

The role of organisational values in value creation: comparing social enterprises

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Abstract

Social enterprises (SEs) are businesses that aim to create positive change for individuals and society. They are part of a society-wide discussion over how to create ‘social’ value, where the focus is often on finding efficient and effective means of ‘doing good’, but without consistent recognition that ‘good’ is a subjective term. Critical scholarship directs us to pay more attention to this subjectivity. This study explored how beliefs about what is ‘good’ - i.e. values - influence the experiences SEs provide for the people they aim to benefit.

The mixed methods exploratory study drew on data from an online survey of SE organisational values and case-situated interviews across 14 English SEs. Quantitative and qualitative data were gathered on organisational values, decision-making and perceptions of value. The multi-faceted analysis approach reflected the influence of applied critical realism on the research design.

The study found that certain ‘process’ values - i.e. beliefs about *how* SEs should operate - were surprisingly common across diverse cases. Coalescing around these values appeared to allow SE practitioners to downplay variation in ‘outcomes’ values - i.e. *end-state* preferences. While many SE practitioners described their preferences as common sense, clear differences in outcomes values belied claims of neutrality.

These findings were used to posit a five point conceptual model of how values influence value creation. This academic contribution underpins two propositions with implications for policy and practice. Where values are instrumental in influencing the design and emphasis of activities carried out by SEs, the political implications of adopting different outcomes values should be more commonly recognised. Secondly, SEs should be aware that for the full translation of their intentions into perceptions of value creation, their activities must align with stakeholder expectations. Both participative and persuasive approaches to bringing about this alignment also carry with them politically significant choices.

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1 Introduction

1.1 Overview of the study

The concept ‘social value’ is being discussed across the business sector, the public sector and the ‘third’ or voluntary and community sector (VCS). Social value creation has been heralded as part of the more ethical future of business after the 2008 financial crisis (Porter and Kramer, 2011; Foote, Eisenstat and Fredberg, 2011). Promoting social value creation via public service commissioning has been UK law since the Social Value Act 2012 (HM Government). Whole organisations exist to promote social value assessment (e.g. Social Value International, 2017), particularly in the VCS, which is coming under increasing pressure from funders to provide evidence of its benefits (Shaw and Allen, 2009).

Yet, there appears to be little cross-disciplinary critical understanding of what the ‘social’ in ‘social value’ means. Social value is often represented as so self-evidently different from other types of value that a definition is rarely offered (Young, 2008). Many commentators appear to label the ‘social’ in value creation as the element which pertains to ‘doing good’ for individuals, groups or societies of people (Lautermann, 2013) without recognising that what is considered ‘good’ is a contested idea in a world of heterogeneous interests (Cho, 2006; Nicholls and Cho, 2008).

This widespread assumption, that creating social value is creating an obvious ‘good’, underlies many of the enthusiastic claims made about ‘hybrid’ organisations – particularly social enterprises (SEs). SEs are organisations that attempt to use business *means* (trading) to further *ends* (social benefit) more commonly associated with the public sector or VCS (Peattie and Morley, 2008a; Billis, 2010). Although it has been recognised that critical papers and studies have challenged some of the initial naïve assumptions around SEs and social entrepreneurship (Bull, 2008; Doherty, Haugh and Lyon, 2014), even the most recent review of articles on SE value creation (Hlady-Rispal and Servantie, 2016) suggests that little empirical research to date has focused specifically on the ‘use value’ they create. This omission means that researchers are yet to thoroughly examine how ‘good’ intentions in SEs vary and how different intentions may translate into diverse perceptions of value for the people the SEs exist to serve.

This study aims to address the gap. Specifically, it aims to explore and better understand how organisational values within SEs influence processes and perceptions of value creation for the people who are targeted by their ‘social’ missions. The SE

model has been chosen as a test-bed of ‘social’ value creation. Examples of SEs include social co-operatives, housing associations, community shops, mutual societies, the trading arms of charities and fair trade organisations (Alter, 2007; Teasdale, 2010a; Peattie and Morley, 2008a). Although SEs are diverse in form and function, their value creation processes are explicitly designed to go beyond traditional single sector preoccupations with just ‘economic’ or ‘social’ value.

Much of the literature on SEs focuses on structural and institutional theory considerations (Nicolopolou et al., 2014; Doherty, Haugh and Lyon, 2014). By focusing on issues of management, viability and sustainability in SE research, the concerns of powerful stakeholders such as managers, funders and Government appear to often have been placed ahead of considerations of the lived experience of those SEs exist to serve (Curtis, 2008). In reaction to this, this study aims to re-insert genuine consideration of the targets of social value creation back into the social value debate.

The targets of SE missions are described as ‘social purpose (SP) stakeholders’ throughout this thesis. This term was developed during the preliminary research which preceded this study (Fitzhugh, 2013) to provide a single term for: members, service users, beneficiaries, supported employees, staff, volunteers and more. They are acknowledged as stakeholders because they are affected by, but also often affect, the organisations with which they interact (Freeman et al., 2010). Rather than reducing two-sided exchange interactions to a one-sided label (e.g. beneficiary or service user), the term SP stakeholders acknowledges the primary reason for their interaction with the SE without implying the balance of value created via that interaction. The term also allows for the distinction to be made clearly in the following chapters between people employed by the SE as part of their social remit (SP stakeholders) and other more conventionally employed staff (SE practitioners).

The study aim was formulated into the overarching research question:

How do organisational values in SEs influence the nature of value creation processes for SP stakeholders in these organisations and how do different internal stakeholders perceive this process and its results?

A two-stage mixed methods exploratory study was designed to respond to this question. The first stage involved a preliminary online SE values questionnaire. The more comprehensive second stage involved case-situated interviews gathering

quantitative and qualitative data on organisational values, the role of values in decision-making and perceptions of value creation from multiple stakeholders at fourteen different SEs. The cases were selected from within England, to provide a steady institutional and political backdrop for the organisational diversity of the eventual sample. Within each case organisation, SE managers, staff and SP stakeholders were interviewed in order to be able to compare perspectives on values and value creation. SE managers and staff were collectively described as SE practitioners.

This multi-method, multi-stakeholder approach was in line with an applied critical realist philosophy which, whilst basically realist in ontology and therefore compatible with comparative exploratory research, also reflects a commitment to a qualified interpretivist epistemology. This approach presents findings and a new model on the basis of an intentionally cumulative process of iterative data analysis and theorisation (Ransome, 2013). This stance allows the research to consider both potential structural differences and the varied meanings stakeholders place on what is happening to them, in order to gain a nuanced picture of the ways in which value creation may be understood (Rees and Gatenby, 2014). Placing the experiences of SP stakeholders central to discussions of SEs and social value, in response to their lack of visibility in current academic texts, also reflected a commitment to an emancipatory approach (Collier, 1994).

The findings from this study were used to determine five key elements in a new model positing the influence of values on value creation in SEs. These are collectively labelled 'The 5 A's': atmosphere, accommodation, approach, agreement and aspiration.

The first three of these elements suggest ways in which organisational values act as heuristics and criteria for decision-making within SEs, with implications for the types of value SEs can create. The implications are split down into separate apparent effects of 'process' and 'outcome' values – i.e. respectively preferences relating to *how* the SE interacts with SP stakeholders and *to what end*. Similar organisational *process* values (e.g. authenticity, appreciating individuality) were found to be common across even diverse SEs and appeared to translate straightforwardly into direct SP stakeholder perceptions of value, via the consequent friendly and genuine 'atmosphere' of these types of interaction. Organisational *outcome* values were more varied, with different claims about 'approach' both between and within SEs. While general orientations towards approaches could be discerned on a case by case basis, they did not always directly translate into perceptions of value for / by SP stakeholders.

SEs seemed able to ‘accommodate’ internal differences in outcome preferences due to a shared overarching ethic and various mechanisms for uncertainty absorption and socialisation of staff. Yet, the fact that these differences seemed distinguishable along lines familiar from conflicts in social and political theory suggests that value creation intentions within SEs are not just ‘neutral’ or ‘common sense’ as suggested by many SE practitioners. Different outcome orientations embody beliefs about how to determine what is good (objective / subjective), what level of intervention is justified to foster that good for SP stakeholders (negative / positive conceptions of liberty and intervention) and whether to focus on individual or collective issues when planning for social change. This study therefore contributes to SE research evidence of values pluralism and of the potential influence of that values pluralism on value creation. The discussion also suggests that there are ethical and practical implications of SE practitioners downplaying these potential differences, particularly around a) the ability to openly consider the benefits of alternative approaches and b) the extent the SE may be able to persuade others of the value of what they do.

The last two elements of the model focus on perceptions. The translation of SE practitioner intention to SP stakeholder value perception appears to depend not only on SE actions to create outcomes, but also on whether and how the value frames (i.e. the basic assumptions about value) of the SE and the SP stakeholders are aligned (‘agreement’). Outcomes are only perceived as valuable when the SE caters to existing SP stakeholder preferences (delivery) or persuades SP stakeholders of a new narrative of change (transformation).

Where SP stakeholders do not know of, or accept, the narrative of change, outcomes may occur without the SP stakeholders ‘seeing’ them or judging them of value. This causes an issue, particularly for SEs with structural / longer-term impact ‘aspirations’, because individuals and individual entities (e.g. groups / businesses) may not perceive the value of their interventions directly at the individual level. Not only do these SE choices therefore impact on the types and levels of value individual SP stakeholders may perceive, but also, in a world where funding may increasingly depend on standardised and individualised accounts of organisational value creation, norms of value perception (e.g. in neoliberalism) and regimes of assessment could easily place limits on the level of radicalism that organisations are sanctioned to pursue, with longer-term implications for SP stakeholders in society.

1.2 Cross-sector convergence of interest in social value

This thesis started with the assertion that ‘social value’ was being debated across all three sectors of the economy: the business sector, the public sector and the ‘third’ or voluntary and community sector (VCS). The cross-sector convergence of interest in social value provided the initial impetus for this study. This section of the introduction expands upon how the concept has been debated in each of these three sectors, in order to identify the key questions inherent in these debates.

This introductory section provides the context for interest in social value. The literature review that follows this chapter then provides details of what we do and do not know about value creation, about SEs and organisational values.

1.2.1 Focus on business

It has been suggested that governments, the public and business leaders were prompted by the 2008 financial crisis to re-assess the wisdom of pursuing a neoliberal version of capitalism (e.g. Parmar et al., 2010; Bower, Leonard and Paine, 2011). While the former orthodoxy was that “the social responsibility of business is to increase its profits” (Friedman, 1970), concern over this approach entered the mainstream after the crisis (Leavy, 2012). There were high profile suggestions of this in the business press. Porter and Kramer (2011) exhorted businesses to create ‘Shared Value’ by finding win-win business approaches to fulfilling society’s deepest needs. Others called for ‘Higher Ambition’ leadership – i.e. ambition that aims for long-term economic gain and wider benefits to society (Foote, Eisenstat and Fredberg, 2011). A further article in the same year aimed to promote the ‘For-Benefit’ enterprise – a business which carries out its project for social change by gaining income from trading (Sabeti, 2011).

While these were presented as new approaches, they actually represented a popularisation of a much deeper preoccupation relating to the ethics and impact of business in society, dating back to antiquity. From Aristotle’s concept of “wholesome wealth” (Dierksmeier and Pirson, 2009, p.428), to twentieth century management solutions such as corporate social stewardship, responsiveness and responsibility (Wilson and Post, 2013), the relationship between business organisations and society has long been debated.

The idea of the ‘For-Benefit’ enterprise described by Sabeti in the Harvard Business Review (2011), although presented as new, was virtually synonymous with

the existing concept of ‘social enterprise’ (SE). The term ‘SE’ had been growing in circulation since at least the mid-1990s (Teasdale, 2010a). In describing a wide variety of hybrid organisations which combined conventional business means with social action (Billis, 2010), the emergence of the term prompted a new research field rife with definitional debates across national and philosophical boundaries (Granados et al, 2011; Defourny, 2009). SE and its close relatives (see section 2.3.2) were seen as alternatives to economic orthodoxy – e.g. managing business to consider value for a wider range of stakeholders than just individual privileged shareholders.

Within the realm of management studies, ‘stakeholder theory’ also foregrounds the need for businesses to consider the value they are creating for a range of stakeholders. Stakeholder theory in its most basic form is the idea that a business *is*, *could* or *should* be the means of co-ordinating and furthering the interests of a number of different interested parties, rather than just a vehicle for maximising profits for owners or investors (Freeman et al., 2010; Crane and Matten, 2010). Stakeholder management is the expression of this theory, where the organisation attempts to maximise value to the extent it can across the stakeholder base, rather than just for the owners (Freeman, 1984). The interested parties are known as ‘stakeholders’ because within the framework of this approach they can either “affect or be affected by the achievement of the organization’s objectives” (Freeman, 1984, p.46). To clarify, these stakes are not formally conferred by businesses on people or groups, but within this theoretical framework stakeholders exist when their interests overlap somehow with those of the firm (Donaldson and Preston, 1995; Schilling, 2000).

While the original work on stakeholder theory resulted in the promotion of stakeholder-engaged strategic management approaches (e.g. Freeman, 1984), a review of the state of the field (Parmar et al., 2010) suggested that the term ‘stakeholder theory’ is now often used as a catch-all to describe any research or conceptual work that acknowledges stake-holding in businesses by multiple parties. As such, it provides a conceptual framework for viewing organisations as co-ordinators of value for varied stakeholders (Borzaga, Depedri and Tortia, 2011) rather than value-maximisers for single stakeholder groups. In this context, a comprehensive overview of stakeholder theory specifically mentioned the need for new research across management and organisational disciplines to tackle the question:

“What does ‘value’ mean for a particular group of stakeholders, and how do firms create these different types of ‘value’ for stakeholders?”

(Parmar et al., 2010, p.32)

This thesis responds directly to this call for further research on stakeholder value by focusing on the use value of SE activities for SP stakeholders.

Re-focusing the study of value creation to explicitly consider the way businesses co-ordinate value for different stakeholders is an important area of research, not just because it fills the academic research gap described above, but also because it relates directly to pressing societal debates. Since the 2008 financial crisis, a wide range of commentators from the Pope (Reuters, 2013) to Piketty (2014), have commented on the problems of inequality fostered by the current capitalist system. When the mainstream business shareholders are generally those who already ‘have’, orthodox business models can be said to have played a part in maintaining and increasing this inequality. Research into the claims and practices of alternative business models with less exclusive approaches therefore gains practical importance.

1.2.2 Focus on public administration

New Public Management (NPM) represented the spread of mainstream management thinking into public administration processes and was a widely adopted, but contested practice in Western countries from the early 1980s onwards (Hood, 1991; Kelly, Mulgan and Muers, 2002). The controversy arose in the philosophical differences between those who saw NPM as either: the long-needed adoption of more professional, efficient and ‘business-like’ practices into slow and expensive public service provision *or* a Trojan horse delivering neoliberal values and market mechanisms into the heart of public service (Hood, 1991; Walker et al., 2011). Critics of NPM suggested its introduction into the public sector resulted in the de-politicisation of key decisions (management as ‘common sense’ rather than a matter of debate) and stemmed from unsubstantiated claims of the universality of management techniques across nations and public service situations (Hood, 1991; Walker et al., 2011). One of the key doctrines of NPM was the imperative of strategic performance management (Hood, 1991; Shah and Malik, 2012), something which had a knock-on effect on the

way public funding was provided for the voluntary and community sector (Aiken and Bode, 2009; Nicholls, 2009), as we will see in the next section.

While there have been claims of the death and replacement of NPM in the 21st century with other approaches to public administration, Shah and Malik's (2012) discourse analysis of political statements on UK public services provides evidence to refute this point. They show that while a change of Government in 2010 removed the intricate system of public service performance indicators introduced by the New Labour Government between 1997 and 2010, concepts such as economy, efficiency and effectiveness have become embedded in public administration and market-oriented thinking (Shah and Malik, 2012). In support of this sense of continuity, the underlying similarities in UK SE policies over the past two decades, despite different political justifications being given for those policies, have been explained as stemming from neoliberalism as "a guiding set of cognitive assumptions that can accommodate and incorporate normative difference" (Nicholls and Teasdale, 2016, p.7). The ideology of management has become part of the definition of our times (Diefenbach, 2009).

These developments in public administration have led to important debates around social value in the policy arena. Attempting to avoid single sector models of public service delivery in order to provide dynamism through competition (another doctrine of NPM – Hood, 1991), Governments turn towards a commissioning rather than provision role to "manage performance without managing organisations" (Paton, 2003, p.14; Bartlett, 2009). The implications of this change in the NPM measurement aftermath are clear – if services are increasingly remote from Government direct control, then there must be some way of judging if they are effective and comparing them with each other to award contracts. This has been reflected in the publishing of various guides or overviews to value assessment, either by or for the UK Government, including the influential *A guide to Social Return on Investment (SROI)* (Nicholls et al., 2009), the extensive HM Treasury Green Book on 'appraisal and evaluation in central Government' (2003) and its offshoot paper on 'social cost benefit analysis' (Fujiwara and Campbell, 2011).

This focus on value provision by external service providers has led to a further relevant development. The Public Services (Social Value) Act 2012 came into effect at the start of 2013 and made it necessary for public sector agencies to "consider how the service they are procuring could bring added economic, environmental and social benefits" (Cabinet Office, 2014, p.4). While advice has been issued to commissioners

on how this social value clause extends existing practices within Government (Cabinet Office, 2012) it aims not to ‘prescribe’ what social value actually means. This leaves commissioners with scant guidance to base judgements of social value on beyond the more high profile previous initiatives for lean government and Best Value, a few case studies (Cabinet Office, 2012; Cabinet Office, 2014) and the clause from the act:

“the authority must consider — (a) how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area and (b) how, in conducting the process of procurement, it might act with a view to securing that improvement.”

(HM Government, 2012, Section 1, point 3)

Studying the nature of social value and how to create it seems of pressing practical importance in this context of policy imperative but conceptual vagueness.

1.2.3 Focus on the voluntary and community sector

Giddens envisioned a ‘new mixed economy’ of service provision when formulating the Third Way (1998), but the mixed economy concept extends beyond the life of the New Labour Government. The 2010 UK Coalition Government emphasised ‘Big Society’ and the role of volunteering and entrepreneurship in supplementing, or in some cases replacing, public agencies delivering services (Thompson, 2011; Teasdale, Alcock and Smith, 2012). The idea of the mixed economy resulted in greater contact between the VCS and Government through contractual arrangements to deliver services. The ability of VCS organisations to describe their added social value (in a way that Government accepts) may be the key to their survival and / or reach in this climate – something which has been suggested could have both political and normative impact on the way these organisations operate (Arvidson et al., 2013). It is therefore impossible to separate the debate over public policy and social value from the debate over the VCS and social value.

We have seen above how managerialism can be thought to have entered every sector of the economy. It has been suggested that its arrival brought into the realm of the VCS a de-politicised expectation that ‘what matters is what works’ – consequently leading to funder and Government expectations of the assessment of outcomes or *value*

(Westall, 2009; Solesbury, 2001). Where funds were previously allocated to VCS organisations by public agencies, philanthropic funders and individuals on the basis of trust and good reputation (on account of their professed values and non-distributive legal structures) there has been a move towards evidence-based practice, mirroring the public sector (Nicholls, 2009).

The consequence of this move is that the social value debate relating to the VCS has largely been tied to discussions and developments in the field of evaluation and impact measurement. Within this context, tools and techniques for assessing VCS achievements have proliferated, to the point that early projects to review the tools on offer listed over twenty options and a more recent review listed over 130 different approaches (Metcalf, 2013). These approaches are of course relevant to, and used by, some SEs to explore their own social value (Paton, 2003), but appear to exist in a practical and conceptual space quite different from the process-based accounting and quality management-inspired mainstream business approaches, such as ISO 26000 on assessing social responsibility (ISO, 2014), or the ‘environmental, social and governance’ reports produced by rating agencies such as EIRIS or MSCI (Sloan, 2009).

The current debate around social value in the VCS is of relevance and importance because it has recently led to direct academic assessment of the normative properties of different approaches to value assessment (Greene, 2012; Arvidson and Kara, 2013; Hall, 2014). Arvidson and Kara’s proposition is that different techniques for assessing social value do not just “measure” social value, but are used to “endorse” and promote a particular vision of value that the funder and / or organisation deems worthwhile (2013, p.3). Hall develops this, by sketching out initial ideas on different evaluation ‘logics’ as:

“the broad cultural beliefs and rules that structure cognition and shape evaluation practice in third sector organizations”

(Hall, 2014, p.320)

Hall (2014) investigated what was viewed as ‘quality’ in evaluation practice, what evaluations focused on and what evaluators were supposed to contribute to the process. This led to the creation of a typology of approaches concerned respectively with a) ‘scientific’ processes and evidence-gathering; b) ‘bureaucratic’ processes involving standardisation of the types of organisational outcome examined; and finally

c) ‘learning’ processes which emphasise a ‘rich’ description of value and help practitioners to confirm or alter their beliefs on the value of their activities (Hall, 2014). While these distinctions are interesting in themselves, the key lesson of relevance to this study is that:

“The ability to differentiate better between methodological and ideological critiques may go some way towards exposing the nature of the viewpoints advanced by particular evaluation techniques and/or experts, and thus whether such disagreements can be resolved.”

