerge from conflicting identities held by groups of individuals involved with the venture, and organizational tensions emerge from structural and organizational difficulties arising from the expansion of the ventures stakeholders (Smith & Lewis, 2011). This is why we have chosen to focus solely on the performing tension.

The tensions developed from the learning paradox evolve from the juxtaposition of venture-holding to multiple horizons (Gonin et al., 2012; Smith and Lewis, 2011). These tensions develop as organizations strive for growth, scale, and flexibility over the long term, while also seeking stability and certainty in the short term (Smith & Lewis, 2011; Smith et al., 2013). The learning paradox also creates specific tension around growth and scalability, because a social venture's local effect becomes minimized as it attempts to grow (Smith et al., 2013). Hence, as for-profit social ventures aim to grow to increase their social mission's impact, they also jeopardize the mission's ability to act effectively (Smith et al., 2013).

The belonging paradox relates to the interpersonal relationships and identities found in for-profit social ventures (Smith & Lewis, 2011). The tensions formed from this paradox develop through the interpersonal conflicts from clashing identities (Mason & Doherty, 2015). These tensions emerge as stakeholders create individuals, and groups identify with different aspects of the organization, creating an inconsistent identity with some feeling distanced from the rest within the organization (Mason & Doherty, 2015; Lewis, 2000; Smith et al., 2013). Being nascent ventures, organizations in BSOs typically have few people directly involved with the

venture (Casasnovas & Bruno, 2013). The internal aspect the belonging paradox creating tensions of identity between groups relies upon a variety of stakeholders to be significant (Smith et al., 2013).

Organizing paradoxes surface in the processes of the organization, and tensions form out of a conflict within the processes between differing organizational, cultural and practical requirements (Smith & Lewis, 2011; Mason & Doherty, 2014; Smith et al., 2013). These conflicts arise from the venture's need of an employee with contrasting profiles (Smith et al., 2013) as well as through the internal structure of the organization as it grows (Mason & Doherty, 2015). Microfinance offers a good example, as the loan officer needs to have good interpersonal skills to work with loan recipients' emotional and psychological barriers, while also being analytical to manage financial matters (Smith et al., 2013; Canales, 2014). Through the example of microfinance, we see a tension between the structured processes required of the financial economic model and the social mission's requirement of the process being flexible to accommodate non-traditional loan recipients (Canales, 2014).

2.4 Chapter Summary

The aim of this chapter was to introduce, explore and summarize the current literature and knowledge about the research questions of this thesis: First, *how much awareness do BSOs have of the characteristics of social ventures and the tensions related to their hybridity?* And second, *what type of support do BSOs offer social ventures in relation to their hybridity tensions?*

First, regarding the BSOs, we stated that their main purpose is to help nascent ventures during the start-up period (Aernoudt, 2004; Cohen, 2013). For this study, two specific types of BSOs were selected: incubators and accelerators, which have a set of resources that they can offer to their supporting ventures (Casasnovas & Bruno, 2013). Accelerators and incubators have been researched in terms of their effectiveness working with traditional ventures (Aernoudt, 2004; Gonzalez-Uribe & Leatherbee, 2015). This leaves a gap of research where the social venture meets the traditional BSO.

Second, we derived a definition of social entrepreneurship and the for-profit social venture. This thesis is built on Abu-Saifan's (2012) definition of the social entrepreneur as "a mission-driven individual who uses a set of entrepreneurial behaviors to deliver a social value to the less privileged, all through an entrepreneurially oriented entity that is financially independent, self-sufficient, or sustainable". This entity is found in literature as the for-profit social venture (Dees & Anderson, 2003; Yunus, 2010; Agafonow, 2015; Irene et al., 2015).

Then, we set out to explain what hybrid organizing is and why social ventures are an example of it. Hybrid organizing is the consequence of ventures attempting to combine multiple organizational forms and identities into one (Ebrahim et al., 2014; Battilana & Lee, 2014; Doherty et al., 2014). For-profit social ventures are explicitly twofold in their objectives: the fulfillment of their social mission and the development of an economically self-sufficient business model (Douglas, 2015; Dees & Anderson, 2003; Zahra et al., 2009; Yunus et al., 2010; Doherty et al., 2014; Starnawska, 2016).

Finally, we explored the paradoxes that hybrid organizations face and their consequential tensions. We placed our focus on the performing tension. For-profit social ventures experience a set of inherent tensions caused by paradoxical aspects of their hybridity (Wilson & Post, 2013; Smith et al. 2013; Battilana & Lee, 2014). Tensions are conflicts that arise out of the inconsistent demands for-profit social ventures face between their two core missions (Mason & Doherty, 2015; Smith 7 Lewis, 2011). The performing tension emerges through the different goals held by the stakeholders in a social venture and through the different methods of measuring those goals (Smith & Lewis, 2011).

As such, the authors have developed an operational definition of the type of BSO we are utilizing for this research. From there the authors have narrowed down the field of social entrepreneurship to for-profit social ventures as a way of highlighting the hybridity of their organizational structure. Finally, through literature on paradox theory we understand that the specialized tensions these hybrid organizations face are a naturally occurring part of their structuring (Smith & Lewis, 2011).

3   Methodology

This chapter presents and discusses the research method for this thesis. It starts by introducing the aim and design of the research. Then, it develops how the samples were selected and gives a short description of each one. Later, it explains how the data was collected from the samples, and the authors examine the interview guide used to collect the data. Afterwards, we explain how the data was analyzed. Finally, we acknowledge the limitations that are present in this research.

3.1   Research Design

The aim of the research was to understand how much awareness do BSOs – specifically accelerators and incubators – have of the characteristics of social ventures. Also, what type of support they offer to the for-profit social ventures they work with regarding the performing tension. To achieve this, it was necessary to obtain data directly from the BSOs. This informed us on their practice towards for-profit social ventures. The data was obtained by interviewing people who, during the study, were working in a BSO and whose position involved working with social ventures that were part of his or her incubator or accelerator program. That combination provided insight into how each BSO worked and how they perceived and worked with the social ventures that were part of their BSO. Used as a "data source", interviewing proved useful to "gather rich, empirical data" about an unpredictable event such as the relationships between the BSOs and the social ventures (Eisenhardt & Graebner, 2007, p. 28).

A pilot study was conducted before the interview process. This study consisted of two preliminary interviews with potential sample cases. The result of this preliminary study led the authors to conclude that the interviewees were not necessarily conscious of the boundaries and domains of social ventures and of the consequences of how these were

organized. This allowed the authors to "begin the investigation with a fairly clear focus" (Bryman & Bell, 2015). Therefore, when interviewing the samples, the questions were presented in two stages: first, an awareness stage (of the characteristics of a social venture and of the performing tension); and second, a practice or action stage based on the answers of the first stage.

