

Social Enterprise Governance as Strategy Work



Introduction

Understanding the nature and practices of social enterprise governance is important. Social enterprises are now significant in their number in Australia and internationally, and their dual social and business goals make their governance unique. What do the people associated with these social enterprises actually do on a day-to-day basis to govern tension between social and business goals? This PhD research describes and analyses the work of social enterprise practitioners in order to better understand the role they play in the governance of tensions between a social enterprise's social and business goals.

Research Design

In order to answer the research questions effectively, a qualitative case study approach was used. Two similar Community Bank enterprises were studied in order to identify convergences in behaviour and performance as a result of the influence of common features. Practitioners influencing the strategic behaviour of a Community Bank enterprise constituted the primary participants. Semi-structured interviews and event observations were undertaken and documents were collected for review. These data were then analysed in a number of rounds to result in the identification, description and analysis of three 'Episodes of Strategy Work' exemplifying three performing tensions faced by each Community Bank enterprise.

Research Questions

RQ1: How do Australian social enterprises govern the tension inherent in pursuing both social and business goals?

- Community Bank enterprises govern performing tensions through a range of different strategic responses intended to maximise funds available for local community contributions.

RQ1a: How do a social enterprise's practitioners develop strategic behaviours to respond to institutional complexity?

- Practitioners tend to work skillfully to conceive and/or present or interrogate an idea for a strategic response.

RQ1ai: What intra- and extra-organisational practices do practitioners engage with in developing a particular strategic behaviour and why?

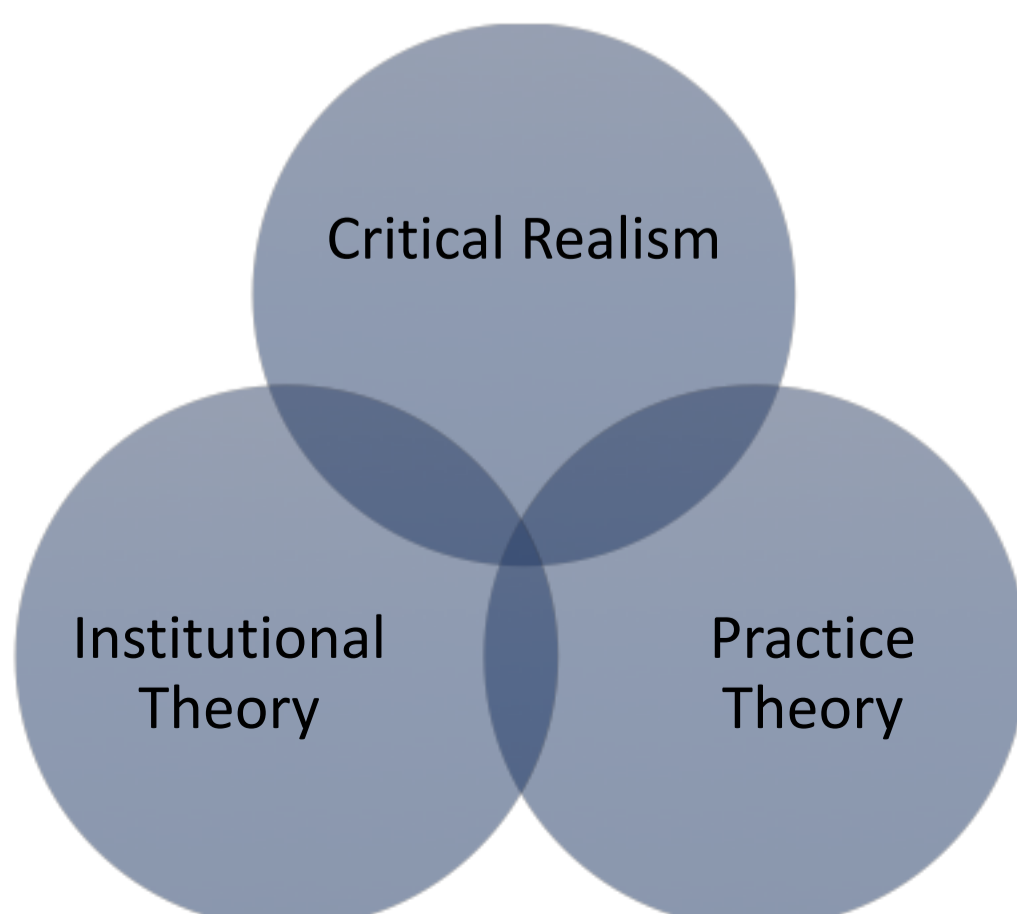
- Practitioner actions are affected by hierarchical structure and a norm regarding the time non-executive directors dedicate to their position as well as their embeddedness in their community and a norm regarding the inappropriateness of generating controversy.

RQ2: How does this contribute to the performance of the organisation in relation to its social and business goals?

- Community Bank enterprises measure and perform in relation to business goals but neglect to measure performance in relation to social goals which can, in turn, compromise performance.

Findings

Conceptual Framework



Conclusion

The findings allow the research to make six contributions to the relevant literature. The most significant is, arguably, that Community Bank enterprises tightly integrate two different institutional logics but neglect to measure performance in relation to social goals, which can result in mission underperformance, a possible precursor to mission drift.

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