(Hall, 2014, p.332)

Greene (2012, p.193) promotes the idea of explicitly “values-engaged evaluations” where issues of power, authority and who benefits are clearly explored before the evaluation begins, but laments that these are currently the exception rather than the norm in the mainstream of evaluation practice. She notes the intrinsically judgemental nature of evaluation and therefore the inevitability that those judgements will be grounded in values – whether they are articulated explicitly or not (Greene, 2012). By clearly highlighting the ideological component in different approaches to value assessments, Greene’s research findings can be translated into a justification for the study of social value with more explicit reference to the beliefs that act as drivers for different organisational approaches to its creation. In order to act as drivers for approaches, these beliefs must be shared at some level within each organisation or they would not be able to motivate cross-organisation action. This understanding of the conceptual issues of judgement and belief in the practice of social value assessment, suggests the need to explore the nature of organisational values and their role in social value creation processes.

1.2.4 Summarising the context

The social value debate in the business sector has been shown to centre on questions around which stakeholders could or should benefit from business operations. The debate in public administration raises questions of what can be perceived as ‘social’ value and how that value is to be determined. The debate in the VCS also illustrates a preoccupation with assessment, but academics working on issues around

assessment suggest that only by looking at underlying beliefs about the ‘good’ (i.e. values) can value creation be properly understood. This context has helped to shape the focus of the study by prompting questions on what social value creation might entail, how and for whom it might be created and the role organisational values might play in those processes and perceptions. The next chapter provides a literature review that explores the extent of current academic understanding of these issues.

2 Exploring the creation of (social) value in organisations

2.1 Overview of the literature review

This literature review offers insight into the current state of research into value creation and outlines a critique of the scope of conceptualisations of value creation both from within mainstream business scholarship and in relation to SEs.

Although the study focuses on SEs, the research and theory on value creation in this literature review reflects a broader range of understandings on how organisations create value. Given that SE research is relatively young compared to business studies, this maximises the opportunity to connect new thinking with existing scholarship.

After considering value creation, the literature review describes and differentiates between SEs and their near-relative concepts. This prepares the ground for understanding why SEs are the ideal test-bed organisations for examining holistic processes of value creation.

Drawing on the considerations at the heart of the introductory section on social value assessment in the VCS, the final part of the literature review explores how organisational and individual stakeholder values may be considered in relation to value creation.

2.2 What do we know about (social) value creation?

2.2.1 The concept of 'social value'

Aiming to create 'social value' is often stated as the most important characteristic of the increasingly academically visible (Granados et al., 2011) organisations and processes known as SE and social entrepreneurship (Zahra et al., 2009). Yet, social value is often represented as so clearly different from other types of value that a precise definition is rarely offered (Young, 2008). Examining the assumptions underlying different uses of the term is one of the first steps towards better understanding the varied ways in which social value creation is conceptualised (Lautermann, 2013).

The most common of these contrasts appears to be either that social value is an alternative to economic or financial value (e.g. Dees, 1998; Smith and Stevens, 2010) or that social value is to be contrasted with the accrual of benefits to individuals in positions of ownership or power (e.g. Austin, Stevenson and Wei-Skillern, 2006; Chell,

Nicolopoulou and Karataş-Özkan, 2010). This latter argument is not quite the same as, but is related to, the idea that social value is only ‘social’ when the benefits address the broader needs of a “human community” (Peredo and Mclean, 2006, p.59), i.e. a nation or society rather than just particular individuals within those communities (Moskalev and Torras, 2009). ‘Social’ value may also, in part or in whole, be conceptualised as the benefits of stakeholder participation or accountability (Defourny and Nyssens, 2012), not just the delivery of beneficial services.

These ideas of personal benefit, societal gain and value through participation or interaction are common, but substantially different, concepts of social value. Papers such as Dees (1998), Austin, Stevenson and Wei-Skillern (2006) and Porter and Kramer (2011) have been much cited, but in offering different viewpoints on social value they have done little to help academics reach consensus on what the ‘social’ element means. There are notable exceptions, where the ‘social’ is acknowledged as grounded in moral, ethical and political choices (e.g. Cho, 2006; Nicholls and Cho, 2008; Bacq, Hartog and Hoogendoorn, 2016; Dey and Steyaert, 2016), but many of these are recent.

Westall (2009) and Young (2008) critique naïve use of the term ‘social value’. Westall sees ‘social value’ as a concept infused with an economist’s bias towards quantifying “specific outcomes which tend to focus on relieving disadvantage” (2009, p.6) and suggests that when attempting to assess social value on outcomes, much of the worth in *how* the VCS operates is ignored. Young describes social value as benefitting “people whose urgent and reasonable needs are not being met by other means” (2008, p.56) but stresses that perspectives on the accrual of social value are “subjective”, “negotiated”, made up of “incommensurable elements”, “constantly open to re-appraisal” and inextricably linked with values and power relationships (2008, p.56-8). Like Westall (2009), she critiques a focus only on the ends of intended socially-beneficial activity and sees means as important too (Young, 2008).

Young (2008) also reminds us that financial value is not a more ‘objective’ phenomenon than social value: she cites brands, fashion trends and market bubbles to counter any suggestion that financial value always reflects the inherent ‘natural’ value of a service or product. However, when exchanges of value occur at a single point in time, financial value does have an agreed unit of measurement which can be used to ‘fix’ the value for that moment with regard to a currency standard (Bowman and

Ambrosini, 2000; Lepak, Smith and Taylor, 2007). This ‘exchange value’, differs from value considered worthwhile for the experiences or situations it enables (use value).

The conflation of price and worth in the term ‘value’ is a fundamental English language ambiguity where the term can mean the “material or monetary worth of a thing; the amount of money, goods etc. for which a thing can be exchanged or traded,” or “the worth, usefulness or importance of a thing,” (Oxford, 2007). This thesis will distinguish between use value and exchange value for conceptual clarity. The shorthand way of remembering the distinction is “price is what you pay and value is what you get. These two things are rarely identical” (Buffet, 2008, cited in Hirschmann and Mueller, 2011, p.279). This distinction also provides the opportunity to reflect upon how it is perfectly possible to ‘get’ value outside of the context of market-based exchange.

Although different conceptualisations of the ‘social’ in social value have been discussed, from the value part of the phrase, there is always an implication of making something ‘good’ happen, whether it is in the ‘social’ shape of use value for individuals, communities or groups, or delivered via intervention or participation. Yet, the lack of clarity over the implication of this within SE research is somewhat concerning:

“Astonishingly, even though social enterprise [SE] is commonly considered as a force for changing society for the better, the SE literature hardly reflects on the ethical measures for evaluating whether there has been, or could be, a real change for the better, and what ‘better’ actually means.”

(Lautermann, 2013, p.187)

Not acknowledging the potential for disagreement on how to meet needs, address problems and therefore shape society, seems to be inherent in everyday usage of the term ‘social value’ (Cho, 2006; Nicholls and Cho, 2008; Lautermann, 2013). Cho (2006) asserted that social entrepreneurs impose one particular view of what is good through their acts, making a claim to know what is good for people and society, often without recourse to discourse or debate over potentially contentious choices.

Part of the problem may be the dichotomous thinking that is prevalent in debates on ‘social value’ where the ‘social’ and ‘business’ realms are routinely discussed as obvious opposites rather than potentially overlapping (Lautermann, 2013). Yet this opposition has been challenged more than once, for instance via the ‘separation fallacy’

in stakeholder theory (Freeman et al., 2010) and Schumacher's false dichotomy argument (1974). Freeman et al. (2010) and Schumacher (1974) challenge us to carefully examine 'self-evident' differences in the scope of consequences of business and other human acts, in order to arrive at the conclusion that all human acts have the potential to impact on others and the planet, whether under the guise of business or not.

Acs, Boardman and McNeely (2013) make a similar argument in relation to recognising the potential for any entrepreneurial acts (whether considered 'social' or mainstream) to produce or destroy use value when judged on outcomes rather than intentions. People act entrepreneurially for a complex set of reasons which encompass both personal financial and non-financial gain as well as for the good of others individually or as groups or communities (Williams, 2007; Williams and Nadin, 2011; Conger, 2012). The outcomes of attempts to create use value extend beyond goods and services produced and exchanged in a market environment, through to family and community mutual and self-help (Lautermann, 2013).

This blurring of the lines between the 'vague' idea of social value and other types of value leads Lautermann (2013) to reject the modifier of 'social' altogether in favour of an academic project that involves broadening the concept of 'value' to the point that it can describe and explain different dimensions of value creation (including those commonly currently connected with social value). Santos also advocates for a "holistic conception of value" (2012, p.338) which avoids the need to define cut-off lines between what can be considered 'social' and what cannot.

This study is positioned as part of the project of considering a more holistic understanding of value and value creation in organisations. The next two sections explore more mainstream definitions of 'value creation' for guidance on how value is traditionally defined, before returning to broader ideas about value.

2.2.2 Introducing the concept of value creation

Neo-classical approaches to assessing (economic) value creation suggest it is a simple matter of "the sum of consumer surplus and the producer surplus" when a transaction has taken place (Argandoña, 2011, p.2). The assumed act of utility-maximisation on both sides is the additional creator of 'social value' because the markets are mediating and balancing out acts that benefit all in society in the fulfilment of their desires and needs (ibid.). However, this understanding of value creation is

located within a wider framework of assumptions which have been robustly challenged with regard to the conditions necessary: such as perfect competition, completely free markets, wholly informed and rational individuals uninhibited by cultural systems and no risks or problems externalised to others as part of the process (Jordan, 2008; Argandoña, 2011). In avoiding the issue of risks, market failure and unfair reward, stakeholder theorists suggest that maximising value only for consumers and producers and then measuring it using exchange value cannot provide a true account of the broader range of value that is actually created and destroyed by any type of organisation (Freeman et al., 2010; Argandoña, 2011).

Developments beyond this understanding have mostly been in the area of identifying difficulties with the concept of value creation, rather than re-definition:

“Value creation is a central concept in the management and organization literature for both microlevel (individual, group) and macrolevel (organization theory, strategic management) research. Yet there is little consensus on what value creation is or how it can be achieved.”

(Lepak, Smith and Taylor, 2007, p.180)

Lepak, Smith and Taylor (2007) stress the need for much more work on value creation, with regard to understanding the concept, the processes involved and the mechanisms for value capture. They suggest three reasons for confusion over the concept to date: 1) that different disciplines favour looking at value creation only for their preferred *target stakeholders* – so loosely speaking strategic management scholars will be interested in value to business owners, marketing scholars in value perceptions in customers and sociologists in value to society; 2) that the term ‘value creation’ is used interchangeably and without definition for investigations of both the nature of worthy *results* and of *processes* to reach them; and finally, 3) that scholars do not *distinguish enough between value creation and value capture*, or whether value is accruing to the stakeholders involved in creating the value (ibid.).

In order to move towards a working definition of value creation, Lepak, Smith and Taylor (2007) suggest that value is created when someone perceives a product or service as novel and appropriate. This view highlights that the assessment of value will depend on a particular stakeholder’s knowledge of alternative options (to assess novelty), their assessment of the desire or need at hand (to assess appropriateness) and

the context in which they are making these decisions (social, cultural, organisational, sources of value creation) (ibid.). For this reason the authors favour a ‘contingency perspective’ on value creation that includes consideration of the “source and targets of value creation and the level of analysis” in further research (ibid., p.183). The contingency perspective seems to fit well with the arguments made by Westall (2009), Young (2006) and Lautermann (2013) on the subjectivity of social value.

While the work of Lepak, Smith and Taylor (2007) is useful in informing the study in terms of conceptual clarity, one feature of their work should be highlighted and challenged from a more holistic perspective on value. Within the conventional (rather than stakeholder theory-based) strategic management literature, the ‘slippage’ of value from organisation to employee or society is a problem (ibid.): if an organisation’s employees are gaining more benefits from the firm’s operations than is necessary to keep them as employees, managers may see it as prudent to re-balance their offer to retain more surplus for the owners. For the authors to conclude that “slippage obviously provides little incentive for a source to continue creating value in the long term” (ibid., p.187) is an assumption based on a particular conception of the nature of individuals and organisations as wholly self-interested. In contrast, practices such as SE and stakeholder theory (Freeman et al., 2010) show how Lepak et al.’s assumption is not ‘obvious’ but situated within a very particular understanding of business. Agafonow (2015) recognises this practice of ‘slippage’ and suggests that SEs aim to engage in conscious processes of ‘value devolution’ to stakeholders, not just ‘value capture’ for the organisation, to pass on the benefits of their work without exchange conditions.

Another issue with Lepak, Smith and Taylor’s (2007) conceptualisation of value creation is that innovation appears to be afforded as much weight as whether the act or product is appropriate for fulfilling people’s needs. An emphasis on innovation has links with strands of the entrepreneurship literature, such as a Schumpeterian focus on the role of the entrepreneur as disruptively providing value through innovation in products, markets, methods, organisations or resourcing (Mole and Ram, 2012). One potential issue with an innovation-heavy understanding of value creation appears to be that it privileges accounts that look at value as an instance of novelty, realised at a moment in time, providing rewards for its creator. Yet, an alternative source of value could be “tried and tested” services and goods (Doherty, Haugh and Lyon, 2014, p.7).

This idea can be best explored through an example: consider an organisation giving free vaccines year on year to children in a developing country in order to prevent

them as individuals becoming ill, but also to provide herd immunity (even to those in society not vaccinated). The development of the vaccine could be said to have created value, both because the developers could market it as a desirable resource, and also because of the new knowledge existing in society. However, an innovation-heavy account of value creation does not seem to apply equally to everyday acts of vaccination. Surely use value is also being created for individuals and society with every identical (non-innovative) act of vaccination, whether it is on the first day of operation (novel) or in the twentieth year of doing exactly the same thing? One could suggest that novelty is always present in the fact that every child receiving a vaccination is different, but that renders the focus on innovation as the creator of value conceptually empty because every person in the world receiving every product and service is different. Those products and services that may be ‘novel’ for each stakeholder are not forever also considered ‘innovations’.

Instead, this example exposes an assumption unarticulated but present in concepts of value creation heavily linked to theories of innovation – that all stakeholder assessments of use value happen under conditions of competition for custom, where scarcity and novelty are key differentiators that will affect assessment of the price they are willing to pay. This means the existing concept of value creation is explicitly linked to the discrete arena of human activity that is competitive market transactions. It is therefore important to look further into the business and organisational perspectives on value creation (and beyond in the following section) to find a more open model that can incorporate ‘social’ dimensions.

2.2.3 Further business and organisational perspectives on value creation

Porter’s value chain framework (1985) was devised to explore ‘value drivers’ of competitive advantage in businesses. The key idea is that by assessing the contribution of the primary activities (logistics, operations, marketing, service) or support activities within a firm (infrastructure, human resource management, technology or purchasing) it is possible to compare that firm’s processes with others in the same industry (ibid.). Knowledge of the ‘value chain’ is then used to make strategic decisions that increase customer perception of the value of the product (Porter, 1985; Amit and Zott, 2001; Freeman et al., 2010). The key insight of Porter’s work is that in order to understand what value the organisation is creating, it is important to examine the contribution of

the chain of activities it carries out, to assess how value is created within a “value system” (Porter, 1985, p.34).

Porter’s work could be seen as embedded in a philosophy that sees business purely as “a struggle for advantage” and characterises all stakeholder allocations of value as trade-offs. Yet Freeman et al. (2010) argue that his ideas on the value chain can easily be transferred to support stakeholder theory approaches, where firms look at the same drivers with the intention of better co-ordination of value for diverse stakeholders. A value chain understanding of how value is created for the intended consumer / user by processes within each organisation is therefore important to a broader understanding of value creation, because it can be adapted to look at all of the activities of organisations, not just conventional businesses.

As an example of a logical chain depicting the process of value creation as a system of inputs, outputs and points of transformation, Porter’s value chain (1985) overlaps with common social impact measurement methods, for example Social Return on Investment, which terms this type of conceptual framework ‘theory of change’ (Nicholls et al., 2009). The idea of points of transformation is explored in depth within the literature relating to the resource-based theory of the firm.

The resource-based view of the firm focuses on resources and capabilities as sources of value – and particularly on advantages conferred by the unique combination of these within each organisation (Ormiston and Seymour, 2011). Working from the starting point of the resource-based theory of the firm, Bowman and Ambrosini (2000) however suggest that new use value can only be created with human intervention – i.e. that ‘inert’ resources such as machines or materials cannot in and of themselves make new value. They therefore define use value creation as follows:

“... new use value creation derives from the actions of people in the organization working on and with procured use values”

(Bowman and Ambrosini, 2000, p.5)

This understanding appears to better describe what is happening in the earlier vaccination example where health professionals are acting to deliver the vaccine. Procured use value (the bought-in vaccines) is translated by the actions of people (the health professionals) into use value for the individual recipients and for society.

Bowman and Ambrosini (2000, p.8) see the value creation process as a chain of value translation in which use value is “transformed by labour” and then new use value is created. While the ideas of both a chain (rather than isolated instance) of value and a time-context specific understanding of value creation are useful, there is a problem with attempting to expand the authors’ concept of value creation to include social dimensions. Bowman and Ambrosini (2000) recognise that use value can be created in an organisation by human labour and that assessment of how much has been created is subjective and context-based. They also routinely place importance on the extent of ‘added value’ that can be captured by the firm via transactions (ibid.). Unfortunately, using transaction-based judgements of value (exchange value) to indicate overall value creation is unlikely to represent the range of value created for all stakeholders and reveals a preoccupation with value capture (via exchange) rather than holistic value creation and value devolution (Agafonow, 2015).

O’Cass and Ngo’s (2011) amendment to Bowman and Ambrosini’s theoretical framework of value creation does nothing about this problem of disciplinary bias towards interest in ‘added’ rather than ‘total’ value, but it does usefully argue that businesses need to understand “what value customers are looking for in their value offerings” (p.648) in order to gain positional advantage in relation to other organisations. The key assertion of their work is that successful value creation depends on understanding what customers value and strategically designing an organisation’s offering around that understanding – either by better tailoring products to this understanding or by building relationships with the customers around the process of (co-)creating and selling them the product (O’Cass and Ngo, 2011).

While their focus is clearly on economic value creation, the implications of O’Cass and Ngo’s findings have parallels with the developing debate on the importance of fostering greater community participation and influence in the public sector and VCS. Taylor (2010) suggests policy attention has turned to community participation due to: a) a desire for ‘radical service reform’ through a mixed economy of social value provision and b) the interlinked need to address the apparent ‘democratic deficit’ and accountability issues inherent in a transfer of delivery away from the state. What are at first sight very different topic areas - commercial venturing and welfare provision – therefore appear to meet at the point where participation or co-creation relationships between provider and user / consumer have been suggested as a way of creating greater value than one-way flows of products or services (Humphreys and Grayson, 2008;

Prahalad and Ramaswamy, 2004). In both, “the interaction becomes the locus of value creation” (Prahalad and Ramaswamy, 2004, p.12).

Each of the topic areas described above contributes to expanding our understanding of value creation by offering different perspectives on the key underlying processes and actions. The mainstream literature teaches us that attention should be paid to value chains in organisations and the possibilities of value co-creation. Academics specifically focusing on ‘social’ value offer further perspectives that complement and enrich these ideas.

2.2.4 Empirical work on value creation (involving social dimensions) to date

Three key studies (Di Domenico, Haugh and Tracey, 2010; Ormiston and Seymour, 2011; Bassi, 2011) examine the processes involved in creating the more ‘social’ dimensions of value within organisations. Di Domenico, Haugh and Tracey’s (2010) qualitative case study on value creation in eight UK SEs focused on ‘bricolage’ in start-ups, e.g. “using the resources at hand ... for new purposes” (p.685).

Di Domenico, Haugh and Tracey (2010) proposed a widened concept of bricolage to take into account the ‘social’ dimensions of SE work. Their concept not only incorporated conventional bricolage activities such as ‘making do’ (i.e. working in new ways by trial and error), but also others such as stakeholder participation in governance, service co-creation and gaining access to resources through partnerships. The suggestion that this extension of the idea of bricolage constitutes a new concept called ‘social bricolage’ suffers from the same dichotomising tendencies as highlighted earlier with regard to the term: ‘social’. However, the idea that value may be created via processes of governance and values-based partnerships, not just from management processes or individual entrepreneurial acts, seems valuable because it highlights the ways in which the distinctive differences in VCS and private sector organisations (Billis, 2010) might lead to different types and styles of value creation.