3.2 Sample Selection

The sample selection was based on purposive sampling, and more specifically, on theoretical sampling (Eisenhardt, 1989; Robinson, 2014; Bryman & Bell, 2015). The objective for this decision was "to choose cases which were likely to replicate or extend the emergent theory" and to increase the validity of the relationship within the multiple cases to create theoretical premises (Eisenhardt, 1989).

The authors' choice to solely look at incubators and accelerators arose from our understanding of literature on the similarities between them in terms of offerings, processes, procedures, and action (Casasnovas & Bruno, 2013; Cohen, 2013). Both accelerators and incubators utilize mentorship and business education to help founders through the start-up and growth processes (Cohen, 2013). In addition, they both offer a shared working space with other ventures, access to capital, guidance, and other forms of assistance (Casasnovas & Bruno, 2013). These similarities between the organizations' function and structure mean that the start-ups see similar forms of support through both ventures. In contrast, other BSOs, such as business angels, often do not share a working space with the ventures they have invested in, nor do they provide one for use (Cohen, 2013). Resultantly they often do not have a direct impact on the direction of the venture, while accelerator directors often work closely alongside the ventures in their program offering support and guidance (Cohen, 2013).

The authors chose not to interview the ventures that have resided within the BSOs interviewed, as our interest is specifically in the BSOs' awareness of the characteristics of the social ventures, the tensions related to their hybridity and possible means of support. This study is building on the works of Smith, Besharov, Wessels, & Chertok (2012), Smith & Lewis (2011) and Smith, Gonin, & Besharov (2013) which state that these tensions are

inherent parts of hybrid organizations. As such, the authors make the assumption that these paradoxes and their corresponding tensions exist in all hybrid organizational forms. Under this assumption, we aim to solely understand how BSOs identify and engage with these tensions possessed by the social ventures rather than the ways in which ventures work with them internally.

The criteria used to identify BSOs to study included the type of BSO, their geographic location to account for geographic homogeneity (Robinson, 2014, p. 27), and willingness or ability to work with social ventures, as well as previous experience in doing so. After each interview, the authors discussed the preliminary results to discover what more was needed to know. Through replication logic, the "emergent relationships" found after the aggregation of these results helped "enhance the confidence in the validity of these relationships" (Eisenhardt, 1989). Overall, this strategy answers to the aim of this thesis, which is building theory rather than testing it (Eisenhardt & Graebner, 2007).

The sample selection was carried out in the following process: first, the authors searched for all institutions in the Skåne region of Sweden that identified themselves as an incubator or accelerator for nascent ventures with no more than five years of existence. To do this, the authors utilized their personal networks and internet database searches to locate regional business support organizations. Research through personal contacts as well as online was further utilized to ensure that these organizations offered support to social ventures. To meet the authors' criteria, the BSOs sampled should have previously provided support to nascent for-profit social ventures as defined in section 2.2.1. Out of those institutions identified, the authors selected the individuals that held the role or title of *business developer, mentor* or *coach*. This helped assure that the potential interviewees worked directly with participating ventures.

A total of 15 potential samples were found, distributed between the cities of Malmö, Lund and Helsingborg. The potential samples were contacted by electronic mails, telephone calls and visiting their office. From the 15 potential samples seven agreed to participate, five adduced time constraints to refuse to participate and three did not respond. Upon agreeing to participate, a meeting was scheduled between the samples and the authors to carry out the interviews.

3.2.1 Samples

Below is a list of all the participating samples and a short description of the BSO they work for. The samples' names have been replaced by Greek letters to guard their identity.

Alfa – interviewed twice, first interview: in person, second interview: in person
Alfa is an incubator founded in 1983 and based in Lund. *Alfa* does not focus on one industry but offers start-ups business coaching in public relations, finances, sales, marketing, and pitch training. Through *Alfa*, start-ups also gain access to a shared working space and a large network of entrepreneurs. *Alfa* has previously worked with multiple social ventures and is currently working with another at the time of our interview. The interviewee has been working in *Alfa* since 2013.

Beta & Gamma – interviewed twice (both interviewees), first interview: in person, second interview: phone
(*Two separate interviewees from the same organization. Shall be referred to simply as Beta due to our interest in how the organization rather than the individual works with the venture.*)
Beta & Gamma in its current form was established in 2009; however, there is a history of similar organizations going back to the mid 1990's. *Beta & Gamma* is a Lund University operated support organization for those looking for business advice, investment, financing assistance, help with patenting, law, and licensing, as well as education and inspiration. The organization's aim is to offer commercialization support to researchers and students of Lund University free of charge. While they do not run their own incubator or accelerator, they work with *Zeta* to offer the option to those they coach. Both interviewees have worked with different forms of nascent social ventures during their time with the BSO. The interviewee's have worked within *Beta* as it is now for eight (interviewee *Beta*) and three (interviewee *Gamma*) years respectively.

Delta – interviewed once, in person
Delta is an accelerator program based out of Helsingborg. Founded in the spring of 2015, *Delta* is a municipality-funded organization focusing on technology-based start-ups. They

offer a 12-week (3 month) program, giving their start-ups access to workshops, investors, mentorship and a global network of entrepreneurs. *Delta* has worked with multiple social ventures in the nascent stage; the authors' respondent worked personally alongside two ventures. One of these is finding success in their product, while the other has turned to the non-profit sector. The interviewee has been working in *Delta* for three years.

Epsilon – interviewed twice, first interview: in person, second interview: phone
Epsilon is a Helsingborg-based accelerator program funded by Tillväxtverket (a European Union funded organization), Lund University, and the city of Helsingborg. *Epsilon* focuses on social entrepreneurial ventures with the aim of giving them the tools needed to succeed. Founded in 2015, they offer a 3-month program giving start-ups access to a working space, mentorship, models, and continued support once the program has ended. *Epsilon* works exclusively with entrepreneurs with socially oriented ventures. As an organization, they have worked more than 21 different social ventures. The interviewee has been with *Epsilon* since its inception in 2015.

Zeta – interviewed twice, first interview: in person, second interview: Skype
Zeta is an incubator funded by Lund University, located in Lund and Helsingborg. Founded in 2001, the incubator's aim is to help students and graduates realize their start-up ideas. They offer a working space, guidance, and networking. Along with the incubator, *Zeta* offers meetings with students to help guide potential business ideas and generate entrepreneurial interest. *Zeta* has worked with only a handful of social ventures in their organization. However, they feel this will grow in the next few years, as interest in this form of business type seems to be growing. The interviewee has worked within *Zeta* two years.