Ormiston and Seymour (2011) focused on the processes involved when SEs embarked on value creation, with particular attention to mission formulation, and the operationalization of mission through strategy and impact measurement. The findings from their three qualitative case studies in Latin America were that social mission preceded strategy when embarking on value creation, but that none of the organisations involved could clearly articulate how it would be possible to measure success in terms

of the organisation's impact (Ormiston and Seymour, 2011). This understanding had therefore not been used to inform strategy development as might be expected in a conventional commercial firm (ibid.). Instead of adopting measures of success related to their social mission, each organisation was judging themselves on the scale and reach of activities they believed were 'good' and effective (ibid.).

Although the lack of strategic mission-related measurement seems to have surprised Ormiston and Seymour (2011), it is not revelatory in the context of the extensive debates already highlighted in this piece on assessing social value in public programmes and the VCS. Papers such as Nicholls' (2009) '*We do good things, don't we?*' have already discussed the barriers to adopting mission-based measures of success within such organisations, including: memories of a time when self-justification was not required, the complexity and resource-requirement involved in judging the relationships between organisational inputs and outcomes, the lack of standardised methods of reporting and the clash of sometimes overt / sometimes concealed ideological biases behind different approaches used to investigate value. Lyon and Arvidson (2011) stressed the power, legitimacy and self-marketing issues embedded in approaches to value assessment:

“Decisions over whether to measure, what to measure and how to measure are shown to be shaped by the objectives of the leadership, power relationships within organisations and, more importantly, with the stakeholders outside the organisation. Impact measurement can be seen as both a bureaucratic form of regulation that allows others to control an organisation through performance management or as a form of marketing for organisations with entrepreneurial skills.”

(Lyon and Arvidson, 2011, p.1)

At least Ormiston and Seymour's empirical study acts to confirm what has to date been the largely conceptual debate described above and in doing so contributes to the pursuit of a broader understanding of value creation: namely on the importance of looking beyond managerial intentions as sources of information on lived experiences of value creation for other stakeholders. Instead it seems all the more important to triangulate multiple sources of feedback on what the operationalization of SE social missions brings for different stakeholders.

Bassi (2011; 2012; 2014) explored ‘the social added value’ of VCS organisations, i.e. a wider group of organisations than just SEs, including charities and other non-profit organisations. He used a logic chain approach (looking at inputs, activities, outputs, outcomes, impacts) to discuss the creation of this value (ibid.). He identified external and internal influences on value creation and related his findings back to three important internal elements: governance, management and interpersonal relationships. The model he developed distinguished between social added value and other types of added value such as economic, political and cultural added value. The model aimed to describe ‘total added value’. Bassi (2011) suggests that social added value creation is the product of a combination of ‘relational goods’ (where the value is created within the interactions of a social relationship) and ‘social capital’ (where the value is created in the form of structures, networks or relationships that have the potential to support the holder of the capital in achieving productive ends). This definition of social value incorporates schools of thought which see the ‘social’ in social value as descriptive of the value from both participation and facilitative intervention. This finds a surprising fit with the mainstream theories of value creation discussed above where: a) social value is created by the translation of use value in one stakeholder to another via human acts and b) social value is constituted by and within networks of relationships.

Bassi’s (2012) assessment framework is called Social Added Value Evaluation (SAVE) and is built on the idea that there are different organisational dimensions involved in creating the four different types of value conceptualised above. These include: transparency, participative governance and commitment to values. The ability to score and assess the extent of these facilitative actions in VCS organisations has been the focus of the latest developments in his research (Bassi and Vincenti, 2015), rather than a direct interest in the empirical features of the value created for SP stakeholders. Yet, the implications for the focus and design of this study are clear. One of the interesting points about Bassi’s work (2011; 2012; 2014) is that it was carried out in relation specifically to the Italian VCS and exhibits all the preoccupations of mainland European sensibility in relation to thinking on the third sector (Defourny, Hulgård and Pestoff, 2010). This is evident from the strong focus on understanding the societal ‘products’ (outcomes) of VCS activity in terms of participation, solidarity, reciprocity, trust and social capital (Bassi, 2012). This highlights potential areas of value creation that are less recognised in the Anglo-Saxon research on the VCS. Also,

by acknowledging the strong presence and influence of social co-operatives on the development of the Italian VCS (Bassi and Vincenti, 2015), this research provides a clear example of how national context may influence practices (and therefore also perceptions) of value creation. Managing the influence of national context has been considered carefully in this study's design.

These studies hint at the breadth of activity that could be involved in a broader concept of value creation, including governance and participation as well as the role played in value creation of the explicit articulation of values. We have also been reminded of the need for genuine exploration of the *ends* of social mission-directed operations not just the *intentions*. The following section will expand further on ways of understanding social value creation, by examining different ways of conceptualising the ends considered of worth in human societies.

2.2.5 *Beyond the management and entrepreneurship literatures*

What is of 'social' value has sometimes been framed as benefit at the societal level (Peredo and Mclean, 2006; Moskalev and Torras, 2009). In nation states, GDP has long been used to indicate how well a country is doing economically and consequently has also acted as a proxy indicator of welfare, yet the wisdom of this has been increasingly challenged (Stiglitz, Sen and Fitoussi, 2009). One perspective on the insufficiency of GDP as a measure grew out of what is known as the 'Easterlin Paradox': where Easterlin's research suggested that long-term rises in income levels in countries did not correlate with similar rises in citizen happiness (Easterlin, 1974; Di Tella and MacCulloch, 2008). In order to address the Easterlin Paradox, researchers and policy-makers have been examining factors that contribute to human well-being and measures that might better assess those factors at the nation state level (Stiglitz, Sen and Fitoussi, 2009; Di Tella and MacCulloch, 2008; Jordan, 2008). This has shifted focus from production and income to well-being and quality of life.

The most famous of the attempts at an alternative national measure might well be Bhutan's aim to promote 'Gross National Happiness' (GNH) (Ura et al., 2012). The multi-dimensional GNH measure considered psychological, physical and cultural indicators of well-being (Ura et al., 2012, p.22). Stiglitz, Sen and Fitoussi's work for *The Commission on economic performance and social progress* (2009) also stressed the importance of using multidimensional measures to understand well-being. They

advocated for the use of both subjective well-being and ‘objective’ quality of life indicators (ibid.). The objective element recognised that while the concept of ‘the good life’ has been an on-going cause of debate and controversy since antiquity (Ryan and Deci, 2001) academics agree on some ends that are prioritised across cultures and geographical boundaries (Stiglitz, Sen and Fitoussi, 2009; Nussbaum and Sen, 1993; Nussbaum and Glover, 1995). These are discussed here, because they are informative about the scope of human conceptions of value.

Sen (1993) popularised a ‘capabilities’ approach to looking at influences on the quality of human life. Echoing the discussion of value at the national level, the capabilities approach can be understood as an attempt to shift the debate on quality of life away from a focus on resources as ends in themselves, towards recognising:

“... that resources have no value in themselves, apart from their role in promoting human functioning”

(Nussbaum and Glover, 1995, p.5)

Focusing on human functioning as the ultimate end of using resources is a potent way of understanding why people may consider particular goods or activities ‘of value’.

Sen (1993) has not always been keen on a ‘set list approach’ to exploring human capabilities, given potential cultural sensitivities. However, Nussbaum was motivated to start on the project in the recognition that relativism could not inform practical action for positive social change because there would be no grounds for judging one preferred social change over another (Nussbaum and Glover, 1995). Nussbaum’s perspective is openly and explicitly liberal in that it is focused on positive freedoms that tackle, for example, the issue of women’s oppression (ibid.).

Nussbaum’s list of central human capabilities (Nussbaum, 2011) provides one perspective on what individuals may value and the type of capabilities that holistic interventions may aim to promote. These can be summarised as: life; bodily health; bodily integrity (e.g. freedom from assault); being able to use imagination and thought; being able to feel and express emotions; being able to plan and critically reflect on one’s life; being able to show concern and affiliate with others; having the basis of self-respect; being able to live in relation to the non-human world; being able to play; being able to influence others and control personal material resources (ibid.).

In the context of researching social value this list is useful because it highlights the many different ways in which, beyond indicators of income and consumption, human lives might be considered enriched. This is not to say that indicators of income and consumption have no place, but they sit alongside a broader understanding of human functioning (Stiglitz, Sen and Fitoussi, 2009). In contrast to Sen's earlier reticence, *The Commission on economic performance and social progress* (2009) adopted a list approach to looking at key human capabilities, albeit with the caveat:

“But while the precise list of the features affecting quality of life inevitably rests on value judgments, there is a consensus that quality of life depends on people's health and education, their everyday activities (which include the right to a decent job and housing), their participation in the political process, the social and natural environment in which they live, and the factors shaping their personal and economic security.”

(Stiglitz, Sen and Fitoussi, 2009, p.15)

Nussbaum's (2011) list touched upon these societal conditions for well-being, but went further in expressing that personhood is multi-faceted: i.e. that people express themselves not just through rationality but also emotions and the need to associate.

The central role of human relationships and association was picked up by Jordan (2008) in his extensive treatise on welfare, well-being and social value. He distinguished between welfare (a concept he sees as infused with economic judgements and the notion of individual utility) and well-being (the individual, group and societal conditions required for diverse human flourishing) (ibid.). Jordan's thesis, influenced by ideas of value from an anthropological perspective, is that the economically-defined resources available to *individuals* in Western society are not sufficiently powerful to help society beyond the problems of the Easterlin paradox (ibid.). For him, the issue of social value creation is embedded in *culture* and adequate *institutions* at the collective level, because only a society operating on the basis of care, respect, participation and collective responsibility can move into the realm of supporting well-being rather than just providing welfare (ibid.).

Considering broader accounts of what is socially valuable serves as a useful counterweight to unarticulated assumptions in research primarily concerned with commercial operations. The examples given highlight the relevance to the social value

debate of considering a range of factors for human well-being and also the role of cultural context in fostering value. This broader discussion includes debates around whether well-being should be understood as primarily an individual or collective endeavour. Highlighting these debates helps contribute to a more holistic understanding of the nature of value creation.

2.2.6 What the literature means for the shape of the study: value and value creation

This section summarises the issues raised by reviewing the literature on value and value creation. These considerations helped to shape the study.

Use value and exchange value are interconnected, but different, concepts – both of which involve subjective assessments. While exchange value has a standardised indicator of value – money – which allows us to perceive the results of a stakeholder's subjective assessment of value at the point of exchange, use value does not have a similar standard. Work to date on human capabilities may provide some 'consensus' conditions for human flourishing which most humans and societies could be said to value, but equally, the range of alternative perspectives that exist on what constitutes a good human life show the large role cultures, beliefs and values play in the assessment of value. This will mean that the same activities, creating the same outcomes may be perceived as of different value by different targets of that value creation activity, making it important to explore more deeply the perspectives of different stakeholders to gain a fuller picture of how they perceive value.

Value perceptions will be different whether the activity is being perceived in relation to an individual, a group or society as a whole. It is therefore vital to take a 'contingency perspective' (Lepak, Smith and Taylor, 2007) in discussions of value creation, to distinguish sources and targets of value creation. Value creation in organisations can be seen as the process of translating resources (existing use value) into different resources (whether material or not) through human activity and within relationships. Value creation happens again and again in a chain, rather than at a single instance in time, as the resources are continually transformed. Given advances relating to co-creation and partnership working it is important to view the organisations creating the value as porous, rather than simply as closed systems.

This understanding provides the basis for the study to answer the call:

“What does ‘value’ mean for a particular group of stakeholders, and how do firms create these different types of ‘value’ for stakeholders?”

(Parmar et al., 2010, p.32)

The introduction section on social value demonstrated the wider relevance of Parmar et al.’s (2010) question. Rather than simply advancing one area of management theory, this section of the literature review identified that there is still much to do to progress the academic project to broaden understandings of value and value creation. This involves re-defining value using concepts from a broader range of thinking on what is of worth to human beings and then conducting empirical research on value creation by organisations rather than continuing to focus purely on conceptual issues. This is what the study aimed to do.

The study focussed on value creation in organisations known as ‘social enterprises’ (SEs), for reasons set out in full in the next section.

2.3 Why study SEs?

Broadly speaking SEs trade in order to fulfil a social purpose (Peattie and Morley, 2008a) and in doing so pursue their social mission using methods harnessed from the world of business. High profile UK examples of SEs include The Big Issue, Jamie Oliver’s Fifteen restaurant and Divine Chocolate – all of which operate commercial businesses, but which would lose their fundamental reason to exist if they were not benefitting people who have been disadvantaged or excluded in some way (in these examples, the SP stakeholders are people who are homeless, facing exclusion from the labour market, or would otherwise receive unfair pay for their produce). As such, SEs provide a test-bed for understanding how value may be created with the intention of ‘slippage’ (Lepak, Smith and Taylor, 2010), i.e. what Agafonow (2015) called the intentional devolution of value to stakeholders other than conventional shareholders.

In SEs the slippage is intended for their SP stakeholders: the people (sometimes conceived as groups or communities) they aim to benefit, who are the reason the organisation exists (Fitzhugh, 2013). While aiming to create social value is seen as the defining feature of SEs (Di Domenico, Haugh and Tracey, 2010), there is evidence that SEs are not automatically judging their success in relation to how much value they

provide to SP stakeholders (e.g. Ormiston and Seymour, 2011). In the applied research arena, numerous social impact reports and evaluations are being produced in an attempt to move the issue of social value assessment forward, yet academic work on the same subject has raised a number of fundamental issues that need to be taken into consideration – including power relationships within the evaluation environment and the rationale and values driving the evaluation process (Greene, 2012; Arvidson and Kara, 2013; Hall, 2014). The particular importance of exposing underlying values involved in processes of value creation and value assessment will be explored in the final section of this literature review.

Yet, before moving on to discuss the topic of values, it is important as a basis for empirical study to reveal the main controversies and debates surrounding the concept of SE. Therefore the following section attempts to define SEs and delineate the concept from its near relatives, before further highlighting the features of these organisations that make them a useful test-bed for examining value creation processes.

2.3.1 The SE concept and its near relatives

Since the early 1990s the label ‘SE’ has been used to describe a diverse range of organisations trading for a social purpose, including co-operatives, housing associations, community shops, mutual societies, the trading arms of charities and fair trade organisations (Alter, 2007; Teasdale, 2010a; Peattie and Morley, 2008a). While many of these existed and were extensively researched before the introduction of the term ‘social enterprise’ (Peattie and Morley, 2008a), interest in the overarching concept of SE and its near-relative concepts has recently grown in academia (Defourny and Nyssens, 2012). Existing near relatives, but not exact synonyms, of SE include social entrepreneurship, fair trade, co-operatives, the social economy and the solidarity economy (Hart, Laville and Cattani, 2010). Each of these will be briefly described below in an attempt to delineate them from SEs, in order to clarify the scope of the study. However, this is done with acknowledgement that study of activities at the intersection of business and ‘social’ purpose is in the process of maturing academically (Granados et al., 2011) and is in flux. For instance, in non-academic usage and early usage within the academic literature, the terms SE, social entrepreneurs and social entrepreneurship have often been taken to represent facets of the same activity:

“... although simplifying a little, one could say that social entrepreneurship was seen as the process through which social entrepreneurs created social enterprises”

(Defourny, 2009, p.25).

However, over time the terms have become subtly differentiated due to fundamental differences in the foundational values and national contexts in which the concepts have been developed – for instance typical differences in approach between a US focus on entrepreneurs and their motivation and European interest in governance, participation and organisations (Defourny, 2009). Also, institutional factors across different national contexts have been shown to play a role in nuancing practices of SE and social entrepreneurship, leading to a range of understandings (Kerlin, 2013). There is no shortage of assertions that terms such as SE, social entrepreneurship and others are ill-defined and used differently depending on the discipline of origin of the scholar involved (see e.g. Nicholls, 2010; Mair and Marti, 2006; Bacq and Janssen, 2011). Nevertheless, the following descriptions aim to show how these contested concepts have been understood in relation to the study.

2.3.2 Contested concepts

SOCIAL ENTERPRISES

SEs are organisations that trade (Department for Trade and Industry, 2002; Peattie and Morley 2008a; Doherty, Haugh and Lyon, 2014). Peattie and Morley (2008a) suggest that the only consensus available on their defining features is that they hold primarily social aims and trade in goods and services as the main means of pursuing them. Of course, this definition leaves considerable room for disagreement on what are and are not legitimate ‘social’ aims (Haugh, 2012) because of the problems already noted with the adjective ‘social’ (Lautermann, 2013).

Definitions of SEs differ across social, economic and political national and international contexts (Kerlin, 2010; 2013). The first UK Government document to focus on SEs (Mason, 2012) defined them as follows:

“A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.”

(Department for Trade and Industry, 2002, p.8)

This definition was used for a considerable length of time, surviving the change of administration in the UK from the Labour to the Conservative-Liberal Democrat coalition (see e.g. Department for Business, Innovation and Skills, 2011). While SEs are still mentioned on the UK Government website, this definition has recently disappeared and mentions of SE instead appear in a document prepared for the Department of Culture, Media and Sport / Big Society Capital on so-called ‘mission-led businesses’ (Deloitte, 2016), signalling a change in emphasis from profits being ‘principally reinvested’ to support social objectives, to a more permissive attitude towards profit distribution in organisations claiming to create social value (ibid.). Nevertheless, the long-standing definition has been repeatedly cited and still informs the definitions given on the websites of the key organisations involved in supporting SEs in the UK (e.g. Social Enterprise Mark, 2017; Social Enterprise UK, 2017).

A new legal form for SEs was made available in the UK, by the Companies (Audit, Investigations and Community Enterprise) Act 2004, called the Community Interest Company (CIC). Adopting this form placed restrictions on a SEs ability to transfer assets out of the organisation (an ‘asset lock’), required articles of association guaranteeing social purpose and placed restrictions on what would happen to the organisation’s resources if it closed (Department for Business, Innovation and Skills, 2011). SEs in the UK are not obliged to be CICs; any of the usual legal forms are open to them. They are marked out as SEs because they voluntarily adopt binding provisions in their governing documents to guarantee their social purpose, but they are not compelled to do so by law (ibid.). The key point about SEs relevant to this study is that although they may adopt various legal structures and forms, they are all constituted as organisations, making them easier to identify for the purposes of this study than the processes or movements signified by many of the other near-relative terms described below.

SOCIAL ENTREPRENEURSHIP

Social entrepreneurship is a broader process that involves agitating for social change through innovation and it can happen in any sector and through individuals (social entrepreneurs) as well as organisations (Nicholls, 2008; Diochon, 2009). Depending on the breadth of the definition used, an element of ‘business’ practice – whether earning income or adopting mainstream innovations in management – is commonly also present (Mair and Marti, 2006; Diochon and Anderson, 2011). While social entrepreneurship suffers from the same issue around the adjective ‘social’ as SE, ambiguities within the concept also arise from the use of the term entrepreneurship (Austin, Stevenson and Wei-Skillern, 2006) which is a complex and multi-faceted area of study in itself (Mole and Ram, 2012). Zahra et al. (2009) amassed descriptions of social entrepreneurship from across the literature and distilled them into the widely cited definition below:

“Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner.”

(Zahra et al., 2009, p.522)

Despite the distinction between process and product made in the definitions of SE and social entrepreneurship given above, literature on social entrepreneurship often refers directly to the products of this type of entrepreneurship (the ‘new ventures’ in Zahra et al.’s (2009) definition above). It is therefore important to recognise the difference in concepts, but continue to examine social entrepreneurship literature in case the ambiguous use of terms conceals findings relating to SE organisations.

SOCIAL INNOVATION

Social innovation has been described as the process of developing new products, services or approaches to address social problems, which can occur in any sector (Lettice and Parekh, 2010). As such it appears to be a de-personalised version of social entrepreneurship, where the emphasis is on the innovation process rather than the entrepreneur’s agency or motivation.

FAIR TRADE

Fair trade activities aim to:

“benefit excluded or impoverished producers, by improving economic, social, political, cultural, environmental and ethical conditions at all levels of the process [of commodity production]”

(Cotera Fretel and Ortiz Roca, 2010, p.107).

Fair trade is a more mature research area than SE (Peattie and Morley, 2008a), yet fair trade businesses can be considered SEs because they trade commercially whilst existing to fulfil a social purpose. Fair trade is a concept used to describe relationships between the global North and South aimed at fostering solidarity and co-operation across the income divide (Cotera Fretel and Ortiz Roca, 2010). As such, the concept of fair trade does not apply to SEs in the UK involving worker participation or the inclusion of those previously excluded from the labour market. These are instead respectively known as co-operatives / employee-owned businesses and work integration SEs (WISEs) / social firms.

CO-OPERATIVES

Co-operatives have been called the ‘enfant terribles’ of economics (Levi and Davis, 2008) because of the impossibility of fitting them within traditional commercial or non-profit categories. They have also been called ‘the hidden alternative’ to conventional profit-maximising forms of business (Webster et al., 2011).

“A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.”

(International Co-operative Alliance, 2014)

Co-operatives provide the perfect illustration of how value judgements are involved in determining whether the purpose of an organisation constitutes a ‘social’ mission and therefore whether an organisation can be considered a SE or not. Where a co-operative is providing jobs for people previously excluded from the labour market it can easily be labelled a WISE. However, the range of co-ops is diverse and includes

worker, producer and consumer co-ops, where power resides with different groups of stakeholders for different reasons. The question of whether a large, profitable agricultural co-operative like Ocean Spray is producing social value may be harder to resolve than the example above. The International Co-operative Alliance's description of co-op identity suggests that co-ops can be seen as transformative alternatives to mainstream business, because they promote "self-help, self-responsibility, democracy, equality, equity and solidarity" (International Co-operative Alliance, 2014), rather than purely focusing on profit-maximisation. Values determine whether you see Ocean Spray as either a socially-valuable radical organisation, or simply another way for individuals to organise their self-interested business activities.

SOCIAL ECONOMY / SOLIDARITY ECONOMY

The social economy is a sub-sector of the economy in which "co-operatives, mutual societies, associations, foundations and SEs" operate (Hulgård, 2011, p.205). These are organisations that may or may not distribute profit, in contrast to voluntary and community organisations, but the approach these organisations take to profit is in some way alternative to orthodox ideas of profit-maximisation for the conventional owners of capital (Hulgård, 2011; Alexander, 2010). Research on the social economy, as opposed to on SEs or social entrepreneurship has largely originated from European scholars, in resistance to a perceived US preference for reducing research in the social economic arena to a concern with funding charities (Hulgård, 2011; Alexander, 2010).

Scholars of the solidarity economy or 'économie solidaire' similarly resist reductionist views of the social economy, but focus more explicitly on the political aims and implications of alternative forms of organisation (Laville, 2010).

Each of these phenomena can fit within a multi-level schema of potential to create value (Choi and Majumdar, 2014). Within this conceptual arena, SEs provide a reasonably well-specified set of units in which to research value creation (i.e. they are legally discrete trading organisations which define their primary 'social' purpose in their governing documents). Researching SE organisations avoids the problem of researching value creation as a process spanning multiple institutional settings (as would be necessary for social innovation / social entrepreneurship). Also, by focusing on a range of SEs rather than just co-ops or fair trade organisations, the findings are more transferable to other types of organisation because they have been developed in the context of varied organisational structures and types.

2.3.3 'Hybrid' organisations

The key to understanding why SEs can provide a useful test-bed for researching the creation of value in organisations is that they can be conceptualised as 'hybrid' organisations. The simplest approach to explaining how these organisations are hybrid is to place them on a spectrum of motives and methods between 'purely philanthropic' and 'purely commercial' activity (Alter, 2007; Dees, 1998). Despite the simplicity and clarity of this idea, Lautermann (2013) argues that reference specifically to human motivations is not particularly useful to helping us understand real world value creation processes within these organisations. His argument is that the underlying assumption of the polar opposites of altruism / egoism as motivating factors in this type of spectrum is misleading, because people can do good things simultaneously for self-interested reasons of enjoyment and for altruistic reasons (ibid.). Put simply, motivations have proven to be diverse for entrepreneurial acts (Williams, 2007). Empirical work drawing on the way SE staff themselves conceptualise the 'social' in their organisations has shown that:

“The stories (and images) are of social organisations: oscillating between the social and economic; evolving from, whilst retaining aspects of, the traditions of the third sector; anticipating direction towards social goals (seen as being more than organisational missions, and including social values, notions of added value, views of networking practices and change)”

(Seanor et al., 2013, p.338)

The quote above reiterates the relevance of a number of points raised in the social value creation section of this literature review – where relationships, added value and the role of values in underpinning wider conceptualisations of 'the good life' were seen as important considerations for what value could be delivered by organisations.

The same empirical work (Seanor et al., 2013) stated that SE staff saw their organisations as hybrids, but that their hybridity was not conceived as a process of weighing up social and economic goals along a single spectrum. Instead the hybridity could be seen as a constantly negotiated and re-negotiated balance of focus on many different issues at different times. Therefore, it is important to look to understand SE hybridity via a model that takes a more nuanced approach.

Billis (2010) suggests SEs are organisations that adopt combinations of forms and approaches that differ from the usual elements found in ‘ideal type’ organisations from the private, public and third sectors. Billis’ model (2010) distinguishes these ideal types on the grounds of: ownership and governance arrangements, operational priorities, distinctive human resources and distinctive other resources (like sales revenue, taxes or donations). He contrasts these characteristics in a table, which has been reproduced as Table 1.

TABLE 1: BILLIS' TABLE OF THE DEFINING CHARACTERISTICS OF IDEAL TYPE PRIVATE, PUBLIC AND THIRD SECTOR ORGANISATIONS

Core elements	Private sector principles	Public sector principles	Third Sector Principles
1. Ownership	Shareholders	Citizens	Members
2. Governance	Share ownership size	Public elections	Private elections
3. Operational priorities	Market forces and individual choice	Public service and collective choice	Commitment about distinctive mission
4. Distinctive human resources	Paid employees in managerially controlled firm	Paid public servants in legally backed bureau	Members and volunteers in association
5. Distinctive other resources	Sales, fees	Taxes	Dues, donations and legacies

Source: Billis, 2010, p.55

Billis’ (2010) ‘prime sector’ theory suggests that while it is possible to combine elements of private, public and third sectors into one organisation, each hybrid organisation will have ‘roots’ in one particular sector which inform its default ways of operating. Where the process of arriving at hybridity has been planned from the first stages of the organisation, Billis (2010) suggests that a lack of articulation of guiding principles and underlying assumptions can sometimes cause irreconcilable tensions that cause organisations to fail or morph into a less hybrid form.

One of the key themes running through the specialist SE literature has indeed been that of ‘tensions’ for managers caused by multiple goals (Hudson, 2009; Seanor et al., 2013). Studies (Young et al. 2012; Teasdale et al., 2013) suggest that in the long-

term social purpose organisations mainly prioritise either commercial income or donative income because they submit to the requirements of one or the other's priority. However, these models of income mix largely neglect the source (rather than type) of income as a factor in whether the stability and efficacy of the SE will be affected – a limitation acknowledged by Teasdale et al. (2013). Government funds, for instance, can be allocated to SEs as grants or contracts which would qualify as donative and commercial income respectively. Indications from qualitative exploratory work with VCS organisations in the East of England by Sepulveda et al. (2013) suggested that differences in source and nature (for instance block or personalised budgets, restricted and unrestricted funds etc.) are as, if not more, important to the tensions and considerations involved in balancing income streams. These findings reinforce the necessity to look at hybridity as a constellation of methods, priorities and resources rather than as a point on a linear scale.

In an extensive recent review of the literature on SE hybridity (Doherty, Haugh and Lyon, 2014) one of the key future research suggestions was:

“How do board members, managers, employees and volunteers of hybrid organisations respond to the tensions inherent in the contrasting value systems of private, public and other non-profit distributing organisations?”

(Doherty, Haugh and Lyon, 2014, p.14)

This question acknowledges the importance of investigating value systems within SEs and draws on the existing literature to suggest that tensions between value systems may exist in these organisations. The study builds on this understanding.

2.3.4 Gaps in the SE literature

Much of the academic research on SEs to date has been carried out on the financial viability of hybrid organisations, the tensions involved in their management and the effects on performance of dual social and commercial objectives (Doherty, Haugh and Lyon, 2014; Curtis, 2008). It has been suggested there has been a preoccupation with ‘macho’ considerations of growth, control and competition and the concerns of powerful stakeholders such as managers, funders and Government (Curtis, 2008, p.278). Much of the work has been carried out in business schools and has

focused on process, management or the business capabilities of the organisational form, leaving the social implications of hybrid organisation to be picked up by other disciplines (Granados et al. 2011; Barinaga, 2013).

Yet, as Connolly and Kelly (2011) point out, it is the claims that these organisations make about what they can do for their stakeholders (not just the state) that afford them their legitimacy as social purpose organisations. There is not enough research on the consequences of SE activity for the SP stakeholders (Billis, 2010). What there is has often been couched in the terms of ‘performance management’ (Denny et al., 2011), i.e. checking organisations are achieving their own, rather than SP stakeholder goals. Consequently, “a major area of research is to explore and explain the mechanisms by which SEs... represent the interests of their most vulnerable stakeholders” (Gidron and Hasenfeld, 2012, p.8). It is also important to do this critically, paying attention to “ethics, power and emancipatory aspects of SE” (Doherty, Haugh and Lyon, 2014, p.1) to counteract the largely de-politicised discourse on SE that existed in the early stages of its introduction as an academic field (Dey and Steyaert, 2012; Teasdale, 2010a, Barinaga, 2013).

In the preliminary research that preceded this study, Fitzhugh (2013) carried out a small-scale qualitative study into the implications of adopting a SE approach for the SP stakeholders of UK work integration SEs (WISEs). WISEs are a sub-set of the wider SE sector, but with a specific focus on providing integration through productive activities (Davister, Defourny and Gregoire, 2004). The main target groups of WISEs are a) people with disabilities or b) jobseekers with integration problems due to substance misuse, offending histories and long-term unemployment (ibid., pp.11-12). WISEs are considered “emblematic” (Defourny and Nyssens, 2006, p.13) of SE dynamics, in that the competing logics of business and social purpose are openly visible: a WISE does not solely employ those that can best help it perform, but those it can best help (Peattie and Morley, 2008b). For a study of the consequences of contrasting social and commercial goals, WISEs were therefore a useful extreme case to observe potential tensions in relation to their effect on the SP stakeholders.

The results of Fitzhugh’s (2013) study showed no simple correspondence between greater proportions of trading income and a particular type of experience for SP stakeholders. While external constraints attached to different financial and non-financial resources impacted on the number and nature of formal opportunities (e.g. admission and qualifications) the WISE was able to offer, this research suggested that

the nature of interpersonal interactions and the culture of the organisation were of greater direct importance than resourcing strategies to whether current SP stakeholders felt included and supported to develop.

These findings accorded with other academic studies where SP stakeholders directly commented on their experiences within SEs. For instance, the findings from qualitative studies in Australia (Williams, Fossey and Harvey, 2010), Israel (Slonim-Nevo and Krumer-Nevo, 2008) and the UK (Lovatt et al., 2004; Clarke, Markkanen and Whitehead, 2008; Froggett and Chamberlayne, 2004) emphasised that stakeholders most valued a supportive and inclusive setting within WISEs and appreciated interaction with them guided by respectful and supportive values.

Building on the preliminary research (Fitzhugh, 2013) this study explores the mechanisms involved in SE activities that create value for SP stakeholders, with particular reference to SP stakeholder perceptions of value. According to the findings of the preliminary research this requires attention towards relationships and culture. This understanding overlaps with the assertions of the wider literature on social value explored in the previous section (e.g. Jordan, 2008; Nussbaum, 2011) in placing emphasis on relationships, values-shaped contexts and collective experiences, not just on evaluating individual material gain. Ridley-Duff's theoretical exploration of the nature of SE argued for more attention to be paid to these areas (2008). For these reasons, the study examines value creation in SEs through the lens of organisational culture and values, as discussed in the final section of the literature review (2.4).

2.3.5 Avoiding assumptions about value creation in SEs

So far, it has been argued here that the cross-sector hybridity of SEs and the diversity of SE organisations will provide a definable but usefully heterogeneous set of organisational settings in which to investigate value creation. However, Pirson (2012) and Griffith (2009) have critiqued the idea that examining SEs might provide useful findings that could be used to better understand the concepts 'shared value' and 'stakeholder management' value creation approaches. It is therefore important to examine their arguments, in order to demonstrate that this study does not contain the logical flaws suggested.

Firstly, Pirson (2012) explicitly takes issue with the assertion in Porter and Kramer (2011) that corporations can learn from social entrepreneurship how to better

balance social and financial value creation. Porter and Kramer's (2011) article presented the idea of 'shared value' and Pirson (2012) reads this as a re-articulation of the stakeholder management approach which advocates attempting to reach 'win-win' situations where all stakeholders are considered and negative externalities are minimised (Freeman et al., 2010). Pirson (2012) suggests that SE research cannot shed light on the possibilities of a 'shared value' approach, because SEs do not operate with a 'balance orientation' but with a 'value maximisation orientation' that is essentially as single-minded as a commercial value maximisation focus, but simply directed towards creating benefits for the SP stakeholders instead. Pirson (2012) suggests that in SEs financial income maximisation approaches are only addressed for reasons instrumental to the service of the organisation's social mission and that it would not be possible to sustain dual financial and social objectives long-term.

He draws evidence for this from his own genealogical study, which examined the development of successive joint ventures between commercial and non-profit partners which he claims each time started out with shared value intentions, but reverted over time either to a focus on social or financial value creation (Pirson, 2012). His findings on this echo more widely cited concerns over institutional isomorphism (where the innovations found in unique organisations are shed as those organisations are forced to conform with the norms and principles of the institutional environment they find themselves in - Nicholls and Cho, 2008; Curtis, 2013).

Griffith (2009) similarly takes the position that because SEs are dual bottom-line organisations already, stakeholder management considerations are irrelevant to them. As hybrid organisations their purposes are clearly defined – if they fail on either they are no longer SEs. They a) deliver on their social purpose objectives, and b) in order to continue to do so, remain financially viable. The priorities of these organisations do not consider *all* stakeholders – just those they need to help and those they need money from. He suggests any deviation is - or could be - a distraction from the burden of managing SEs with two objectives and as a consequence says that stakeholder theory *and* SE cannot be tested as alternatives to shareholder capitalism in the same organisation.

There are a few reasons why Pirson (2012) and Griffith's (2009) critiques do not apply to this study. The first reason is simply that the study is interested in processes and perceptions around a broader concept of value creation (which encompasses and subsumes current vague ideas of the difference between economic and social value).

The study is not setting out specifically to test stakeholder theory premises of ‘balance’ or ‘win-win’ possibilities within SEs – and this type of testing is what Pirson (2012) (indirectly) and Griffith (2009) (directly) are arguing is not possible for the reasons given above. For this reason, the study’s focus on SEs as sites of value creation is unaffected by their arguments.

The reasons they give above rely on the assertion that stakeholder management and SE are incompatible because the former advocates balancing trade-offs in multiple stakeholder interests and the latter involves ‘value maximisation’ for a specific stakeholder. Yet the latest thinking is that the project of stakeholder theory is convincing managers primarily to think of stakeholder and organisational interests as joint and interconnected (Freeman et al., 2010) rather than marked by competition and trade-off of resources. Arguments against examining shared value creation in SEs therefore rest on a partial and potentially misrepresentative understanding of what stakeholder theorists actually propose.

Finally, both critics appear to resort to the standard argument against stakeholder theory (attributed to Michael Jensen amongst others – see Freeman et al., 2010 and Laplume, Sonpar and Litz, 2008) that suggests that multiple, stakeholder-contingent objectives are just too confusing for managers (Pirson, 2012). This argument is conceptually linked to assertions of institutional isomorphism over time – where one priority wins out over others because of confusion or pressure over which objective to serve. Yet Haugh (2012) points out that although institutional theory and organisational identity theory have long suggested that hybrid organisational forms should not be stable (e.g. the co-op degeneration thesis), SEs do exist and some flourish. In empirical support for the assertion that multiple objectives are common, Bacq, Hartog and Hoogendoorn’s (2016) research using data from the Global Entrepreneurship Monitor survey concluded that both commercial and social entrepreneurs routinely report diverse commercial and social objectives for their entrepreneurial ventures. This reality suggests that new approaches are required to understand the holistic value intentions of these organisations and also soundly refutes the idea that human psychology means that managers would find decision-making damagingly hard if they tried to work to more than one measure of success (Pirson, 2012). Successful and growing multi-objective SEs such as the Phone Co-op (2016) act as long-term rejoinders to suggestions that hybridity is unsustainable.

Therefore, the project of exploring value creation processes and perceptions in SEs appears to stand up against Pirson (2012) and Griffith's (2009) critiques and offers relevant opportunities for responding to existing research gaps around holistic value and the sources of tensions in SE values.

2.3.6 *SE rationalities*

Some of the latest developments in SE research have involved recognising the lack of attention paid to the meaning of 'social'. Researchers have set out to determine the 'rationalities' (Barinaga, 2013) with which SE organisations approach the task of promoting social change. Rationalities can be conceived as the way organisations "frame, justify and legitimate the methods, strategies, tools and distinctions they deploy for the management of social change efforts" (Barinaga, 2013, p.349). Discussion on these rationalities seems key to the wider critical effort to break assumptions and myths carried into research from practice, by recovering the discussion of SE from de-politicised preoccupations with 'usefulness' (Dey and Steyaert, 2012). While studies on SE rationalities (such as Zahra et al., 2009; Dacanay, 2012; 2013) do not generally focus directly on value creation, they are of interest in relation to the study for the light they can shed on the values and beliefs that appear to guide different approaches to SE.

Zahra et al. (2009) set out a typology of social entrepreneurs that provides insights into the social change rationalities enacted within socially entrepreneurial activity. The typology draws on existing theoretical approaches to the study of entrepreneurship with reference in particular to the work of Hayek, Kirzner and Schumpeter (ibid.). The three types of entrepreneur are: a) 'The Social Bricoleur' – who gathers resources and uses their own expertise at a local level to address perceived social problems as they arise; b) 'The Social Constructionist' – who sets out to build new structures and initiatives to systematically tackle larger social problems, and c) 'The Social Engineer' – who sets out to disrupt the status quo and carry out entrepreneurial activities that facilitate social change (Zahra et al., 2009, p.524). These social entrepreneurship rationalities highlight the difference between radical and reformist (Pearce, 2003) approaches to effecting social change – an understanding which could be useful in re-framing the argument over what is of social value and in better understanding motivations that contribute to shaping value creation processes.

Taking a different perspective, Dacanay's thesis (2012) involves empirical work examining the relationship between organisations and SP stakeholders in poverty in the Global South (2012; 2013). Dacanay frames her study as a contribution to extending stakeholder theory, because of the attention she pays to how each SE engaged with its stakeholders (ibid.). She suggests that SEs adopt three different approaches to engaging with their SP stakeholders: a) The 'control' model – in which the poor are seen as beneficiaries and the organisation is the privileged holder of power, information and resources; b) the 'collaboration' model – in which the poor actively work with the organisation and co-create value, but where value creation is dependent on continued engagement with the organisation, and c) the 'empowerment' model – in which the poor are supported to develop the capacity to continue creating value beyond their involvement with the organisation (Dacanay, 2013, pp.14-15). Dacanay's findings in the context of poverty alleviation in the Global South raise the possibility that styles of SE organisational engagement with SP stakeholders could also impact on the duration and nature of the value created in other types and locations of SE.

Finally, Barinaga's (2013) comparative case studies in Sweden led her to describe three different SE rationalities as follows: a) 'economic' – where value was expected to accrue through improvements in the material situation of individuals; b) 'discursive' – where value was expected to accrue to SP stakeholders and society through establishing debate on taken-for-granted ideas (for instance casual racism about immigrants in the suburbs of Swedish cities) and c) 'community' – where value was expected to accrue to people within a particular neighbourhood through closer and more positive social interactions with one another. Barinaga (2013) used these findings to suggest that researchers should reach beyond commonly used economic and managerial perspectives on SEs:

“By restricting their studies to understanding the economic and managerial aspects of social entrepreneurial initiatives, they risk accentuating the three neoliberal tenets of the individual, competition and the market to the detriment of communities, collaboration and welfare. That is, they need to face the power and ideological aspects implicit in conceptions of the social.”

(Barinaga, 2013, p.369)

The next section of the literature review aims to lay the foundation for the study to do just this – by examining ways in which values, organisational culture and identity act as possible lenses through which to explore ideological aspects of SE value creation.

2.4 What are organisational values and how might they influence practices?

The first section of this literature review demonstrated the academic and practical need for empirical research on broader conceptualisations of value creation in organisations. It showed that the cutting edge of this agenda involves recognition of the ‘contingency perspective’ on what is of value (which takes into account the sources, targets and levels of value creation). The role of personal and organisational values in understanding value creation was raised in connection with this contingency perspective as a framework for understanding how and why stakeholders could perceive the extent and nature of value created in different ways.

The second section suggested that SEs, as hybrid organisations, would provide a rich range of organisational settings, methods and priorities for comparative case research into value creation. Recent research on SEs investigated the diverse goals and underlying assumptions present in SE organisations, i.e. the extent to which they operated according to different ‘rationalities’. These rationalities depended on what the organisation was set up to do and what *shared vision of the social good* the organisation was pursuing – for instance improvements in material resources, political environment or community cohesion (Barinaga, 2013). The literature review also highlighted the need for critical engagement with the consequences of these different intentions.

In this section the loose term ‘shared vision of the social good’ is translated into ‘organisational values’, in order to access existing understanding of how beliefs shared at organisational level may influence practices in businesses, charities and other organisations. Exploring the existing conceptual and empirical work on organisational values, in the mainstream business literature and in the VCS / SE literature, uncovers how values might be understood within the context of organisations and therefore provides an informed foundation for the approach and methodology of the study.