Kappa – interviewed twice, first interview: in person, second interview: phone
Kappa is a business advisor located in all 25 counties of Sweden and funded through the European Union, the Swedish government, consulting revenue, public sector and other supporting organizations. Founded in 1992, the organization's focus lies in helping start socially oriented companies through advice and counselling. *Kappa* also helps new businesses seek funding, analyze local markets, and establish collaboration between entrepreneurs. Like *Epsilon, Kappa* works exclusively with ventures that have a social aspect. As an organization, they have worked with hundreds around Sweden. Our contact directly

started his career with *Epsilon* and has worked with many of the social ventures in the Skåne region. The interviewee has worked within *Kappa* for one year and was a founding member of *Epsilon.*

3.3   Data Collection Method and Interview Guide

The data from the samples was collected through semi-structured, in-depth interviews; this way, the focus would be put on the "interviewee's perspective" (Bryman & Bell, 2015). The authors utilized two interview rounds based on an interview guide that would allow the authors to cover every aspect necessary for the research, but that could also provide enough flexibility to allow the samples to narrate, give opinions, explain behaviors and touch on other subjects (Bryman & Bell, 2015). This method ensured that the results from the different samples could be compared across them (Bryman & Bell, 2015).

The interview guide (Appendix A) allowed the authors to touch on specific and relevant topics (Bryman & Bell, 2015). It started by asking the interviewee to describe his/her role and the accelerator or incubator they worked for. Then, the interviewer asked for his/her definition and understanding of social entrepreneurship and social ventures as a general topic. Follow-up questions were asked to allow the authors to assess the respondent's understanding on these topics with the relevant literature. The respondent was asked to deepen his/her answers by taking a position on specific points such as: should profit be involved within his/her definition of social entrepreneurship and social ventures; what types of organization fit inside the boundaries of social entrepreneurship and social ventures? The first section of the interview was additionally utilized to create a better understanding of how in depth the respondent had worked with social ventures. This was done both as a way to insure the BSO had experience with working alongside social ventures as the authors defined them as well as a way to understand those interactions.

Then, the interviewee was asked to relate his/her experience working with social ventures within the context of a BSO. The purpose of these questions was to ensure that not only had the BSO worked with social ventures but that the respondent in question also had personal experience with them. This section, as mentioned in the research design, moved on two steps.

The first step focused on identification and awareness; therefore, on the methods, processes, and mental frameworks that the interviewee applied to identify these types of ventures and the tensions they face. The second step focused on actions taken; namely, methods and behaviors in response to the first stage. A total of seven interviews were held in the first round. They lasted on average 45 minutes to an hour and were all conducted in person.

The second interview round was used to clarify topics noticed by the authors during the transcription of the interviews and the coding of the resulting data. To do this the authors used a secondary interview guide (Appendix B). The secondary interview guide allowed the authors to gain a more complete understanding of the viewpoint on social businesses from the respondent's perspective. Furthermore, the general guide was left open-ended as to allow the authors to aim it towards aspects the interviewee mentioned in the first round. The second round of interviews were conducted in three manners: in person, over the phone, as well as over Skype. Of the seven respondents in the first round of interviews one was unable to be interviewed in the second-round due to time conflicts. The second-round interviews lasted on average 15 minutes.

A total of 13 interviews were conducted in the two rounds. Every interview was digitally recorded and transcribed in its original language (English). Recording the interview allowed the authors to increase their attention to what the interviewee said and thus generate follow-up questions (Bryman & Bell, 2015). Then, transcribing the recordings to paper proved a useful time and effort investment (Bryman and Bell, 2015) to allow the authors to analyze the raw data more clearly.

3.4   Data Analysis

The transcript of each interview was analyzed with an open (or initial) coding (Charmaz, 2006; Bryman and Bell, 2015). Each transcript represented a unique and individual case sample which could "stand on its own as an analytical unit" (Eisenhardt & Graebner, 2007). The process consisted of breaking down the raw data into smaller groups of data that are interconnected and share a common logic or characteristics (Charmaz 2006; Bryman and Bell, 2015). Analysis included a search for patterns, contradictions and relationships between

the cases and comparison to the theoretical model, thus allowing theory to surface (Eisenhardt & Graebner, 2007).

3.5   Limitations

The first limitation found in this study regards the sampling. The authors worked with an alternative procedure to the traditional method within theoretical sampling. This alternative sampling procedure follows a theoretical criterion based on the concepts explored in the Literary Review. Yet, the sample was built entirely before the data was gathered and not built step by step after each interview. Still, there is no exact way of proceeding with theoretical sampling (Robinson, 2014; Bryman & Bell, 2015).

The second limitation is based upon the assumption we make through Smith, Besharov, Wessels, & Chertok (2012), Smith, & Lewis (2011) and Smith, Gonin, & Besharov (2013) that the tensions that are supposedly inherent in hybrid organizations are truly there. By looking solely at BSOs and not interviewing the social ventures the BSOs have worked with the authors risk that the tensions provided are not present in a way the BSOs have control over.

The choice of limiting our study to incubators and accelerators also limits our findings, as other BSOs, such as venture capital firms, may be more or less aware of the tensions hybridity present. By excluding them from our study, we are reflecting solely on the population of incubators and accelerators rather than the BSO community as a whole. Thus, the authors limit the generalizability of our study to exclude the other forms of BSO models that exist.

The transferability of this study can also be questioned. Although theoretical sampling requires a certain amount of homogeneity (Robinson, 2014), this group is constrained to a geographical area and general context (Bryman & Bell, 2015) that literature does not necessarily sustain as representative of the theoretical model and theoretical review for which this study is based on. Following this logic, the theoretical saturation that is reached in the results of this study may be questioned as well.

Fifth, the tension approached in this study is limited to the performing tension (Smith & Lewis, 2011). Smith & Lewis (2011) provide three more tensions: organizing, belonging and learning. Our reasoning for focusing solely on the performing tension is provided in the Literary Review section. This approach may limit the overall understanding of the relationship between BSOs and the social ventures they work with.

3.6   Chapter Summary

The aim of the research was to understand how BSOs, specifically accelerators and incubators, understand and manage the nature of for-profit social ventures and the hybridity tensions that result. Consequently, it was necessary to obtain data directly from the BSOs.

To carry out the research aim, the sample selection was based on purposive sampling, and, more specifically, on theoretical sampling (Eisenhardt, 1989; Robinson, 2014; Bryman & Bell, 2015). The samples were the business "developer", "mentor" or "coach" that worked in a BSO and with social ventures as part of their program. The data from the samples was collected through semi-structured, in-depth interviews in order to put the focus on the "interviewee's perspective" (Bryman & Bell, 2015). The transcript of each interview was analyzed with an open (or initial) coding (Charmaz, 2006; Bryman and Bell, 2015).