2.4.1 Distinguishing between different types of consensus

An influential definition of the nature of ‘values’ suggests that they are “beliefs” that “refer to desirable goals” and “serve as standards or criteria that guide the selection

or evaluation of actions, policies, people and events” (Schwartz, 2007, p.39). From this definition it is clear how values could be thought to underpin different approaches to any activities, including those aimed at value creation, because they are thought to play a role as ‘standards or criteria’ for action. However, the definition also neatly exposes one key difficulty inherent in trying to consider values in relation to organisations. If values are ‘beliefs’, then in terms of organisational values, who (or what) is supposed to be doing the believing? Many studies, particularly on business values, have been robustly criticised for a lack of clarity over what constitute ‘organisational’ values as opposed to personal ones (Agle and Caldwell, 1999) or for anthropomorphising organisations by reporting on their values as if the organisations themselves were the believing agents, enacting actions without the involvement of their members (Stackman, Pinder and Connor, 2000).

For greater conceptual clarity, Agle and Caldwell (1999) suggested that it was possible to discuss organisational values either as: a) aggregates of member personal values across organisations; b) the values revealed by the way the member group acts or c) the values articulated by leaders or strategists to represent the values of the organisation. This understanding was developed further by Bourne and Jenkins (2013) to provide a comprehensive framework for approaching the study of organisational values. Bourne and Jenkins (2013) suggested that there are two different levels of values consensus (collective or aggregated) and that values may be thought of as those beliefs either embedded in the actions of the organisation or declared. The resulting matrix of four approaches suggested organisational values could be thought of as: ‘espoused’ (sanctioned at management level, but not necessarily embedded), ‘attributed’ (perceived as guiding member actions at the collective level), ‘shared’ (simple aggregations of member values common across the organisation) or ‘aspirational’ (what individuals think ‘ought’ to be) (Bourne and Jenkins, 2013, p.503).

As well as providing clarity to new studies in comparison to the confusion or misinterpretation over organisational values apparent in previous research (Agle and Caldwell, 1999; Bourne and Jenkins, 2013), Bourne and Jenkins also suggest their model:

“...opens up avenues for new research, providing a basis for comparing values forms within and across organizations, for tracking relationships between forms

over time, and for relating forms of values to organizational context and outcomes”

(Bourne and Jenkins, 2013, p.510)

The potential for values comparison offered by Bourne and Jenkins (2013) is returned to in the methodology chapter, as one of the foundations of the research design. In the meanwhile, their distinctions are used to help understand the ways in which research on organisational values focuses on different types of consensus for different reasons.

2.4.2 Organisational values – existing research

There is a vast range of existing research on values in relation to organisations (Agle and Caldwell, 1999). Two prominent areas of research in which values have been key are ‘work values’ and ‘organisational culture’.

There has been a heavy bias towards studying aggregated individual values in relation to organisations (rather than collective values at the organisational level), especially within a mainstream business setting (Agle and Caldwell, 1999; Bourne and Jenkins, 2013). Researchers have often focused on a set of so-called ‘work’ values, addressing topics such as goals, job satisfaction and organisational commitment (Agle and Caldwell, 1999; Stackman, Pinder and Connor, 2000). Work values are:

“generalized beliefs about the desirability of certain attributes of work (e.g., pay, autonomy, working conditions), and work-related outcomes (e.g., accomplishment, fulfilment, prestige).”

(Lyons, Duxbury and Higgins, 2006, p.607)

By its nature, the research on work values is often highly selective in its focus, highlighting values considered to be of interest to particular work settings (Finegan, 2000). Therefore research on organisational values within the mainstream business paradigm focuses on increasing commitment, retaining staff, and improving efficiency, whereas research on public service motivation focuses on whether individuals in the public sector have different altruistic values to workers in other sectors (Lyons, Duxbury and Higgins, 2006; Jaskyte, 2016).

It has been recognised that the values and concerns investigated in these studies should be seen as partial and “merely a subset of the broader constellation of personal and organizational values” (Witesman and Walters, 2014, p.377). Finegan (2000) commented that research adopting business-focused values taxonomies routinely failed to investigate other highly relevant human values priorities that could have been identified by more universalist values models. This has been noted in the study when looking for insights into how values may influence practices.

Studies of cross-sectoral work values provide some relatively mundane insights into the types of *individual* beliefs that might be more prominent in public service than in mainstream business (e.g. public sector workers believing it is important to contribute to society and private sector workers pursuing prestige and advancement – Lyons, Duxbury and Higgins, 2006).

Also focusing on individual values at work, Elson’s (2006) empirical research on voluntary sector values used data collected from Chief Executives and Trustee Chairs from UK hospices to answer the questions: “What values do key representatives of voluntary organisations hold?” (Elson, 2006, p.7). Elson (2006) identified common values of benevolence and disregard for power-seeking across the respondents, but found that other elements of their value orientations differed between Trustee Chairs and Chief Executives, signalling potential points of conflict between ‘value holders’ and ‘value implementers’ (ibid.). This highlights the potential for different members of the same organisations to be guided by different values.

Stride and Higgs (2014) attempted to judge the relationship between personal and attributed organisational values in a recent study of the factors involved in organisational commitment among UK charity staff. Although commitment is not of relevance to this study, the ensuing commentary on the nature of values in charities suggested that staff may actively join charities that reflect their conceptions of the good: e.g. a strong belief in social justice and inclusion would lead to a different type of charitable intent than a belief in the benefits of autonomy (ibid.). A commentary of the same kind arose in response to research on the different types of ‘helping philosophies’ that could be adopted by charities to gain donations to their cause (Reesor Rempel and Burris, 2015), recognising that different donors would prefer different types of aid. These findings reinforce the expectation that values may play a key role in influencing how organisations go about creating value for their stakeholders.

A focus on individual work-related values has also been pursued in relation to social entrepreneurship and a selection of the research of this type is presented in section 2.4.6 on values research directly relevant to considering values in SEs.

However, research on individual work values does not shed light on the values that are embedded at collective level in organisations and does not focus on the results of these values for the outcomes of the organisations in question. Even in a highly outcomes-focused area such as healthcare, a recent review of papers on the values-based recruitment of healthcare professionals suggested that research on values focuses on managerial concerns (such as retention and manageability) rather than on any judgement of the implications of values for patient outcomes (Patterson et al., 2016). The focus on managers and on managerial concerns (e.g. commitment, gaining funding) can also be seen in the VCS-focused examples shown above (Stride and Higgs, 2014; Reesor, Rempel and Burris, 2015). The assumptions inherent in this type of research appear to determine a focus on the specific values useful to considering managerial concerns, rather than the consequences of values for other stakeholders. For this reason, the study of individual work values seems to provide limited insight that could be helpful to this study of the influence of *collective* values on value creation *practices*, except as a reminder that worker values do appear to vary systematically depending on role, sector and culture, not just by organisation (Jaskyte, 2016).

Moving on to the second overarching set of organisational values-related research, values have often been bundled with other varied considerations, such as shared language, behaviour patterns, norms, heroes, symbols, attitudes, ethical codes, assumptions and historical shaping (Brown, 1998) – in short, organisational culture (e.g. Hofstede et al., 1990; Schein, 2010). Organisational culture can be defined as:

“The shared values, beliefs and norms which influence the way employees think, feel and act towards others inside and outside the organisation.”

(Buchanan and Huczynski, 2010, p.100)

Various researchers of organisational culture have placed values at the heart of their models. For instance, Hofstede et al.’s model (1990) suggested values were at the core of cultural differences, underpinning the rituals and symbols that constitute culture and are manifest in the organisation’s practices. Hofstede et al.’s (1990) empirical findings suggested that organisational culture could be best understood in relation to ‘shared

practices’: practices shaped by, but not absolutely determined by, embedded values. Schein (2010) talked about basic assumptions being the deepest level of culture and operating in a reciprocal relationship with beliefs and attitudes.

Organisational culture is, by its very nature, “a collective phenomenon” (Hofstede, 2011, p.3). When considering how to perceive ‘shared visions of the good’ as influences on practice in this study, the collective focus of this type of research seems potentially more relevant. However, the way that values are often only part of a bundle of considerations within the research into organisational culture also gives some cause for concern with regard to relevance of this concept as a clear lens for the study.

Nevertheless, considering one of the most influential models (Kirkman, Lowe and Gibson, 2006) used in organisational culture research – i.e. Hofstede’s six dimensions of national cultures (2011) – still provides an opportunity to review how values may be seen as central to understanding how organisations operate. Hofstede’s six dimensions of national cultures (2011) relate to: societal attitudes to power and authority; tolerance of ambiguity; the level of integration into groups; gender role differentiation; orientation towards the long or short term; and, more lately, preferences for actions involving indulgence or restraint. These dimensions were largely discerned in the context of respondents from different sites of multinational corporations (Hofstede, 2011). This list shows how Hofstede understood different national contexts via their preferences for ways of organising, i.e. a focus on process rather than on fostering particular types of outcome. This captures the embedded, but not the intentional layer of organisational values (Bourne and Jenkins, 2013).

Hofstede (2011) himself suggests that much reference to his work has been misspecification. While the model arose from research in multinational corporations, he stresses that the research relates to differences specifically between national cultures, meaning the individual and organisational levels of cultural understanding require different conceptualisations (ibid.). This has not stopped other researchers from adapting his model to consider relationships between dimensions and behaviours at both of those levels, in order to draw conclusions on issues as diverse as change management, leadership, organisational citizenship behaviour, reward allocation and alliance formation (Kirkman, Lowe and Gibson, 2006). It is therefore surprising that very few of studies have considered the relationship between culture and outcomes for stakeholders other than managers or owners (ibid.).

Hofstede's own alternative list of *organisational* (rather than national) culture dimensions seems to overlap far more with the specific concerns found in research on 'work values' (Hofstede, 2011) than on culture. They relate to differences regarding: concern for process and / or outcome; the extent to which employees or roles are the managerial focus; identification with the organisation or profession; styles of communication; control and stakeholder interaction (Hofstede et al., 1990; Hofstede, 2011). Thus from Hofstede's (2011) work and the interpretations of others (Kirkman, Lowe and Gibson, 2006), we see how organisational culture research across management and organisational studies has excluded considerations of the consequences of cultural orientations, in favour of economic or managerial preoccupations (Pirson and Lawrence, 2010). Despite their seeming generalisability, the origins and preoccupations of a model such as Hofstede's national cultural dimensions (1990; 2011) in the study of work and business mean that they may have discounted values that relate more to emotional or political understandings of what it means to be a human within an organisation. For this reason it seems important to learn about values out of the specific context of organisational studies, because frameworks embedded in preoccupations with business and management may lack the ability to acknowledge values which do not fit that frame of assumptions.

2.4.3 *Learning from research on individual values*

At the individual personal level, much work has been undertaken on the ways values influence behaviour (Agle and Caldwell, 1999; Graeber, 2001). Two influential scholars within the field are Rokeach (1973) and Schwartz (1992). Rokeach's (1973) definition of values included acknowledgement of the enduring, but not fixed nature of values and also of the difference between 'instrumental' (mode of conduct-related) and 'terminal' (end-state-related) values:

"A value is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence."

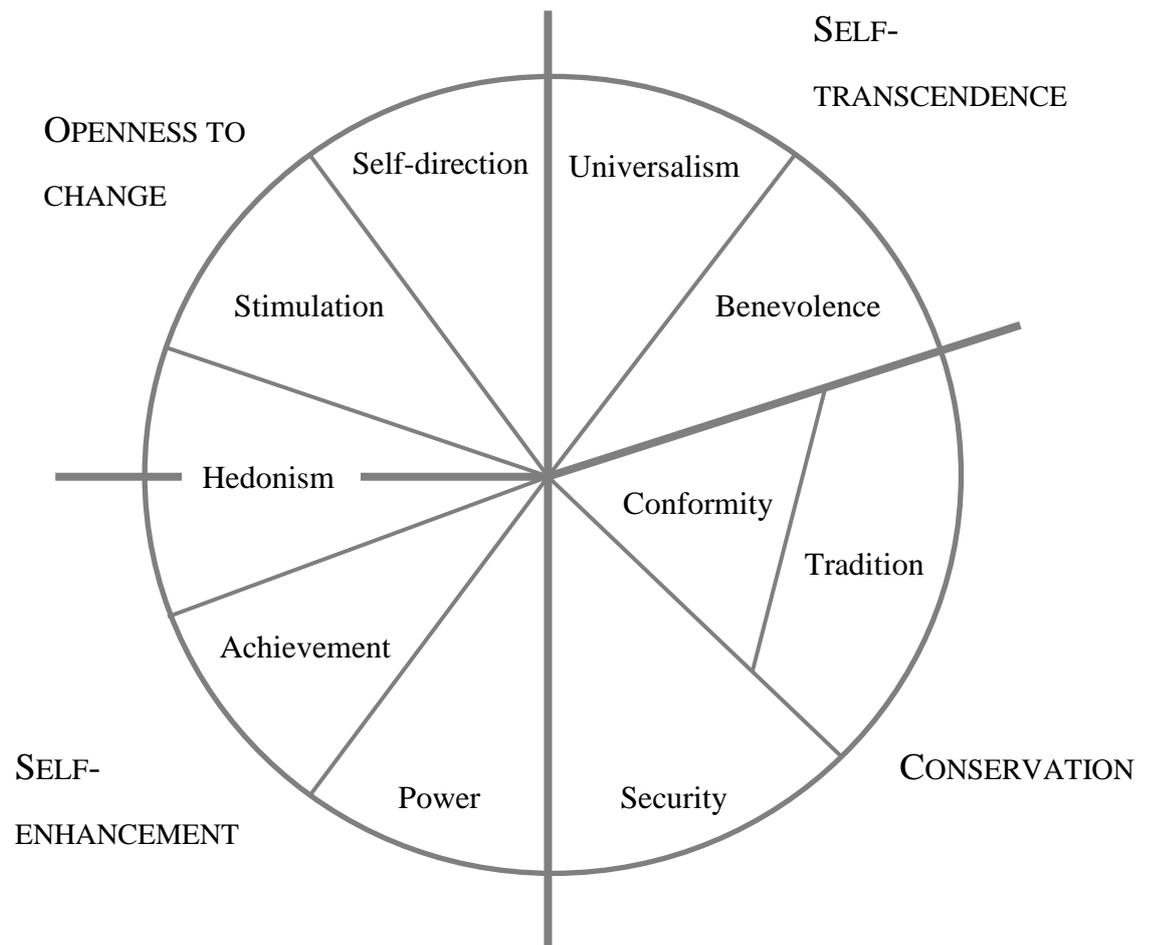
(Rokeach, 1973, p.5)

Rokeach described values as variously “standards” that guide conduct, “general plans for conflict resolution and decision-making” and motivators of action (1973, pp.13-14). From this understanding he went on to develop his Value Survey to explore ‘terminal’ values (e.g. a comfortable life, pleasure, salvation) and ‘instrumental’ values (e.g. capable, intellectual, loving) (ibid.). The Rokeach Value Survey (RVS) has been extensively used and has proved predictive of a number of different actions including being involved in political activism, honesty regarding property and attitudes towards civil rights (Agle and Caldwell, 1999; Maio et al., 2003). In this way individual values have been linked explicitly, via empirical research, to political and ethical sensibilities that may be useful in understanding what guides activities aimed at holistic value creation, in a way that research on organisational values has not.

Schwartz’s (1992) contribution took most of the underpinning assumptions of Rokeach’s (1973) work further, but attempted to develop a more universal model based on additional guidance from values surveys in other countries and from religious texts and experts. The aim was to facilitate the examination of values across 20 countries, in the search for universal domains of values (Schwartz, 1992). The extensive quantitative work carried out by Schwartz (1992) involved assessing correlations between sets of answers to arrive at clusters of values. These clusters represented ten distinct values domains that could be perceived in between 90 and 95% of the 40 samples of around 200 adult and child respondents (ibid.). These ten domains are believed to orient the individual towards necessary biological prerequisites for survival and health, smooth social interaction and collective welfare (ibid.). The original theory included 10 values labelled: self-direction, universalism, benevolence, conformity, tradition, security, power, achievement, hedonism and stimulation (ibid.). A later refinement detailed 19 distinct value dimensions which nevertheless mapped closely onto the ten originals (Schwartz et al., 2012). Neither model claims that certain priorities are more or less important across all cultures and contexts. Instead, the framework allows for the expression of individual *relative value priorities* (Schwartz, 2007).

A key assertion inherent within the Schwartz model is that a stable and predictable set of relationships exist between these different value priorities *within individuals*, so that tending to highly prioritise one dimension will generally mean a lower tendency to prioritise its opposite dimension on the model (see Figure 1 on page 60).

FIGURE 1: DIAGRAM SHOWING THE SCHWARTZ UNIVERSAL VALUES THEORY



Based on figure 1 from Schwartz, 2012, p.9

The model also provides a simplified understanding of value orientations on the axes ‘self-enhancement’ vs ‘self-transcendence’ and ‘openness to change’ vs ‘conservation’ (Schwartz, 1992).

Schwartz’s scale is a widely used and much-tested means of assessing individual values across many different types of research respondents and has been used successfully to explore the drivers behind behavioural factors as diverse as political affiliation, pro-sociality, religiosity, environmentalism, choice of educational focus, risky sexual behaviour and interpersonal violence (Schwartz, 2016). As such it provides a useful theoretical basis for consideration of which fundamental universal human values might influence different practices of value creation, because it was developed outside of any reference to ‘work’ or ‘business’ that could limit the scope of the

research. It must, however, be acknowledged that Schwartz's model is a model of *individual* values. The next section explains how, via the concept of organisational identity, the dimensions underlying this model of individual values might nevertheless offer some ground for considering the shared beliefs in organisations.

2.4.4 *Values and identity*

Values are commonly thought of as “guides for action” (Schwartz, 2007, p.39). Accepting this conceptualisation does not involve naïve belief in direct causation between values and actions, but acknowledges the role of values heuristics in shaping practices alongside norms and expectations (Bardi and Schwartz, 2003; Ajzen, 1991). Exploring the concept of organisational identity offers one way of understanding how values may come to be referred to in decision-making processes and therefore translated into practices.

Values may be understood as decision-making heuristics. Decision-making heuristics are seen as important in understanding how people deal with social dilemmas (Weber, Kopelmann and Messick, 2004). An individual is thought to be calling upon values priorities that form part of their sense of identity to help them form decisions (Kramer, Tenbrunsel and Bazerman, 2010). It has been suggested that at points of decision-making people explicitly or implicitly ask themselves “what does a person like me do in a situation like this?” (Weber, Kopelmann and Messick, 2004, p. 281). In this way, at the individual level, values, identity and decision-making are connected.

If values, identity and decision-making are connected, this offers a guide to where to look at the organisational level (Whetten, 2006). For example, it has been suggested that the key to understanding collective identity at the organisational level is through the decisions taken in an organisation's name (Seidl and Becker, 2006). Decisions and their consequences allow for organisational entities to be constructed and reconstructed as continuous wholes over time, via the actions of different actors (Luhmann, 1995; Seidl and Becker, 2006). Luhmann's organisational theory suggests that an organisation's continuous identity is maintained through ‘uncertainty absorption’ where “precedents crystallise, which serve as the basis for future decision-making processes” (Luhmann, 2005, p.98). This conceptualisation overcomes the issue of needing to anthropomorphise organisations in order to suggest that beliefs can become embedded within the decision-making structures that make up their identity. It

recognises the role of actors in incorporating those shared beliefs into actions, without suggesting that the beliefs they are acting upon are only individual in nature.

McPhee and Zaig (2009) suggest that the continuous communication that occurs within organisations constitutes and reproduces organisational identity in this way, either through self-referential communications (the body of experience within the organisation outlining how members should act on behalf of the organisation) or other-regarding communications (the body of experience within the organisation defining how members should act in relation to members or external actors).

By this reckoning, asking organisational members “what does an organisation like yours expect you to do in a situation like this?” (an echo of the individual decision-making question), gets to the heart of the deeper question “who are [you collectively] as an organisation?” (Whetten, 2006, p.219), and should therefore elicit an account of truly collective organisational values. Whetten (2006) distinguishes between genuine ‘organisational identity’, as the identity that is constructed around the core beliefs embedded within the organisation, and the concept of identity which is analogous to Bourne and Jenkins (2013) ‘shared’ values – e.g. the aggregate of individual values in the group. Although organisational identity has been researched from a number of angles, including both the collective and aggregated perspectives, exploring core collective beliefs has been identified as a particularly useful way of considering the key distinguishing features of organisations, because it brings to light the “identity referents” members use to guide their work (Ravasi and Canato, 2013, p.196).

This understanding of organisational values has been used to underpin the development of the research materials on organisational values for this study. This is described in more detail in the forthcoming methodology chapter, which is presented after the final two sections of this literature review consider organisational values theory and research which specifically focusses on SE.

2.4.5 SEs as values-based organisations

Organisations are described as values-based when they are believed to operate with reference to distinctive visions of the ‘good’, often where the values being highlighted are those which contrast with the orthodox profit and market priorities of business and the conventional duties of public service (Rothschild and Milofsky, 2006; Bruni and Smerilli, 2009; Billis, 2010). Examples include associations, charities and

faith-based organisations but also SEs (Paton, 1999; Pirson and Lawrence, 2010; Nicolopoulou et al., 2014). The idea of being ‘values-based’ is often proudly declared as the foundation of VCS practice, where ‘living your values’ is seen as a source of operational clarity and strategic strength (Jochum and Pratten, 2008).

Yet, the term ‘values-based’ as an indicator of distinctiveness has been challenged (Macmillan, 2012), given that it appears to accept the ‘separation fallacy’ (Freeman et al., 2010) by failing to recognise that all organisations “enact and propagate” values (Chen, Lune and Queen, 2013, p.858), not just those visibly trying to ‘do good’. Even in the VCS, little empirical work has ever been done to examine the broad range of values that could be involved in motivating and shaping voluntary action (Elson, 2006). In a recent review of VCS values research, it was recognised that “researchers have not yet fully conceptualized how values shape organizations’ forms, practices and activities” (Chen, Lune and Queen, 2013, p.857). This lack of understanding of mechanisms is surprising, given that the concept of being ‘values-based’ is commonly uncritically cited as one of the reasons behind the positive difference in the way the VCS works (Paton, 1999).

Greater understanding of values has been recognised as necessary to the future research agenda for SEs. Peattie and Morley (2008a, p.26) suggested there should be “consideration of how SE cultures and values impact on the experience of their members”. Doherty, Haugh and Lyon (2014) queried the effects of contrasting value systems meeting within SEs. This study responds to these calls.

2.4.6 Existing research on SE values

Just as in the mainstream organisational literature, specific mention of organisational values in relation to SEs can be categorised as individual values considered in the work domain, organisational culture and organisational identity. Exploring the limited work done in relation to SEs and values to date helps to define what is already known and therefore highlight the ways in which this study aims to extend knowledge.

This study focuses on SEs as organisations, rather than on the social entrepreneurship process or on the characteristics of social entrepreneurs (see 2.3.1 for the distinction), but in considering the already limited research in these areas directly about values, it is worth acknowledging the overlap. The main reason for this is that it

has been suggested that the values of social entrepreneurs may strongly influence the beliefs embedded in the organisations they create (Bacq, Hartog and Hoogendoorn, 2016). Also, many of these works go so far as to consider holistic human values rather than just selected work values.

Hemingway (2005) and Conger (2012) posited that differences in types of entrepreneurship may arise when the entrepreneur's personal values priorities lean towards self-transcendent values such as universalism / benevolence, rather than self-enhancement values such as power and achievement. These hypotheses were tested recently in a Spanish study which used the Schwartz universal values (1992) dimensions to attempt to delineate the personal values associated with social entrepreneurs (Sastre-Castillo et al., 2015). This research agreed that a lack of self-enhancement priority and an orientation towards self-transcendence are linked to social entrepreneurship, but also suggested that values of conformism and tradition were also relevant, with social entrepreneurs showing concern for the norms and morals of society (*ibid.*). The authors suggested that future research should consider the consequences of values-guided intentions for 'real' behaviour (*ibid.*), which is part of the aim of this current study.

Bacq, Hartog and Hoogendoorn (2016) challenged simplistic assumptions about the motivations of individual social entrepreneurs. Although they found that the level of intention to create social value did distinguish social from commercial entrepreneurs, differences in benevolent intentions were not as pronounced as previous assumptions might suggest (*ibid.*). They acknowledged that further research is required on the substantive content (i.e. specific goals) of social value intentions given the debated nature of value (Bacq, Hartog and Hoogendoorn, 2016). Grenier's small-scale qualitative study (2010) already attempted to provide some insight into the desirable end states social entrepreneurs envision. However, she found the respondents more capable and willing to discuss the values they shared with colleagues, their original motivations and what they had learnt, rather than preferred end states (*ibid.*). While this is an interesting finding that will be revisited in the discussion in light of this study's conclusions, it should be noted that Grenier's (2010) small sample was actually of the leaders of voluntary organisations who happened to have been labelled social entrepreneurs in publications, rather than specifically the leaders of SEs. Grenier (2010) herself suggested more needed to be done to understand what makes up a social vision.

Recently published qualitative work on the motivations of social entrepreneurs in the setting of Indian responsible tourism entrepreneurship, suggested that the following values could be discerned in their discourse:

“The values of integrity, humility, benevolence, responsibility, spirituality, humanism and the Gandhian virtue of Swavalamban (self-reliance), and relatedly, self-determination”

(Mody et al. 2016, p.1102)

Mody et al. (2016) also referenced Weber’s (1978) theories on substantive and formal rationality to suggest that social entrepreneurs combined values-based and ends-calculating rationalities throughout their discourse, in interlinked and complex ways. Weber’s thoughts on rationality were also referenced by Nicholls (2014) with regard to the SE-related realm of social investment. He suggested that investors may follow a 'systemic rationality' which combines the calculation of means / ends with values-driven rationalities to generate mixed returns (Nicholls, 2014). In this way, the long-standing means / ends debate is highlighted in relation to the values that may influence social value creation.

When the term ‘organisational culture’ has been used in relation to SE studies, it has most commonly been used loosely to mean a general orientation, rather than to follow any particular model of organisational culture from the wider organisational literature. From comparing search results incorporating the terms ‘social enterprise’ and ‘culture’, the most common uses of the terms together appear to be with regard to how oriented an SE may be towards commercial entrepreneurialism (e.g. Chell, 2007), a performance management mind-set (e.g. Barraket and Yousefpour, 2013) or stakeholder participation (e.g. Larner and Mason, 2014). In short, culture is being used as shorthand for describing how much an organisation as a whole seems to respond to the main preoccupations of SE definition (Defourny and Nyssens, 2012), usually as a preliminary to continuing the debate on ‘tensions’, as already considered in 2.3.3.

One notable study that went much further in defining what was meant by culture and values was Aiken’s (2002) PhD thesis, followed up with a conference paper (2006). It focused on values in social economy organisations and whether values involved in motivating actions for ‘social progress’ could be maintained in the face of the hybridisation of business, public and VCS methods and resources. The UK-based

case study research showed that social economy organisations with their roots in the VCS did experience barriers to the maintenance of their social progress values in the face of contracting culture, but that effective leadership or long-term shared value assumptions could overcome these in some cases (Aiken, 2002), particularly those where values were ‘routinised’ (p.250) tacitly into everyday actions. Aiken’s research is useful for informing the study because it provides rich examples of real life value statements from social economy organisations, ordered within clear distinctions between types of organisational values – e.g. those that are ‘espoused’ and those that are ‘attributed’ (Bourne and Jenkins, 2013). However, the discussion of values does not extend to the extent to which they influence the SP stakeholder experience. It focuses on organisational concerns of sustainability, viability and values reproduction.

The lens of organisational identity has already been identified as a way to potentially better understand the tensions between the social and business sides of SEs (Smith, Gonin and Besharov, 2013). Moss et al. (2011), Jay (2013) and Mason and Doherty (2016) all discuss how difficulties over dealing with paradoxes and dilemmas between the parts of SEs perceived as social / commercial may be mitigated by shared organisational practices and a sense of confidence in the moral legitimacy of the organisation. Chenhall, Hall and Smith (2015) highlight the danger of compartmentalising these functions of SEs in order to manage their paradoxes and suggest that accumulating multiple identities alongside each other or integrating each of the preoccupations of the SE into one specialised identity might be more effective.

While these studies undoubtedly provide insight into the role of organisational identity in relation to SE practices, they all make reference to the social / commercial dichotomy in a way that has been avoided for this study. One useful paper that went beyond this separation to consider other values and related tensions described a phenomenological study on organisational values in two Canadian SE organisations (Diochon and Anderson, 2011). The research attempted to answer the research question ‘do values shape practices in social entrepreneurship?’ (Diochon and Anderson, 2011, p.95). They arrived at three sets of ‘value tensions’ within SEs, between: a) social well-being vs economic well-being; b) innovation vs. conformity and c) independence vs interdependence (ibid.). While these were highlighted as tensions, the study was ultimately used to show how the negotiation of action at the conflicting points of these values was creatively involved in shaping each SE’s unique hybrid identity (ibid.).

The study above focused on the extent values shaped *practices* in SEs, which can be seen as a first step towards an understanding of what shapes *value creation processes* in SEs. However, the sample was small and the different types and levels of organisational values were not adequately distinguished (see section 2.4.1). The lack of standardisation or reference back to existing organisational culture or values work was in line with one of the recognised weaknesses of current organisational values research (Agle and Caldwell, 1999). This means that while the study described above was an informative first step, further research was required to a) examine a larger sample of organisations, b) tie in to the existing organisational and individual values work described above and c) go beyond a focus on practices to consider the impact of values on value creation processes and perceptions of value. This study attends to each of these considerations.

2.5 Conclusions of the literature review

The literature review highlighted the need for empirical work to examine value creation processes in organisations – with a particular need to broaden the concept of value to include social dimensions. This chapter has argued that hybrid organisations such as SEs provide ideal test-beds for exploring processes and perceptions of value creation because their hybrid status guarantees they set out to create a broader range of value than any single sector organisation can claim. Also, SEs have been characterised as values-based organisations which operate to improve society, but the research to date has largely ignored the issue of potentially different ways of conceptualising improvement. The literature review explored understandings of how values act as criteria to motivate and evaluate human actions and posited that examining this influence empirically in so-called values-based organisations would help to expose mechanisms involved in value creation processes and perceptions.

These conclusions have been taken forward into the conceptual framework and research design for this study, which are explained in the forthcoming methodology chapter.

3 Methodology

3.1 Chapter overview

This chapter presents the philosophical stance and concepts that underpin the study's aim and research questions. Detailed sections explain the data collection process, sampling approach, ethical considerations and data analysis.

3.2 Philosophical stance

"The challenge is not to be able to fit one's research approach neatly into any particular category, but to ensure self-reflexivity and an awareness of the various ways in which our philosophical assumptions have influenced our research."

(Duberley and Johnson, 2012, p.30)

Being clear about aims and preferences is part of making conscious epistemological decisions (Gill and Johnson, 2010) and reflexivity is the act of providing this clarity. Reflexivity "entails an acknowledgement of the implications and significance of the researcher's choices" (Bryman, 2012, p.394). The stance adopted in this study follows Duberley and Johnson's assertions (2012) that philosophical positioning is a personal act which draws upon, but does not identically reproduce, existing philosophical positions.

This study has been influenced by two traditions of realism – contemporary (rather than naïve) ethnographic realism (Hammersley and Atkinson, 2007) and the applied end of critical realism (Edwards, O'Mahoney and Vincent, 2014). It engages with 'the real' because in contrast to relativism, this stance allows for emancipatory potential to arise from critical research (Sayer, 1992; 2011; Collier, 1994).

Contemporary ethnographic realism and critical realism have much in common, in that while they share an essentially realist ontology, they also acknowledge that humans (including researchers) do not have direct access to the reality of the underlying mechanisms involved in activating or influencing structures or behaviours (Sayer, 1992). Instead, knowledge creation is recognised as an interpretative social practice embedded within context (Benton and Craib, 2011).

The ethnographic influence emphasises sensitivity to social, cultural and political contexts and treating the entirety of the data from fieldwork as an informative and interactive whole (Hammersley and Atkinson, 2007). From a point of personal reflexivity, the ethnographic influence may also have contributed to the study's interest in the lived experiences of SP stakeholders. This is because ethnography as a discipline conditions the researcher to attempting to understand people's lived experiences within specific social contexts (Taylor, 2011).

The other influence - applied critical realism - emphasises that exploratory and explanatory research needs to go beyond description and the 'emergence' of themes into the territory of actively building frameworks for conceptual understanding (Rees and Gatenby, 2014). This is considered the only way of engaging with a reality in which surface effects and appearances are not the whole story (Blundel, 2007; Ransome, 2013).

Building on these two influences, this study is built on the central premise that:

“... both social structures (mechanisms, relations, powers, rules, resources, institutions) and the meanings that actors and groups attribute to their situation (along with the discourse they used to convey these meanings) must be taken into account in any full and proper explanation of events”

(Rees and Gatenby, 2014, p.144)

This quote starts to convey how critical realists understand the world through the concept of layered reality, where occurrences and utterances that are visible to the interpretation of the researcher are recognised as unique and time-limited expressions of 'the real' (Ransome, 2013). They are understood to have arisen due to complex sets of circumstances rather than simple cause-effect regularities (ibid.). Critical realists suggest that carrying out research that respects this complexity can only proceed by 'cumulation', i.e. "oscillation between moments of empirical investigation and moments of theoretical speculation" (ibid., p.119) regarding the many elements involved in shaping how phenomena are expressed and perceived. The influence of this perspective is clear in the conceptual framework, research design and layered findings of the study, where processes and perceptions of value creation are both discussed via analysis processes which engage and re-engage with the presentation of social reality via different sources and methods.

By admitting that researchers can only know the social world through their own interpretations of it, critical realists always admit that those interpretations could be partial or even wrong in the face of a reality it is not possible to perceive or measure directly (Sayer, 1992). However, this does not mean all knowledge is equally wrong or right – our on-going engagement with social reality during the process of oscillation between theory and active research helps us to arrive at understandings that appear more or less relevant to understanding that reality (Benton and Craib, 2011). Sayer refers to this as “practical adequacy” (Sayer, 1992, p.69). Similarly, Hammersley and Atkinson (2007) assert that the responsibility to act with reflexivity and sensitivity can exist within what remains a nuanced ethnographic realist approach.

One of the key issues arising from the literature review was the importance of holism in understanding the concept of ‘value creation’. Framing this study in line with elements of Sayer’s critical realist account of *Why things matter to people* (2011) offers the opportunity to recognise human ‘well-being’ as “plural, but not relative” (p.134) in order to support a holistic perspective. This understanding rests on the idea that as embodied creatures what causes our suffering or flourishing overlaps (e.g. food and sleep are uncontroversial examples, while education and personal autonomy are more culturally bound) (Sayer, 2011). As social and cultural beings we also suffer or flourish to the extent that we can find meaning, intimacy, respect and belonging in the practices and norms of our particular cultural environment (Jordan, 2008; Nussbaum, 2011). The way in which the value questions for this study have been designed directly reflects this idea of recognising the non-relativist plurality of potential realms of human value.

Adopting a plural but grounded understanding of human flourishing is a statement against relativist academic position-taking that divorces the researcher from what is genuinely ‘of concern’ for people on a day to day basis (Sayer, 2011). Allowing that experiences of flourishing (and therefore processes of human value creation) may be better understood by examining certain common human experiences also makes the phenomena at hand amenable to comparative research. The type of comparative research carried out for this study involves asking multiple questions and gathering answers from different perspectives to reflect sensitivity to context, system complexity, structures and meaning-making, with the intent of developing as many overlapping theoretical understandings as seem necessary to offer meaningful insight in response to the research questions (Danermark et al., 2002).

This approach also reflects ‘emancipatory’ intent. Collier (1994) suggested that the adoption of a critical realist perspective could offer an ‘emancipatory’ stance. He suggested that critical realism encourages the researcher to look beyond surface appearances and enquire beyond powerful perspectives (ibid.). The critical realist researcher also considers the ways in which their propositions could be transformative in the world, not just in scholarship, and makes those propositions grounded within a transparent account of how they are interpreting reality, in order that others might critique and build upon their research, to iteratively move towards knowledge (ibid.).

In summary, this study therefore adopts a realist ontology, a qualified interpretivist epistemology (where the world is “construed, rather than constructed” – Easton, 2010, p.122) and an emancipatory axiology where the findings are intended to be of practical as well as academic interest (Easton, 2010; Sayer, 2011; Collier, 1994).

3.3 Conceptual framework

3.3.1 Clarification of key concepts

The key concepts in this research are: value, social enterprises, social purpose stakeholders and values. Each of these concepts are defined separately then brought together in a conceptual framework. In the context of this study, *value* and *values* are two different concepts. While close synonyms could have potentially been used to avoid confusion, the definitions below explain why both terms have been retained.

VALUE

For the purposes of this research, *value* (without the plural) signifies the idea of ‘worth’ to a particular person. As part of the movement towards a more holistic understanding of value and value creation in organisations (Santos, 2012; Lautermann, 2013), here the term ‘value’ is inclusive. While use of the term ‘worth’ could be used to differentiate between holistic worth and financial value, if done so for this study it would undermine the attempt to mainstream a broader understanding of ‘value’. Therefore, ‘value’ is used.

The concept of value is not synonymous with ‘outcomes’. ‘Outcomes’, in impact assessment frameworks such as Social Return On Investment (SROI), are the changes that individuals, groups or communities are reported to experience as a result of an intervention (Nicholls et al, 2009). Value additionally refers to the *importance or worth*

of the changes experienced, as judged by the people involved. This is because value contains two equally important constituents: the objective observation of the provision of goods / acts and the need for subjective judgement of the qualities of those same objects (Bassi, 2012). Interpretations of value are understood to depend on the context in which value is experienced, the stakeholder's needs, wants and knowledge of alternatives (Lepak, Smith and Taylor, 2007). It should be clear from this that value has also not been used as a synonym for 'impact', which refers to the downstream outcomes of direct interventions, without the additional judgement of worth.

The focus of this study was not on creating a new typology of outcomes from SE activity, but on value creation. This focus required data on *perceptions of what had changed as a result of intervention* (across a broad range of potential outcomes) and *the judgements stakeholders made about those changes*, which together are used to understand value creation.

VALUES

The use of the term *values* (with the plural) in this study follows Schwartz:

“1) Values are beliefs ...

2) Values refer to desirable goals that motivate action ...

3) Values transcend specific actions and situations ...

4) Values serve as standards or criteria that guide the selection or evaluation of actions, policies, people and events

5) Values are ordered by importance relative to one another to form a system of priorities ...

6) The relative importance of values guides action”

(Schwartz, 2007, p.39)

'Values' are routinely differentiated from both 'attitudes' and 'ideologies' (Maio et al., 2003). Attitudes would not fulfil the second and third criteria of Schwartz's (2007) definition: i.e. motivating action and transcending specific actions and situations. Attitudes are taken to refer to individual and specific objects or issues (e.g. prostitution) and do not necessarily create any motivation towards action (Maio et al., 2003). Ideologies, in contrast, are more complicated constellations of values and attitudes (ibid.).

Organisational values can be thought of as prioritisation beliefs that pervade communication within organisations, explicitly or implicitly underpinning decision-making on appropriate actions and end goals (Chen, Lune and Queen, 2013; Schwartz, 2007; Luhmann, 2000). There are different ways of conceptualising organisational values, as either: espoused, attributed, shared or aspirational (Bourne and Jenkins, 2013). For the purposes of this study, espoused and attributed values offered the most fruitful lines of enquiry. Understanding *espoused* values – i.e. the official management view - was necessary to explore assertions (e.g. Diochon and Anderson, 2011) that SEs operate as overtly values-based organisations. Going on to also examine *attributed* values – i.e. working values perceived in the actions of the organisation by practitioners and SP stakeholders – offered a vital point of triangulation. Although Bourne and Jenkins (2003) suggested four ways of understanding organisational values, the study omitted shared and aspirational values. This was done to focus on the two approaches that would provide the clearest grounds for comparison of managerial intent (espoused values) and stakeholder perception (attributed values).

SOCIAL ENTERPRISES

The concept of SE has been amply discussed in the literature review and is understood by this research as a contested and plural concept that overlaps with social entrepreneurship, the social and solidarity economies, VCS organisations and elements of mainstream business (Hart, Laville and Cattani, 2010). However, for the purposes of boundary-setting, this research investigates SEs as organisations, rather than SE as an activity that could occur in any organisation.

SEs are defined in this study using the former UK Government definition, on the grounds of its clarity and long-standing influence on the practice of SE in the UK:

“A social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners.”

(Department for Trade and Industry, 2002, p.8).

SOCIAL PURPOSE STAKEHOLDERS

The term ‘social purpose (SP) stakeholder’ has already been introduced and used throughout this thesis, but in recapitulation, it was a term developed to signify the people who SEs aim to benefit (Fitzhugh, 2013). Using one term is clearer and more consistent than using all of the labels by which these people are known across different SEs. It is also more neutral in its assumptions than labels which intrinsically imply simple one-way exchange relationships between SEs and their SP stakeholders, e.g. ‘beneficiary’.