Finally, five important limitations were found regarding the sampling, our assumptions of tensions from literature, BSO type, transferability and the theoretical focus of the study.

4 Findings

4.1 BSOs' Awareness of the Characteristics of Social Ventures Varies

When asked the questions, "*How would you define social entrepreneurship?*", and "*How would you define a social venture?*" the respondents' answers varied. Generally, a single definition was provided that was intended to encompass both social entrepreneurship and social ventures. Because of this, it can be argued that there is variety in the awareness that BSOs have of social ventures, varying in terms of the different features that compose the concept of social entrepreneurship and social venture.

Three of the cases presented the notion of "giving" a positive outcome to "society" in their definitions of social entrepreneurship, but only two of these (Zeta and Beta) included the possibility of the existence of a profit mechanism, or the collection of revenue that is intrinsic to a traditional business.

> "*[The activity of] ...an entrepreneur that works with the objectivity of making a positive impact on the planet*" (Epsilon, Interview, 11 April 2017).

> "*I would say it's something to do good, to give back something good. And maybe in combination with some kind of profit*" (Zeta, Interview, 3 April 2017).

> *"I guess the main goal is to give something back to society [...] an organization where you can have some profit; yet, the main goal is not to be rich and earn lots of money, but [to create] a social impact that can be good for people or good for the environment, and it's at the core, not as Corporate Social Responsibility"* (Beta, Interview, 13 April 2017).

A fourth case defined social entrepreneurship by comparing it to traditional businesses and the motivation ("drive") for pursuing one model or another.

> *"In social enterprises, there is a bigger picture and there's another drive. The big difference in traditional companies [is that] there is money: that is the drive. But in [social entrepreneurship] it is the ideologically right thing to do"* (Alfa, Interview, 31 March 2017).

Finally, the two last cases refused to set clear boundaries to their notion of social entrepreneurship, but provided their understanding of social entrepreneurship based on their operational functionality.

> *"We don't classify them in that way. We are more looking at if there is a real problem they want to solve. And then we have a business opportunity. Then, if that is for a social cause, it's good"* (Delta, Interview, 29 March 2017).

> *"I try to not define. But [...] I guess it is totally okay to get public funding for development costs. But if you can't run the basic operational functions without public funding, [then] you can't run the core business"* (Kappa, Interview, 11 April 2017).

The variety in responses indicates that the BSOs in our study lacked a common definition of social entrepreneurship, and thus vary in awareness. Each respondent framed their definition through their own lens. While all the respondents did offer the idea of holding some form of

giving back, they did not all connect to the same extent with the theoretical definitions provided in this study of what social entrepreneurship is.

In order to better understand the cases' conception of the social venture as an agent of social entrepreneurship, we asked the question "*Are there ventures participating in your BSO that fit in the definition of social venture that you just provided?*" The purpose of this question was beyond obtaining a yes or no answer, but also to obtain a deeper sense of the respondent's interpretation of social entrepreneurship. As before, the answers to this question varied.

It became apparent that Case Epsilon has a definition of social entrepreneurship which is more developed than the surface-level one they initially gave when asked. By having a clear image of the type of social venture they are looking for, they have been able to formulate a set of criteria for the admittance of these ventures into their program.

> *"We work with start-ups that have impact as their core, within their core product and not as a layer on top of their business model. We always look for revenue streams with the start-ups participating and applying for [this accelerator]. This means that, if your sole purpose is to create an organization that relies on government funding only, then it is not so interesting for us. And to just describe the other end of the scale if you are working only to make a profit, then you are not applicable as well."* *(Epsilon, Interview, 11 April 2017).*

Cases Alfa and Delta followed up with a notion of mission and business. Both place emphasis on the importance of establishing the economic model preferentially over the social mission. This extraction shows Alfa's understanding.

> *"The social aspect is just part of it [the social venture]. They need to make the business first otherwise they can't do the good and I think in supporting the business we support the social aspects [..] of that enterprise as well"* *(Alfa, Interview, 31 March 2017)*

32

Rather than use labels such as social venture to separate the organizations they work with into categories, Delta utilizes the same traditional economic methods of thought to understand the goals of these ventures, then applies the outcomes of this to the social mission as an afterthought, rather than thinking through the social goal as an inherent and central aspect of the venture's identity.

> *Delta (Interview, 29 March 2017) says that when looking at social ventures they, "basically [...] look at it in an economic way"*

Cases Zeta and Beta provided an experience based on their working with social ventures in their programs. They stated the struggle they face with participants that have developed an idea without a sustainable business model.

> *"Some projects don't have the intention of making money. They just want to do something good: that something would be as a little social entrepreneurship. They don't want to have like a traditional business model; they want to try to get funded in other ways and just in order to help people get more knowledge about the environment, for example" (Zeta, Interview, 3 April 2017).*

> *"Students' [...] projects can be quite hard because they don't want to see that they might need to have profits to make the company running; and very often they don't have the entrepreneurial skills that could be good for building a company" (Beta, Interview, 13 April 2017).*

Finally, case Kappa did not offer a definition for social venture. Kappa claimed to support social ventures that fall on an undetermined continuum between two poles: non-profits (e.g. an NGO) and for-profits (e.g. traditional business).

> *"In Kappa we have everything from NGOs to more traditional business. And depending on which side you are, you come from a different side of the*

problem. You are worried too much to do on your side and you're more dependent on funding" (Kappa, Interview, 11 April 2017).

In looking at these quotes we see a wide array of awareness regarding a theoretical definition and practical application of what constitutes social entrepreneurship and a social venture. The BSOs vary from perceiving social ventures as a truly distinct form of business model, to seeing them as a modified version of traditional business methods.

4.2 Tensions BSOs Noticed

The BSOs noticed two distinct tensions that can be related to how the performing paradox affects hybrid organizations: "Vision Versus Execution in Social Ventures" and "'Doing Good' Versus Profiting".

4.2.1 Vision Versus Execution in Social Ventures

All the cases differed in their understanding of what differentiates a for-profit social venture from other forms of ventures. Yet, each could locate tensions they found to be more prevalent in socially oriented ventures than their for-profit counterparts.

The first of these tensions is a direct conflict in the goals of the organizations. The cases noted that it is very prevalent that the founders of social ventures have a very strong social mission. The cases found that this mission, while important to the core of their venture, often hinders their creation and implementation of an economic model. Five of the cases placed focus upon this notion of big social mission overshadowing the economic execution in social ventures.

Delta (Interview, 29 March 2017) states "They the [entrepreneurs] get stuck in that vision and can't see what is the next step. I think that is a big challenge for social entrepreneurs…It is common in all types, but more

common and a bigger problem in organizations with a social side, because they have this big goal".