3.3.2 *The conceptual framework – diagram and explanation*

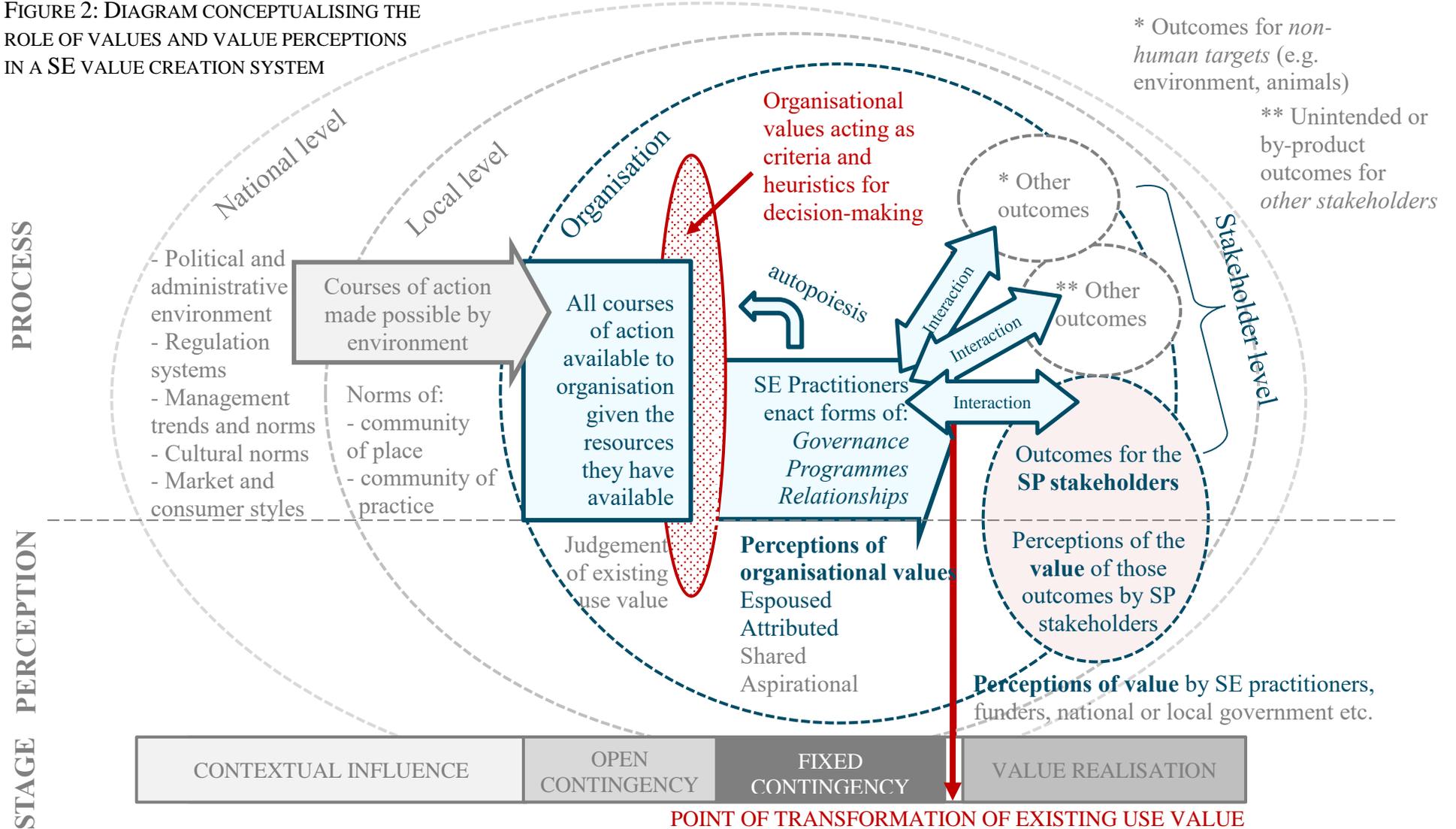
The conceptual framework diagram (Figure 2 on p.75) is based on the concepts described above. The diagram suggests the role of values and value perceptions in a SE value creation system. It has three distinct parts:

- The processes involved in value creation are posited above the horizontal dashed line.
- The annotations immediately below the line show key instances when processes taken to be ‘real’ are only discernible through human perspectives.
- The bar at the bottom provides a commentary on stages of value creation, with each section corresponding to the area of the diagram immediately above it.

The diagram shows a SE existing within, and influenced by, its local and national environment. The list of influential external variables at national level has been paraphrased from the work of Bassi (2014). National administrative, political, economic and socialization differences can all explain alternative routes to SE development, as can local norms and practices (Chell et al., 2010; Borzaga and Defourny, 2001; Kerlin, 2009; 2010). The potential of these contexts to facilitate or prevent certain courses of action is acknowledged in the diagram for completeness, but it is not the focus of the study. The aim of this study is to address the research gap that exists around processes and perceptions of value creation *within* organisations (Lepak, Smith and Taylor, 2007) rather than re-visit the influence of institutional environments.

There are three key elements to the internal value creation system posited within this conceptual framework. Firstly, organisational values are conceptualised as criteria

FIGURE 2: DIAGRAM CONCEPTUALISING THE ROLE OF VALUES AND VALUE PERCEPTIONS IN A SE VALUE CREATION SYSTEM



and heuristics for decision-making, in line with perspectives on the role of values, provided by Rokeach (1973), Schwartz (2007) and Weber et al. (2004). They are modelled as a filter, reducing all possible courses of action available to the organisation (given their resources and context) to the forms of governance, programmes and interpersonal relationships eventually adopted (Bassi, 2014). The autopoietic nature of this process – i.e. the feedback loop whereby the body of decisions taken within the organisation influences the nature of future decision-making (Luhmann, 1995; Seidl and Becker, 2006) - is noted within the diagram.

Secondly, the framework suggests value is created via interaction between staff and SP stakeholders during the enactment of forms of governance, programmes of activity and types of relationships influenced by the values-based criteria and heuristics described above. This conceptualisation of value creation was influenced by diverse sources, including Porter's value chain framework (1985) which promoted the investigation of multiple value drivers throughout organisations, and Bowman and Ambrosini's (2000) assertion that inert resources cannot in and of themselves make new use value. Increasing acknowledgement of the role of co-creation in quality public services (Taylor, 2010) and contemporary businesses (Humphreys and Grayson, 2008) suggests that understanding interaction is the key to understanding value creation (Prahalad and Ramaswamy, 2004).

Outcomes resulting from interaction are marked on the diagram in the processes section, but are mirrored by value judgements in the perceptions section below the line. This is an important distinction that embodies the 'contingency perspective' necessary for examining value creation (Lepak, Smith and Taylor, 2007) and takes seriously the persuasive arguments within the work of Westall (2009), Young (2008) and Lautermann (2013) on the subjectivity of realising (social) value. The diagram embeds the dual concept of value by recognising value realisation as dependent on both the identification of objective goods / acts and the need for subjective judgement of their qualities (Bassi, 2012).

This conceptual framework underpins the research questions and objectives.

3.4 Research design

This section addresses overarching features of the study design. Later sections provide fuller details of the data collection, access and data analysis processes.

3.4.1 *Research aim, questions and objectives*

Study aim: To explore how organisational values influence processes and perceptions of value creation for social purpose stakeholders in social enterprises.

Research questions

How do organisational values in SEs influence the nature of value creation processes for SP stakeholders in these organisations and how do different internal stakeholders perceive this process and its results?

- a. *Exploring organisational values:* Are there organisational values common i) to SEs in general and ii) within individual SEs across varied stakeholders? Are there meaningful differences?
- b. *Exploring decision-making:* To what extent do organisational values guide decisions about SE operations (including governance and management practices and interpersonal relationships) and how does this process work?
- c. *Exploring value creation:* What outcomes do SP stakeholders experience and what is the perceived value of those experiences (according to different stakeholders)?

By determining whether SE organisational values were in any way common across the sector / individual cases (question ‘a’), the potential for determining the influence of organisational values on value creation was established. Determining whether and how organisational values appeared to influence decision-making on governance, programmes or relationships (question ‘b’) provided insight into the processes connecting values with value creation. Gaining cross-stakeholder feedback on whether the intention behind those decisions corresponded to the lived experience of the SP stakeholders (question ‘c’), provided valuable triangulation. In this way the research questions prompted the collection of data that could be used as an interconnected whole to consider the overarching research question and address the study aim. These questions were broken down into six objectives to guide the design.

Objectives

1. To understand to what extent the organisational values *espoused* on behalf of SEs (by those who lead SEs) appeared to differ.
2. To review the similarities and differences between organisational values *attributed* to SEs by their staff and SP stakeholders and the official espoused values.
3. To seek an understanding of how, why and when organisational values influenced *decisions* taken within SEs with consequences for governance, programme formulation and interpersonal relationships.
4. To gain insight into the range of *outcomes* SP stakeholders experienced as a result of interaction with SEs.
5. To understand the *value* judgements SP stakeholders made about particular types of outcomes they experience and compare these to the value perceptions of the same outcomes by SE managers and staff.
6. To *posit* potential ways organisational values could be involved in value creation in SEs.

3.4.2 Overview of approach adopted

A two-stage mixed methods design was adopted. It involved an online questionnaire and case-situated interviews. The online questionnaire provided data on SE characteristics and espoused values, from a broad range of SEs across England. During the second stage, the multi-method interviews took place within the context of fourteen case organisations chosen for their diversity. The interviews provided a mixture of quantitative and qualitative data from three different types of stakeholder. Data gathered from the initial questionnaire and a qualitative alertness to context situated the interview responses within an understanding of the features of each SE.

This approach was chosen because it combined extensive and intensive research practices: the initial survey gathered contextualising data and the multiple data sets gathered from the cases provided greater depth and the possibility of triangulating different perspectives (Danermark et al., 2002; Hurrell, 2010). Researching within multiple case organisations allowed for the iterative development of theory (Kessler and Bach, 2014). This approach attempted to avoid the potential exceptionalism of previous studies which adopted a case study approach for the purpose of theory

generation, but accessed more limited case samples (e.g. Diochon and Anderson, 2011; Teasdale, 2010b; Dacanay, 2012 and Barinaga, 2013).

3.4.3 Mixed methods

Mixed methods were adopted for this study in recognition that different approaches would be required to understand: a) the extent and b) perceptions of organisational values and instances of value creation.

Quantitative research tools were therefore created to check similarities and differences in reported organisational values and value judgements. The quantification of responses to a standardised set of organisational values and SP stakeholder outcomes questions allowed for comparison across stakeholders and organisations.

An entirely qualitative section of the interview explored decision-making. Qualitative approaches were also adopted to explore values and value creation. By delving more intensively into perceptions and meanings, deeper understanding was achieved via the qualitative elements of the interviews than the quantitative elements could offer alone (Hurrell, 2010). This approach also gave respondents greater freedom to offer commentary on the quantitative elements. This made it more likely that the interpretation of the data accorded with the meaning intended by the respondents.

Findings from the quantitative elements were never expected to represent 'truths' in a positivist manner. The quantitative findings furnished 'rough and ready' patterns which could be used as prompts when considering other findings. As such, the choice to adopt mixed methods within this study was grounded in a particular philosophical approach (applied critical realism, influenced by ethnography) and a view that quantitative and qualitative methods are useful techniques, rather than paradigmatically separate or philosophically exclusive approaches (Bryman, 2012).

3.4.4 Multiple perspectives

Three different types of stakeholders from each case organisation were interviewed for this study: SE key contacts, SE staff and SP stakeholders. Collectively, SE key contacts and SE staff were described as SE practitioners. The different stakeholder types are described in Table 2 on p.80.

TABLE 2: THE TERMS USED TO INDICATE TYPES OF RESPONDENTS

Term used	Who the respondents were
SE key contacts	Chief executives, general managers or senior leaders with similar strategic-level responsibilities
SE staff	Staff working at the SE to deliver its social purpose, who were not specifically employed as SP stakeholders
SP stakeholders	The people who SEs aimed to benefit: a diverse mix of volunteers, paid staff, beneficiaries, members and residents
SE practitioners	SE key contacts and SE staff, as a single group

This broad respondent base was pursued for two reasons. Firstly, diverse perspectives offered the opportunity of ‘triangulation’. The term ‘triangulation’ has not been used here to refer to improving the accuracy of quantitative measurements in relation to a fixed reality. Instead, it has been used in line with the critical realist understanding of triangulation as the act of deepening and extending the scope of enquiry by acknowledging different viewpoints in their own right, as well as because they offer points of comparison or contrast (Ravasi and Canato, 2013). Investigating different viewpoints on value creation helped to avoid naïve essentialism (ibid.) and followed through the implications of the contingency perspective (Lepak, Smith and Taylor, 2007).

Also, the emancipatory axiology of this study demanded the extension of data collection beyond the usual powerful commentators in SE research (funders, government and management – Curtis, 2008). Hearing from the SP stakeholders was intended to push back the boundaries of the existing research conversation.

3.4.5 Built-in reflexivity

Reflexivity was built into the research process from start to finish via informal personal memo-ing. This memo-ing habit was initially developed during ethnography training and retained from this context. Notes recording the researcher’s internal dialogue may be “the essence of reflexive ethnography” (Hammersley and Atkinson, 2007, p.151), but have also been consistently useful to the researcher in other types of study.

Memos were written infrequently and irregularly, as needed. They ranged from brief aide memoires to longer pieces of free-writing aimed at generating or summarising ideas. All of the memos were stored by date and were word-searchable via Evernote. Their informal nature meant that they were flexible enough to be used for all of the reflection within the study. Where memo-ing played a supplemental role to the conventional data, it is acknowledged and explained during the sections that follow.

3.5 Data collection processes

3.5.1 Online questionnaire – first stage

The online questionnaire served two key purposes. One purpose was to gather data from a broad range of key contacts on SE characteristics and espoused values. This addressed objective 1 by providing data that could be used to identify variations in the organisational values espoused on behalf of SEs. This section details how the questions were developed and the full questionnaire can be found in Appendix 1.

The questionnaire's second role was practical. In the absence of an adequate sampling frame (see section 3.6.1), the questionnaire was designed to forge a link between the researcher and potential case organisations. The characteristic and contact data gathered via the questionnaire was used to inform purposive selection of the second stage cases.

SE CHARACTERISTICS QUESTIONS

The questions on SE characteristics were closely based on SE profiling questions from the preliminary study which preceded this research (Fitzhugh, 2013). These drew on the findings of two previous studies (Sepulveda et al., 2013; Davister et al., 2004) which acknowledged the complexity of SE definition. The range and scope of questions was also double-checked for comprehensiveness against Social Enterprise UK's *State of Social Enterprise* mapping surveys (2013, 2015). The final characteristics section collected the following quantitative data for each SE:

- Legal structure
- Sectoral origins (e.g. did the organisation start as an SE or did it originate from the voluntary / private / public sector?)

- Age
- Number of (full-time equivalent) employees
- Annual turnover
- Dominant income source (e.g. whether gift or trading, from which sector).

In addition an open-ended question about aims was added to the start of the survey, which was later used to identify which SEs focussed on work integration.

VALUES QUESTIONS

The literature review identified how much of the organisational values research to date had been carried out in relation to ‘work values’ or bundled conceptions of organisational culture. Existing examples of ‘partial’ or ‘bundled’ sets of questions did not seem adequate to address the intent of this research. The impetus behind the development of a new set of values questions stemmed from the need to match, in the realm of values, the breadth of the holistic conceptualisation of value adopted for this study. A ‘whole human’ rather than partial ‘business’ account of organisational values was required. Stackman, Pinder and Connor (2000) suggested that successful studies of workplace values should operationalise existing values frameworks to be understandable within particular workplaces (whilst retaining their conceptual basis) and always consider values in sets rather than hierarchies. For this approach, Schwartz’s basic universal human values theory (1992; 2007; 2012) provided a useful starting point. Schwartz’s theory has been described in the literature review, but in brief, it identifies a set of ten ‘universal’ human values from which *relative value priorities*, may be discerned (Schwartz, 2007).

Schwartz’s understanding of human values was chosen as a basis for the values questions over other conceptualisations for two main reasons. Firstly, the development of the basic universal human values theory has been well-documented and empirically grounded, from first conception to current ubiquity across various disciplines (Schwartz, 1992, 2016; Maio et al., 2003). Its potential to underpin insights at the organisational, rather than individual, level was confirmed when exploring existing typologies of organisational culture (e.g. Hofstede et al., 1990; Schein, 2010). During this exploration it became clear that similar ultimate ‘goods’ appeared to underpin many of the dimensions of each model, with slightly different emphases. For example,

the description of Schwartz's 'security' preference appeared to fairly closely map on to Hofstede's 'uncertainty avoidance' (1990; 2011). However, given the 'business' contexts in which the organisational culture models were developed, it was possible to note potential omissions compared to Schwartz's cross-cultural model. In this context Schwartz's model appeared to offer the most comprehensive, well-specified and thoroughly-tested theory of basic human values available.

Secondly, based on empirical evidence from his own and contemporary other studies, Schwartz offered a convincing argument for how ends- and means-related values were simply the expression of the same values in noun and adjective form respectively (1994, p.35). This contrasted with earlier findings on values that suggested an important difference between these two types of values (e.g. Rokeach, 1973). This understanding of values as beliefs ultimately *about preferred outcomes* was in line with the research focus on value creation. While the findings of this study have since challenged this acceptance of Schwartz's proposition, during the design stage it appeared to fit the goals of the research.

Two sets of questions were newly developed for the questionnaire. In the realm of individual values, the Schwartz model sees half of the values as "regulating how one expresses personal interests and characteristics" and the other half as "regulating how one relates socially to others and affects them" (Schwartz, 2012, p.13). At the collective level this same distinction can be recognised in the types of communication that McPhee and Zaug (2009) suggest shape identity in organisations. Therefore, it was decided to split the values questions into: a) inward-facing questions aimed at eliciting responses on priorities for the collective entity of the organisation and b) stakeholder-facing questions aimed at eliciting responses on collective priorities regarding stakeholders coming into contact with the organisation. Each set consisted of ten questions based on the ten Schwartz dimensions.

The respondents were asked to rate the extent to which the staff of the organisation were guided by the values described in the questions. Rating was adopted primarily to avoid the potential inconsistencies that could arise from the taxing cognitive task of ranking long lists of dimensions (Alwin and Krosnick, 1985). However, the decision also took into account the large number of claims that rating produced better quality data (e.g. less 'forced' distinctions between values) (Hitlin and Piliavin, 2004).

The questions were refined through piloting with four SE managers. Overall, the piloting suggested the questions were relevant and answerable. Small changes to rating scales and question introductions were made in light of their feedback. The most significant change involved offering respondents the chance to answer the stakeholder-facing questions in two stages rather than one to allow the respondents to assert that the active promotion of particular values was not within the remit of their SE. The resultant data could be easily recombined into a single rating scale, but the way it was worded seemed to make it less taxing for respondents to admit that they saw certain values as important, but that those values did not guide their work.

3.5.2 *Site visits – second stage*

The second stage involved multi-method interviews at fourteen purposively-chosen SEs. Selection of these cases is discussed in section 3.6.3. All but one of the fourteen organisations was visited in person. The other SE often relied on remote working, so the method of engaging the respondents (Skype interviews) accorded with their usual working style.

In order to address objectives two to five, face-to-face interviewing was used to provide a mixture of quantitative and qualitative data within a relatively short space of time (interviews of between 30 and 75 minutes). The focused collection of data was vital to addressing the objectives whilst also ensuring different stakeholders could be seen during the course of the visits nationwide. The interview schedules were tailored to gain comparable data from three different types of stakeholder. By using standardised elements to guide two of the three sections of the interview (sections C and D), it was possible to collect enough information to fulfil objectives two to five in a single sitting with each participant. In this way the research avoided the problem of research fatigue and drop-out.

The interview schedules can be viewed in their entirety in Appendices 2-4, but Table 3 gives an overview of their parallel content.

TABLE 3: THE PARALLEL CONTENT OF THE INTERVIEW SCHEDULES

Interview schedule i	Interview schedule ii	Interview schedule iii
Key contact (manager)	Other managers / staff	SP stakeholders
<i>Section A – Consent</i> Discussing the research and obtaining signed consent.		
<i>Section B – Pre-amble</i> Warm-up questions: job / role and length of involvement.		
<i>Section C – Organisational values (espoused)</i> Not applicable as the data had already been gathered via the online questionnaire	<i>Section C – Organisational values (attributed)</i> The respondent was given a paper form and asked to respond to the two quantitative values question sets from the questionnaire. They were allowed to verbally comment, providing additional qualitative data.	<i>Section C – Organisational values (attributed)</i> The respondent was verbally asked the stakeholder-facing values questions, with slightly changed wording to emphasise that the respondent was being asked about the SE’s organisational values, not their own.
<i>Section D – Value</i> Structured three-stage questions providing quantitative and qualitative data on perceived value creation for SP stakeholders		<i>Section D – Value</i> Structured three-stage questions providing quantitative and qualitative data on their experiences of value creation within the SE
<i>Section E – Decisions</i> Qualitative data was gathered via loosely semi-structured questions on processes of value creation, decision-making, dilemmas and plans for the future.		<i>Section E – Decisions</i> Not applicable to the SP stakeholders.
<i>Section F – Closing remarks</i>		
<ul style="list-style-type: none"> • The respondent was asked to sum up the values of the organisation in their own words • The respondent was asked if they had anything to add or any questions, then thanked. 		