Alfa (Interview, 31 March 2017) affirm "[Social entrepreneurs] have a great vision and think for the vision to work financially they just have to focus on the vision and it will sell itself. That's never the case and that's what we try to help [with]. We try to help them see the business part, that nothing will sell itself, you need to work with it and you need to focus on the right thing, which is money…It's very good to see the possibilities far away, but at some point, you need to get concrete, you need to do it. That's really what we're trying to do, pull them down and make them work on the next step, the small step, not the big step".

Zeta (Interview, 3 April 2017): "[Social venture founders] focus on the vision all the time. [...] They were always thinking about the next step, not the one where they gain customers and revenue, but rather the future way past that".

Kappa (Interview, 11 April 2017) observed that because of this vision "people tend to be more to one side…in their development [and become] soft on the business [side], leading them to become dependent on public funding losing the whole business dimension…To the point where they do not survive as a business and become an NGO".

Epsilon (Interview, 11 April 2017) stated, "A great handful of the start-ups we work with would actually benefit from having a founder that is more business oriented in their team".

All of the BSOs interviewed confirmed that they have noticed that social ventures frequently struggle to balance the aims of their two disparate business models. They show a concern for

the entrepreneur placing more emphasis on achieving their social mission than on completing the practical steps needed to make their venture economically sustainable.

4.2.2 "Doing Good" Versus Profiting

Most cases saw a large tension in the development of social ventures due to a social stigma that surrounds the prospect of making money as well as doing good. BSOs observed that "society has created a crack between social responsibility and making money" (Delta, Interview, 3 April 2017).

> *Delta (Interview, 3 April 2017) continues "It's not bad to make money. It's bad to not make something out of the money. Sometimes social entrepreneurs forget that. If you have a great solution you should charge people for it so you can get capital and you can put it into the system where it makes the most benefit. You need to make money…and as long as you have your vision it's okay. Not helping people for a year may give [the venture] the possibility to help ten times the people the next year, so sometimes you just need to build your business."*

> *Zeta (Interview, 3 April 2017) claims, "It is a necessity to have some kind of revenue … in order to do good as well, because then you can sustain your own living…I tried to discuss the business model with [one] project…they weren't that keen. They were more focused on getting contributions from the university, not in selling to the private sector. They wanted to have contributions from the state or public financing. But then it would be something you have to apply for all the time and you have to search for grants instead of having your own kind of revenue stream that you can tap into…It matters what kind of background you come from as well because I talked to some people [who] have done [humanities] degrees. And they are more; its ugly to earn money. It's an ugly and dirty thing. For them that's a norm in their environment and maybe that becomes a hindering factor when they are doing their [venture]."*

Beta (Interview, 13 April 2017) agrees that, "Often [social ventures] don't want to get money from the user. For example, they want to give something for free but they need money to make the company running so [they look] for different strategies to get some revenue without making the end user pay for it."

Alfa (Interview, 31 March 2017) states that, "If you can save the world you [still] need to focus on the money. Otherwise you never get a chance to do the good, because you've already failed; without money, you can't do it. So even in the sustainable and the social projects we need to have the business."

Alfa (Interview, 31 March 2017) says to have had a non-profit venture that "as a public funded idea they could not gain traction. [But after] focusing on an economic model the venture started to roll and build interest. Now [the founder] has seen that the way to do this good is through business."

However, Epsilon and Kappa did not share the view of this social stigma as a tension for social ventures. Both observed that it is common for social ventures to begin with public funding for development, and then move into an economically sustainable business model.

Kappa (Interview, 11 April 2017) affirms "[For social ventures], public funding is not a strange place to start because, maybe you need to develop your service or product before you can start selling it and you need some kind of capital… [which is] extremely difficult to get from of investors in that early stage in Sweden".

Epsilon (Interview, 11 April 2017) states "Most of the start-ups we work with actually have considered, are considering, or have already obtained

some kind of public funding. That is the traditional way of operating an entity without revenue sources. For some part's this is a need in order to actually survive; for others, it is already coherent in the business model or even in the start-up already. The ventures we support often already understand that a running financial business model is a part of running a social venture".

Kappa and Epsilon, the two BSOs that work only with social ventures, are also the two who did not consider this "social stigma" a problem. While the other BSOs have experienced this as a challenge to be overcome, they saw it as a natural part of the early development process of a social venture.

4.3   BSOs Prefer to Focus on the Business Model Rather than a Social Venture's Social Mission

When describing the actions taken by the BSOs in relation to these tensions, most cases stated that their focus is on the business model rather than the social mission of the venture; first, because the economic aspect is needed to keep the venture moving, and then, because it is what the BSOs are focused on in their offering to for-profit ventures.

Alfa (Interview, 31 March 2017) states "It's a company [a traditional business], so that is our focus. This is a company. We're going to make money. That money can be put back into the company if you want, but we have to make money first…We focus on the business. So [there are] no special treatments for social ventures… [Every company] is the same. It's the same process and the same problem. It doesn't matter if you sell oil or if you sell solar cells, it's the same process"

Similarly, Zeta (Interview, 3 April 2017) says "We don't really work any differently with a social venture than we do with a for-profit business… [We don't] see the need for a dedicated method".

Beta (Interview, 13 April 2017) agrees that, "In our advice, we ask questions related to if what they are economically doing follows their social [mission] and [then] try to give feedback that forces the founders to look at their venture from different viewpoints…This advice is very much case to case depending on the values they have…[However], the tools that we use do not change for these ventures".

Epsilon and Kappa are the exceptions to the previous observation. Both use development tools created specifically to help socially orientated ventures, such as the "Theory of Change Model" (Development Impact & You, 2011).

Epsilon (Interview, 11 April 2017) states, "Traditional [support] models can be parted in two… [There are] two separate groups who benefit [from these businesses] and two value propositions… [The venture] has to find a balance between the groups and propositions. Where do you focus most? With the beneficiaries or the customers?"

Epsilon (Interview, 11 April 2017) states, "To guide social ventures we utilize the Theory of Change Model. This is a development tool designed to run parallel with the normal Business Model Canvas. The Theory of Change Model use with the Business Model Canvas to make sure the social mission the venture wants to enact is held in the middle of the ventures structure. We also have developed our own formulas in order to monitor the social and economic sides of the venture."

Kappa (Interview, 11 April 2017) affirms "[We use an] impact model canvas or a social business model canvas. You put [the social impact] in as a component in the whole picture and see both the social and economic [sides]".

The two BSOs who work exclusively with social ventures have developed a method that is specifically designed for the needs of these social ventures. Meanwhile, the traditional BSOs said that they treat social ventures in the same way as they handle traditional ventures, without making any adjustments to address the unique organizational structure they possess. Consequentially, traditional BSOs offer support for the economic aspects of a social venture without offering programs to support the social goal they are trying to reach.

Additionally, it was found that as the traditional BSOs do not see the social mission as a part of the venture they need to address, they do not offer ways to measure the venture's social output. Alfa (Interview, 31 March 2017) for instance, said that when measuring a venture's success, "we don't really care about that kind of measurement [social output]." Meanwhile, Kappa and Epsilon, the two BSOs who work only with social ventures, utilize development tools specifically designed to work alongside traditional business tools, to keep both the financial objective and the social mission of the venture in focus (Theory of Change Model).

5   Analysis and Discussion

5.1   What BSOs Understand About Social Entrepreneurship and Social Ventures

This study first shows BSOs' awareness of the concept of social entrepreneurship. Each study case provided a different definition or cited different aspects of this phenomenon, indicating a varied awareness of the characteristics of social ventures and their consequent tensions. Based on this finding, it is shown that all but two cases did not provide definitions that adjust to the relevant literature on social entrepreneurship. This agrees with and stands as an example of the general absence of an "overarching legal definition of social entrepreneurship or social enterprises" in Sweden (Persson & Hafen, 2014).

The definition of social entrepreneurship provided by Epsilon, one of the two BSOs that work exclusively with social ventures, is closest in meaning to the definition on which this study is based. It centers on the entrepreneur as the agent, who performs an activity via social entrepreneurship that aims to impact the planet in a positive way. Similarly, the definition in this study states the "social-entrepreneur" is a "mission-driven individual" who "delivers a social value" (Abu-Saifan, 2012). Both definitions frame social entrepreneurship through the presence and relation of its two components.

Another relevant aspect in Epsilon's and Beta's definition is the understanding of for-profit social ventures (Dees & Anderson, 2003; Yunus, 2010; Agafonow, 2015; Irene et al., 2015). Abu-Saifan (2012) defines this organization as an "entity that is financially independent, self-sufficient, or sustainable," that is utilized by an individual in order to provide social value to those in need. Similarly, Epsilon explains that when deciding whether to work with a venture, it must have the creation of social value as a central aspect of its identity, rather than as a side product to making a profit. Meanwhile, Beta expresses a similar idea, where a social venture

must be one that has some financial profitability, but holds its social impact as its central feature. These revenue systems allow businesses to generate an operating income, helping them reach economical sufficiency autonomously.

On the other hand, both Delta and Kappa consciously avoid classifying or defining ventures as social ventures and do not offer a strict definition of social entrepreneurship or the social venture. Furthermore, neither addresses the interconnected nature of the organization's dual missions: the social mission and the economically sustainable performance (Dees & Anderson, 2003; Zahra et al., 2009, Yunus et al., 2010). Delta focuses more on the opportunity recognition and exploitation process, in which being an entrepreneur is the ability to recognize potential ideas to exploit for a profit (Dimov, 2010). Alternatively, how Kappa perceives social ventures has more to do with how the ventures acquire their resources through the usage of public funding.

Regarding the experience that the cases have in working with social ventures, three of them offer a hint of the thread that leads to the paradoxes and tensions, specifically the performing paradox, that for-profits face. Case Alfa states that their incubator prioritizes the economic sustainability of the venture before their mission, and that in order for the venture to create any social value, they must create an operational business model. This view in part compliments what Peredo & McLean (2006) state, in that a strong business is a means to achieve the social goal.

Cases Beta and Zeta put forward the struggle they face while working with the participating ventures in their program. They mention that when working with ventures in their programs, they often struggle to interest the social entrepreneur in creating a business model from his/her idea. Beta and Zeta both cite a desire inside the entrepreneur to do good and an unwillingness to understand that in order to run a company, profits must be made. The BSOs feel that in this aspect the entrepreneurs fail to see that the business aspect of a for-profit social venture affects its viability by providing the necessary resources to operate without relying on grants or donations (Zeyen et al., 2014).

42

5.2 Noticed Tensions

5.2.1 Founder Can Become Hostage of Their Vision

All but one of the study cases observe that some founders adhere closely to the vision of their social mission. They notice in the founder an inability to identify and execute the necessary chain of actions to develop the venture. Instead, there is an over-eagerness to address the social goals of the future, while skipping the necessary step of gathering revenue. Case Delta mentions that founders cannot recognize the earlier steps, instead wanting to jump ahead to what they perceive as the most important part. Therefore, it can be argued that tensions related to the performing paradox can manifest directly in the founder's mind-set. The social and business goals exist in opposition to each other, and the founder wants to prioritize what they perceive as the more important goal, at the expense of the more relevant early needs of the venture. Furthermore, Delta observes that this tension is a more prevalent and impactful challenge for socially oriented organizations.

For-profit social ventures find an imbalance in the equilibrium of their dual mission. In a social venture, "the passion and commitment of social entrepreneurs can lead to dominance of the social mission" (Smith et al., 2013, p. 411). When more emphasis is placed on the social mission, there is dissolution of the financial model (Battilana & Lee, 2014). Case Kappa observed how the social mission-oriented leader can cause the venture to become "soft" in the economic activity and potentially lose it entirely. Similarly, Delta observed that social entrepreneurs often focus predominantly on the social mission, which leads them away from financially sustainable models. Thus, the venture risks turning into a non-profit organization, rather than a for-profit social venture. This observation aligns with theory which states that when one side of a dual mission is favored over another, the secondary mission will be overrun and disappear (Smith et al., 2013; Battilana & Lee, 2014).

5.2.2 "Doing Good" Versus Profiting

Four cases (Beta, Alfa, Delta, and Zeta) have observed disunion in founders of social ventures between the ability to "do good in the world" and to make a profit from that good through their ventures. According to the traditional BSOs interviewed, this disunion arises from a prevailing belief among social venture founders that making a profit from a social cause is unethical.

Case Delta states, "society has created a crack between social responsibility and making money… if you have a social solution you should charge for it so that you can reinvest that profit into the venture to reach out to more people". Beta sustains that often, the founders "don't want to get money from the user" or the one benefiting from their social cause, so they search for alternative forms of covering their operating expenses. Furthermore, Zeta states, many of the social ventures they work with are more likely founded by individuals that approach the issue from the social side, rather than the economic side. This leads the founder to be more attached to the goals of the social mission.

The phenomenon that the cases observed is the tension that arises from competing logics of differentiated models (Douglas, 2015; Battilana & Lee, 2014; Besharov & Smith, 2014; Mason & Doherty, 2015). The first side is the economic mission where the venture acts as a traditional for-profit venture, by looking to create financial gain for its stakeholders through a for-profit structure (Dees & Anderson, 2003). At the same time, these ventures are operating under a charity model normally reserved for non-profit organizations (Jay, 2013).

It has been stated previously that case Epsilon and Kappa use a definition of social entrepreneurship that is close to literature. These two BSOs view the tensions mentioned as a normal part of creating a social venture, rather than as a problem, and have adapted tools to mitigate and counter their negative effects. In contrast, we see that although the rest of the cases are aware of the vision versus purpose struggle and the purpose versus profit struggle, they don't have strategies targeted towards countering these issues. These BSOs are those whose definitions of social entrepreneurship stray furthest from the definition provided in the literature.

5.3 What Do BSOs Do About It?

Regarding how founders become stuck in their vision, the five cases that are aware of this issue affirm that BSOs work towards making the founders focus on the immediate steps (e.g. customer contact and product-market fit). Yet even when this is successfully done, some founders may not stay focused on the small steps and instead will refocus on the vision. The case that offers the most concrete action to counter this issue is Epsilon, who states that in their program, they utilize tools specific to social ventures to force the venture to remain at a more neutral position in relation to their dual missions. This correlates with literature since, by achieving an equilibrium between their dual objectives, the social venture will be more able to avoid mission drift and avoid losing its financial model (Mason & Doherty, 2015; Doherty et al., 2014; Ebrahim et al., 2014).

The issue of purpose versus profit found in for-profit social ventures is perceived and managed by the BSOs in different ways. BSOs that are tailored towards social entrepreneurship (Epsilon and, to a lesser extent, Kappa) embrace this aspect as inherent to the social ventures. Both provide specific strategies to help their social ventures add the social mission into normative business development tools. These specialized tools are intended to allow the BSOs to help the social venture keep both missions at their core throughout their development process (McMullen & Warnick, 2016) By doing so, the BSOs help the ventures safeguard themselves from the potential of mission drift or financial dilution (McMullen & Warnick, 2016; Battilana & Lee, 2014; Smith et al., 2012). It is also consistent with Smith et al. (2013), who states that the pursuit of commercial success helps reinforce a social venture's mission through exploring opportunities, higher pay, or increasing the area they impact.

On the other hand, BSOs that work with traditional for-profits perceive this as an unnatural problem. They focus on providing the ventures with advice on revenue streams without tailoring to their needs. For example, Zeta claims not to work any differently with social ventures than with for-profit businesses. This attitude towards working with social ventures indicates that the noticeable tensions inherent to the structure of social ventures (Battilana & Lee, 2014; Smith and Lewis, 2011) may go untreated by the BSOs whose job it is to aid the venture (Grimaldi & Grandi, 2005; Cohen, 2013; Casasnovas & Bruno, 2013).

BSOs that are not tailored for the needs of for-profit social ventures often focus on the economic aspect. For example, Alfa argues that ventures must focus on making profit, just like any other company would. Zeta holds a similar view, with the belief that financial sustainability is the most crucial aspect for creating successful ventures. This treatment of the social ventures by the BSOs may leave the ventures at higher risk of the economic objective overpowering the social mission, as this viewpoint pushes the social objective of the ventures into a position of being a byproduct of what the venture does, rather than one of the central aspects of its organization function (McMullen & Warnick, 2016; Battilana & Lee, 2014; Smith et al., 2013). This idea of tailoring the support of social ventures in the same way a BSO would support a for-profit venture is in line with the misalignment of objectives that Soetanto and Jack (2013) note exists between BSOs and the ventures they support. Soetanto and Jack (2013) remark on the idea that BSOs are aiming to offer the most standardized set of supports they can to the ventures in their system, while the ventures themselves are looking for the program that offers the most to fulfill their individual needs for assistance.

When looking at the entirety of how these organizations work with social ventures, we find that the BSOs who focus exclusively on assisting social ventures directly address the inherent tensions they face due to their hybridity. While the BSOs who predominantly work with for-profit ventures can also see the tensions social ventures face, they perceive that the correct functioning of the business aspect of the model can pull the venture through. Therefore, they focus primarily on that aspect of the venture.

6   Conclusion

6.1   Main Conclusions

This study set out to explore how much awareness Swedish BSOs have about the characteristics of social ventures and the performing tensions related to their hybridity. Also, to explore the type of support BSOs give to for-profit social ventures in relation to these tensions by using the answers regarding the previous questions. This aim meant looking for an answer to the following questions: *How much awareness do BSOs have of the characteristics of social ventures and the tensions related to their hybridity? What type of support do they offer social ventures, particularly related to hybridity tensions?*

This study illustrates two of the main tensions that BSOs have experienced when working with social ventures. One is the stress between the founder's vision and the execution of the necessary activities to achieve this vision. This means that, sometimes, social venture founders can become hostages of their own vision. The second tension is the stress between purpose and profit. Some ventures may seek to fulfill their social mission (purpose) without a clear view of how to sustain their operation (namely, generating revenue). Smith et al. (2013) warn that this issue can hinder the venture's chances of growing or make them fail.

This research revealed relevant aspects regarding the awareness BSOs have of these tensions. More socially-oriented BSOs tend to perceive this issue as inherent to the model of a for-profit social venture and have been able to create tools that can be utilized to mitigate the negative effects of these tensions while still keeping the dual objectives of the venture at its heart. In contrast, traditional BSOs tend to approach this issue as a problem, instead of inherent to the model. Both approaches reflect how the two types of BSO manage to counter this issue. Only the two BSOs that were more affiliated with socially orientated ventures used tools developed to highlight the steps a social venture needs to take to become self-sustaining. In doing so they are attempting to defend the venture against the possibility that

either mission overshadows the other. Thus, they are helping keep the venture economically sustainable while still holding a social benefit.

The other cases tried to counter this issue by providing advice discussing the benefits of a for-profit model to the ventures. This is because while BSOs do observe the tensions of the venture, they prioritize the business model as they perceive that as their role in supporting the nascent business. They do not differentiate their offering between social ventures and solely for-profit ventures, so both organizational forms are offered a standardized program that is not tailored to their individual needs. This agrees with Soetanto and Jack's (2013) proposal that there is a disconnect between the ventures that take part in BSOs and the BSOs themselves, in that the ventures are looking for support focused on helping them with a specific need while the BSOs are looking to standardize their offering as much as possible. Consequently, the traditional BSOs' advice is built based on serving the needs of traditional ventures. They focus on the venture developing an economically sustainable business model without regard for how the social aspect may operate in this version. Many of them cited their belief that creating a solid business foundation will make it possible for the social mission to develop as an afterthought. This belief reflects a different understanding of the nature of social ventures and entrepreneurship, in comparison to the stance that they exist with two central objectives at their core. This attitude towards working with a social venture may lead to the social aspect being removed from the venture as more focus gets placed on the economic mission instead (Smith et al., 2013; McMullen & Warnick, 2016; Battilana & Lee, 2014).

It can be concluded that the approach a BSO takes to manage the tensions within for-profit social ventures is correlated to the understanding of the phenomenon of social entrepreneurship and social venture. The BSOs that were tailored for social ventures worked with a definition of social entrepreneurship and for-profit social venture that is consistent with the relevant literature. Yet, of these two, only one explicitly recognized the elements within the definition (i.e. the social entrepreneur, its behavior and its purpose). The BSO with this definition was also the BSO that had built measurement systems of success tailored to the needs and goals of the for-profit social ventures. The two BSOs who presented an understanding of social entrepreneurship similar to the definition utilized in literature (Epsilon and Kappa) were the two programs that appeared to have developed systems of recognition and mitigation of the inherent tensions that are specific to social ventures.

On the other hand, what the other cases understand for social entrepreneurship and for-profit social venture aligns less closely with relevant aspects of the literature. The definition from literature highlights the interconnected core that lies within every social venture; this core is composed of the positive social impact and a financially sustainable business model. In this case, the BSOs understand social ventures without accounting for this duality. Namely, they perceive the social mission as an "add-on" to a traditional business.

6.2 Contributions and Further Research

This study makes theoretical contributions to the study fields of business support organizations, social ventures, and paradoxes and tensions found in hybrid organizations. By researching how BSOs identify and work with their inherent tensions, this study has broadened the understanding of how social ventures are supported in BSOs. In doing so, it has found a disparity between the support given to social ventures from traditional BSOs and socially-orientated BSOs, which is based on different understandings of social entrepreneurship between traditional BSOs and socially-oriented BSOs.

This study may also have practical implications for founders of social ventures and BSOs. Given this study's understanding of the different ways in which BSOs understand social ventures, future research may address the relative effectiveness of both methods

It is important, however, to understand the limitations in this study. The first limitation is geographical. By choice of the authors, this study is limited to BSOs working in the Skåne region in Sweden. Therefore, the results of this study cannot be generalized at a national or global level. The second limitation regards the cases studied. BSOs are represented by only one individual from each organization. This does not allow a complete view of how the BSO works. The third limitation regards timeframe. This study was conducted over the period of five months, and as such it is hard to evaluate how the view of the BSOs on social entrepreneurship and social ventures has evolved over time. As a result of the authors' choice to focus solely on incubators and accelerators in Skåne, this paper is unable to gain a broader understanding of the BSO organizational network as a whole, in how it relates to social ventures. Other BSOs may have a different level of awareness of the tensions that social

ventures face and may react against them differently. Hence, this study is limited in its generalizability to other BSO models.

Future research should conduct a more thorough investigation of the understanding and tactics that other forms of BSO use in dealing with social entrepreneurs and their ventures. Research can also be conducted to better understand the long-term effect of the for-profit based advice traditional BSOs give to for-profit social ventures. To look more in depth at this problem, a study could benefit from interviewing all the individuals involved with the BSO as well as the different participating ventures. Additionally, a quantitative study can be conducted investigating the survival rate of for-profit social ventures that work with socially oriented BSOs versus those who work with traditional BSOs. Future research may also consider how the findings of this study compare to the support given to for-profit social ventures by BSOs in other geographic and economic regions, and should look at how BSOs may help social ventures mitigate other paradoxes that are not discussed in this paper. Lastly, future research should address the effectiveness of BSOs in working with social ventures, and the possibility of a causal relationship between BSOs' understanding of social ventures, how they work with them, and how effective they are.

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Appendix A – Interview Guide 1

Overview of the BSO

- What does your organization do? Please describe your role in your organization.
- Does your organization provide capital, working space and/or mentorship?
- What is the average number of founder in each venture that joins your program?
- How would you define a social-oriented business?
- Have you worked or are currently working with companies that fit that definition?
- Of the social venture that you have worked with how many have become successful businesses once they left your organization?
- Have you seen an increase in interest in socially oriented businesses? (If yes) Why do you think more are moving towards this rather than NGO models?

Awareness of the tensions by the BSO

- How does the addition of a social mission effect the venture?
- Would say these start-ups face and difficulties or challenges that traditional ventures do not face? Are there any challenges they face to a higher degree than traditional businesses?
    - o How do you help the venture manage these issues?
- How does sustainability oriented model affect the overall team and business growth of an organization? How does it change team dynamics? Provide examples.
- Literature on social entrepreneurship theorizes that often in socially oriented business there is a pull to either the financial aspect or the social aspect do you see this as a threat?
    - o This often creates an issue where the other side dies
- Do individuals actors in the venture ever identify more with one aspect of the venture (social mission or economic gain)?
- Have you seen the goals of the entrepreneur take over the venture to where it no longer functioned under your understanding of a socially-oriented business?
- How do you the internal processes of these organizations as being structured?

- When advising a social venture are you ever aware of a disconnect between the profit side of the company and the social side? If so how do you try to connect these two?
- Ask directly about the different tensions:
  - Performing - Different goals from different people, Focus on one aspect over the rest
  - Organizing - Structural and process oriented conflicts internal to the organization;
  - Learning - Issues with measurement;
  - Belonging - Internal tension of conflicting identities

Actions taken in response to the tensions

- How do you, as a business development manager/coach, help social businesses deal with these tensions? This can happen at different stages: idea, business modelling, starting up, operating.
- When helping a social Venture in your program with their business plan, how do you incorporate the social mission into their economic growth model?
- As financials tend to be short term and social measurements tend to be long term. What metrics do you apply to evaluate both the social mission of social ventures and their financial gain?
- Are there any methods you use to get someone wrapped up in the social mission aspect to realize the commercial side as well?
- Is there a risk of destroying either revenue or destroying the positive impact? By necessity of preferring one over the other?
- Are the social missions of the ventures you have helped in Sweden or international?
- In a team venture have you ever seen conflict between one founder who is more invested in the social mission and other who is more invested in the monetary gain?
- With growth as a major goal how do you make sure it doesn't hinder the social mission?

Closing Questions

- If you were working with a social venture what would you prefer they sacrifice: their social mission (become fully for-profit) or their financial sustainability (become Non-profit/NGO)? Why?

Appendix B – Interview Guide 2

Follow Up Questions

- In our past interview, you stated that if a venture you were working with had to choose to sacrifice their social mission or their financial sustainability you answered that you would prefer they sacrifice _____. Is there any one core aspect of your work that leads you to believing this is the best path for the ventures you work with?

- Do you feel the need to learn more about social ventures and the different issues they face or is that out of your hands?

- Questions dependent upon results of previous interview focused around how the interviewee see's their role in the ventures process.