3.5.3 *Interview section C – Organisational values*

One of the reasons for creating closed standardised values questions rather than just discussing values open-endedly was to allow for comparison between stakeholders and organisations. Each of the three different respondent types (key contacts, staff, SP stakeholders) were therefore asked almost identical questions to the values sets developed for the questionnaire. The slight framing differences were that key contacts were asked to answer with an ‘official’ account of their organisational values, SE staff to express their own views of the collective values of the SE and SP stakeholders were reminded to attribute values to the SE rather than report on their own values. In this way it was possible to address objectives one and two.

3.5.4 *Interview section D – Value creation*

Interview section D aimed to provide mixed data on value creation, to address objectives four and five. Quantitative data was gathered to give an overview of which types of *outcomes* SE key contacts, staff and SP stakeholders perceived the SE to provide (obj. 4) and roughly *how important* (not, a little, quite, very) those outcomes were believed to be for the stakeholders involved (obj. 5). Extensive qualitative data was also gathered during the same section.

DEVELOPING A HOLISTIC LIST OF POTENTIAL OUTCOMES

The holistic list of twenty outcomes used in section D was newly developed for this study in an attempt to prompt the respondents out of well-worn narratives of change. The researcher had previously observed how respondents – particularly staff, but also SP stakeholders – often tried to be helpful by offering stories of the type of change (achievement, self-direction etc.) they believed funders and investors would like to see. To avoid this, the outcome questions needed to prompt the respondents to reflect more deeply about a wider range of potential experiences.

The primary influences in developing the list of potential outcomes were the expanded Schwartz values set (2012), Nussbaum’s (2011) list of the central human capabilities required for a life with dignity, and the findings from the preliminary study on SP stakeholder lived experiences (Fitzhugh, 2013). These three sources offered distinct strengths in conceiving how SP stakeholders in SEs might experience value: a focus on human flourishing, cross-cultural comprehensiveness and contextual

understanding. By combining them, the aim was to capitalise on the strengths from all three to develop a final list of prompts that were well-informed by theory and empirical observations.

The strength of Nussbaum's focus on capabilities was acknowledged by Ziegler when he suggested her list was a "comprehensive evaluative framework" (2010, p.263) that could be used to explore social entrepreneurship thoroughly without having to tailor the evaluation schedule to specific activities.

However, Nussbaum's list was not without issues. It has been challenged as abstract, insufficiently cross-cultural and potentially over-politicised in its understanding of human flourishing (Sayer, 2011). After reading Sayer's partial endorsement and critique of Nussbaum's approach, it seemed possible to use the capabilities concept by provisionally using her list, but acknowledging and addressing particular issues. These included counteracting the prominence of Western liberal ideals and identifying ways of translating the abstract concepts into relatable questions. These two points were addressed, in turn, by creating questions informed by the expanded Schwartz values set (2012) and findings on SE outcomes (Fitzhugh, 2013).

After years of values research, Schwartz expanded his model to 19 values, to improve the 'explanatory power' of his theory cross-culturally (2012). This provided a useful way to check Nussbaum's capabilities lists for gaps or biases. The capabilities and values were mapped onto each other and gaps were found and filled. A similar mapping was carried out with the outcomes findings (Fitzhugh, 2013). The mapping is shown in Appendix 5.

Using the results of this mapping process, two sets of twenty questions were developed. Initially, only the twenty questions relating to value creation for *individual SP stakeholders* were developed (see Appendix 5). However, analysis of the initial questionnaire data revealed that some of the SE cohort focussed their value creation activities on *collectivities*, i.e. informal and formal community groups and legally-constituted organisations. To avoid excluding these organisations, a separate list of 20 questions with an organisational focus was also developed. These were informed by the same underlying capabilities in order to make sure that the responses would hold similar meanings (Appendix 5).

Although only the outcomes from Fitzhugh (2013) were used specifically to operationalise the capabilities categories for the SE setting, comparison with the most recent overview of potential SE outcomes (Macaulay et al., 2017) demonstrates the

comprehensiveness of the question sets developed for this study. Each of the categories of SE outcome from Macaulay et al.'s study (e.g. economic impact, enhanced social connectedness) are clearly encompassed by the capabilities list used for this research.

3.5.5 Interview section E – Decision-making

In the final section of the interview, semi-structured discussion prompts were loosely used to discuss decision-making (objective 3). Using data already gathered from sections C and D, the interviewee was prompted to talk about real life examples of their organisational attempts at value creation. By also prompting for examples of dilemmas or critical decision points (Chell, 2004), this part of the study was grounded in discussing concrete situations, rather than abstract perceptions. The choice to focus on dilemmas or critical decisions to reveal the role of organisational values was influenced by Whetten (2006), who suggested that meaningful claims about organisational identity were more likely to be revealed when describing 'fork-in-the-road' points.

This section of the interview was the least standardised in structure, allowing the respondents to 'tell stories' and muse on the processes within their organisations. It provided rich data which contextualised and grounded the more standardised data.

3.6 Gaining participants – sampling and access processes

3.6.1 Social enterprise population – issues and considerations

UK SE mapping research has been criticised for being unreliable for many purposes beyond illustrating political agendas (Teasdale, Lyon and Baldock, 2013). This meant that when considering sampling for the study, no adequate sampling frame could be found that would have permitted randomised sampling. The boundaries and extent of the underlying population were not adequately defined (ibid.). Instead, the general sampling approach adopted for this research was to sample for diversity. A diverse sample was expected to provide some "significant variation of key outcomes" in order to "clarify the extent to which outcomes are attributable to a mechanism or its context or their interaction" (Ackroyd and Karlsson, 2014, p.31).

3.6.2 A note on geographical scope

Only SEs based in England were recruited for this study. Geographical studies of SE have shown how different national legal, political and economic contexts foster variation in the nature of SE activity (Borzaga and Defourny, 2001; Defourny and Nyssens, 2006; Kerlin, 2009; 2010; 2013). The conceptual framework diagram developed for this study recognised the influence of these elements on SE activity.

The planned diversity of the sample (in terms of size, focus and age) was broad, so a single country study was chosen in order to provide a stable background to the cases. The choice to restrict the study further to just one of the nations of the UK accepted suggestions that post-devolution there were relevant and significant differences in SE activity between the four UK nations (Baglioni et al., 2015).

3.6.3 Details of the sampling procedures

ONLINE QUESTIONNAIRE

In January 2015, the online questionnaire was opened, via Qualtrics, to SE managers in England. The questionnaire was publicised in the e-newsletters of Social Enterprise UK, Social Firms UK, Emmaus UK and Social Enterprise Mark and via a Co-op News article.

There were admissible responses from key contacts at 37 different SEs. Inadmissible responses included test runs by infrastructure staff, false starts, responses from outside England and a duplicate. A further five admissible responses were collected from SEs joining the stage two cohort in late 2015 / early 2016, making 42 full responses available for analysis.

SITE VISITS

One of the aims was to approach a larger and more diverse sample of SEs than previous studies. However, it was also important to keep the number of cases small enough to allow for contextualisation. For this reason, the initial sample was composed of ten SEs, with the commitment to later determine how many further cases would be required.

Contacts gained via the online questionnaire were used to form the initial sample. The original intent was to sample by values diversity, using the espoused values data from the questionnaire. Yet, while certain SE characteristics were found to

potentially associate with particular values orientations (see section 5.2.2), cluster analyses found no significant values sets with which to meaningfully distinguish potential case SEs.

Instead, drawing on the idea that certain characteristics including size and sector of origin had been associated with different priorities, it was decided to gain as broad a selection of SEs based on their characteristics, as possible. A 10-group forced cluster analysis was performed in SPSS to aid sampling, using data on age, number of staff, turnover, legal structure. SPSS reported the clustering quality as 'fair'.

Nineteen of the admissible respondents were approached on the guidance of the clustering described above, leading to ten diverse site visits in the main fieldwork period. A 'top-up' sample of four additional SEs was added later. The final number of cases was defined by theoretical sampling requirements, not pre-judged, to avoid premature analytic closure (Smith and Elger, 2014).

To this end a further ten organisations were approached (using the researcher's professional contacts). The additional four visits that resulted included (not discrete categories): two co-ops, two SEs delivering services under contract to the public sector, one organisation that impacted on other organisations and one heritage organisation. These additions helped inform and then crystallise emerging ideas from the earlier sample.

INTERVIEWS

Within the boundaries of each site visit, the aim was to interview the key contact, at least two conventional staff members and as many SP stakeholders as available within the time frame. This was largely opportunity sampling.

3.7 Ethics of consent and access

The research followed general ethical principles such as honesty, obtaining informed consent, risk awareness and data privacy as specified by UEA / NBS procedures. The ethics application was submitted and cleared in late 2014 and the agreed information and consent forms can be found in Appendix 6.

For the online questionnaire, consent was indicated by completion. Although SE managers were initially called to participate in the research via UK membership bodies, there was no obligation on the managers.

Access considerations were more complex for the site visits. SE managers were the first point of contact and they controlled their SE's involvement. As such, they were recognised as gatekeepers in relation to staff and SP stakeholders. They were contacted in advance of the site visits to arrange a mutually convenient time for the visit, and to discuss the ethical recruitment of staff and SP stakeholder participants.

Gatekeepers were managed carefully. They had the potential to either restrict access or promote participation without letting potential respondents know that participation was voluntary. To address this issue, initial telephone calls were used to define who should and should not be asked to participate. SE managers were asked to stress the voluntary nature of the interviews and not to recruit anyone too young (e.g. under 18) or too vulnerable to take part. As many of the SE managers dealt with safeguarding issues in the course of their work, these requests were understood and accepted. Where there appeared to be one potential SE with an enthusiastic manager but the researcher could not perceive voluntary engagement from any of the other staff, the site visit was declined.

Staff and SP stakeholders were asked if they would participate by the SE manager before the researcher visited. However, during the visit each potential respondent was given the chance to drop out, without requiring explanation. When staff and SP stakeholders chose to participate, their rights were discussed in full (using the consent forms – Appendix 6) before starting. There were clear examples both of voluntary participation and non-participation accepted without comment.

The interviews with SE managers covered issues of organisational intent, capacity and functioning and as such were not personal or particularly sensitive. Discussion of organisational values occasionally required sensitive handling for reasons of internal politics, but did not present psychological dangers. SEs participated under condition of anonymity.

In the interviews, SP stakeholders were asked about the outcomes they had experienced as a result of interaction with the SE and the value they attributed to those outcomes. Although there was potential for SP stakeholders to disclose personal or sensitive information, this was not the intended focus. Where such comments were pertinent to the questions, limited discussion took place. The researcher was continually mindful of the need for sensitivity and the boundaries of personal privacy.

The planned response to the disclosure of sensitive information was to gently draw the respondent away from discussing the original impetus for involvement with

the SE, towards the current role the organisation played in their lives. The researcher gained prior experience of interviewing in this way from the preliminary study (Fitzhugh, 2013) and also took advice from counselling and social work staff within UEA in further preparation. This preparation contributed to smooth and event-free interviews in which some personal information was occasionally volunteered, but participants seemed comfortable. There were only two occasions when participants withdrew from the interviews once they had started. On these occasions the withdrawal was partial, problem-free and did not relate to sensitive information, but personal responses to the interview process.

It was important to pitch the research tasks at a level appropriate for a range of potentially vulnerable SP stakeholders, in order not to exclude their perspectives from the research. Experience from the preliminary study (Fitzhugh, 2013) showed that some SP stakeholders found it harder than others to reflect independently on their experiences, without being asked direct questions. Greater standardisation of elements of the interview schedule was adopted to support those SP stakeholders who needed more direction.

While this strategy appeared to work well, it also led to the decision to exclude from the study one potential case although the key contact was keen to take part. The standardised elements of the interviews would have been too onerous for the proposed respondents with learning disabilities, without considerable adaptation which would have compromised the comparative function of the data. To avoid unnecessary stress to the participants, the organisation was therefore declined as a case study after discussion. The comprehensive detail of the research tool presented a barrier to participation in this case (see limitations section 3.10).

3.8 Sample characteristics

3.8.1 Characteristics of the online questionnaire sample

The 42 admissible questionnaire responses were spread across England, although there was greater participation from the East of England and London (see Table 4 on p.93). Respondents were chief executives, founders, directors, general and titled managers and often held more than one high-level position. Each response related to a separate SE.

TABLE 4: BREAKDOWN OF THE ONLINE QUESTIONNAIRE SAMPLE BY ENGLISH REGION

Region	n=	%
East of England	10	23.8
East Midlands	0	0.0
London	7	16.7
North East	2	4.8
North West	5	11.9
South East	3	7.1
South West	4	9.5
West Midlands	5	11.9
Yorkshire and Humber	6	14.3
Total	42	100.0

The characteristics of the questionnaire sample were compared in detail to the characteristics of the Social Enterprise UK *State of social enterprise* (SOSE) survey samples from 2013 (n=878) and 2015 (n=1,159). This comparison was carried out in order to ascertain whether the questionnaire sample had approached a similar level of diversity to the SOSE. The politics of SE definition cautioned against certainty that any mapping could provide a definitive account of the SE population. This is why comparison tables have not been provided here, as extensive focus on comparison would appear to constitute a claim that the sample is representative, which is not what is being suggested. Instead the comparison simply proved that the questionnaire sample covered all legal structure, age, income source, turnover and staff size categories that the SOSE covered, thus reaching the same scope and diversity of characteristics.

The key areas in which the online questionnaire and SOSE samples were similar were around proportions of certain legal structures (Companies Limited by Guarantee, CICs) and involvement in work integration. There were also similar proportions of SEs self-identifying as co-ops and earning over three quarters of their income from trading.

Differences between the samples included fewer Companies Limited by Shares in the questionnaire sample, and a higher proportion of SEs that were also registered charities than in SOSE 2015. The questionnaire sample included proportionally more of the larger-end SEs by turnover and staff numbers than either SOSE sample.

The sample for the questionnaire was self-selecting (in comparison to direct contact in SOSE). Self-selection raised the likelihood that the respondents would be larger 'mainstream' SEs embedded in the networks used to distribute the research call. Emerging organisations were, by the nature of the contact method, less likely to respond. This is not a problem for the study aim, but does explain some of the differences in SE size between the samples.

3.8.2 Characteristics of the site visit sample

Table 5 and Table 6 on the next two pages provide contextualising details for each of the site visits. The organisations have been anonymised and are identified throughout the rest of the thesis by their site visit (SV) number, e.g. SV4. To maintain anonymity the characteristics are presented in banded answers. Also, the region of operation has not been given. SEs are often distinctive organisations, so adding the region of operation alongside the other information would have made it easier to identify the SEs. The site visit sample was drawn from six English regions.

3.8.3 Characteristics of the interview sample

A total of 73 interviews were carried out during the site visits. Most of these were carried out in person (84%) with a few by telephone / Skype as preferred by the participant.

A breakdown of the interviews by stakeholder type and site visit is provided in Table 7 on p. 98. Note, that in co-operative organisations (marked with a *), the interviewees were allowed to respond to either the SE staff or SP stakeholder type interviews. This approach allowed them to reflect the participative nature of co-operatives (which is less about helpers and helped and more about mutual aid). While this sensitivity to the co-operative philosophy was appreciated by the participants, it resulted in seemingly low numbers of SP stakeholders for certain cases. Also, it was quite difficult to obtain respondents from organisations which were the SP stakeholders of SEs that focused their impact on collectivities (marked with ** on the table). This is further discussed in the limitations section.

TABLE 5: CHARACTERISTICS OF THE SITE VISIT SAMPLE - FUNCTION

SV	Focus	Key activities	SP stakeholders
1	Mechanical repair / retail	Retail work integration, community activities and education	Young people, work-excluded, locals
2	Community agriculture	Volunteering, production and distribution of goods	Locals
3	Arts incubation	Business support, work integration, training, room hire	Artists and craftspeople (disadvantaged)
4	Business certification	Certification, business support, information provision, campaigning	Third sector businesses
5	Manufacturing	Work integration, housing provision, production of goods	Ex-service people, work-excluded
6	Fairtrade retailing	Selling goods, sourcing ethically, volunteering	Developing country producers, locals
7	Re-use / retail (1)	Work integration, housing provision, renovation of goods, retail	Homeless, work-excluded
8	Community development	Programme delivery, acting as agents for change	'Hard to reach' individuals and groups
9	Community transport	Transport provision, disability access campaigning	People with a disability, older people
10	Community hub	Community centre, multiple social enterprises, work integration	Locals, work-excluded
11	Re-use / retail (2)	Work integration, housing provision, renovation of goods, retail	Homeless, work-excluded
12	Co-operative retailing	Selling goods, sourcing ethically, funding local projects	Local community organisations, staff
13	Service delivery	Service delivery, work integration	Older people
14	Heritage preservation	Restoration and maintenance work, youth activities, volunteering	Future generations, young people

TABLE 6: CHARACTERISTICS OF THE SITE VISIT SAMPLE - FORM

SV	Focus	Legal structure*	Sector of origin	Existed since... (in current form)	Employees (FTE)	Annual turnover	Main (over 50%) income source
1	Mechanical repair / retail	CIC	SE	2005 - 2009	15-49	More than £1 million	Mixed
2	Community agriculture	CBS	VCS	2013 - present	Less than 1	Between £0 and £10,000	Sales (general public)
3	Arts incubation	Charity / CLG	SE	Before 1994	5-14	Between £250,000 and £1 million	Sales (businesses)
4	Business certification	CIC	SE	2010 - 2012	1-4	Between £100,001 and £250,000	Sales (businesses)
5	Manufacturing	Charity / CLG	SE	Before 1994	250+	More than £1 million	Mixed
6	Fairtrade retailing	Registered society	Private	2013 - present	Less than 1	Between £50,001 and £100,000	Sales (general public)
7	Re-use / retail (1)	Charity / CLG	SE	1995 - 2004	5-14	Between £250,000 and £1 million	Sales (general public)
8	Community development	CBS	SE	2005 - 2009	15-49	Between £250,000 and £1 million	Contracts (public sector)

Table continued overleaf...

TABLE 6 CONTINUED

SV	Focus	Legal structure*	Sector of origin	Existed since... (in current form)	Employees (FTE)	Annual turnover	Main (over 50%) income source
9	Community transport	Charity / CLG	SE	2005 - 2009	100-249	More than £1 million	Contracts (public sector)
10	Community hub	Multiple orgs	SE	Before 1994	50-99	More than £1 million	Mixed
11	Re-use / retail (2)	Charity / CLG	SE	1995 - 2004	5-14	Between £250,000 and £1 million	Sales (general public)
12	Co-operative retailing	Registered society	SE	Before 1994	250+	More than £1 million	Sales (general public)
13	Service delivery	Registered society	Public / SE	2005 - 2009	100-249	More than £1 million	Sales (general public)
14	Heritage preservation	Charity / CLG	Private / Public	Before 1994	5-14	Between £100,001 and £250,000	Sales (general public)

*CIC = Community Interest Company

CBS = Community Benefit Society

Charity / CLG = Company Limited by Guarantee with charitable status

Registered society = Co-operative society, known as an Industrial and Provident society before 2014 (Financial Conduct Authority, 2014)

TABLE 7: BREAKDOWN OF INTERVIEWS BY STAKEHOLDER TYPE AND SITE VISIT

SV	Key contact	Staff	SP stakeholder (indiv.)	SP stakeholder (org.)**	Total
1	1	2	3	0	6
2	1	3	1*	0	5
3	1	2	1	0	4
4	1	2	0	0	3
5	1	2	3	0	6
6	1	2	0*	0	3
7	1	2	2	0	5
8	1	3	1	1	6
9	1	3	1	0	5
10	1	2	3	0	6
11	1	3	3	0	7
12	1	4	0*	1	6
13	1	3	2*	0	6
14	1	2	1	1	5
Totals	14	35	21	3	73

The gender balance of the interviewees was 45% female to 55% male. Male SP stakeholders constituted 22% of the overall sample, in contrast to female SP stakeholders contributing 11%. Males appeared to be more prevalent in the cohorts of SP stakeholders at many (not all) of the SEs visited.

A total of 67 of the admissible interview respondents completed the quantitative questions in section D on value creation. Some answered the questions qualitatively but declined to make quantitative indications of value creation.

3.9 Data analysis processes

The design of this study was intentionally multi-faceted. The analysis process cut across the data in different ways, to offer different perspectives. The forthcoming findings chapters have been written thematically in order to make the through-line of the thesis apparent. To support this approach, the analysis processes have been described below and summarised in tables. Each process has been numbered and when findings relating to a particular process are presented in the findings chapters they are labelled with the analysis process number in square brackets – e.g. [3].

3.9.1 Quantitative – Values

In order to benefit from the values questions being presented in *sets* built on Schwartz's theory, it was necessary to understand each response in the context of that respondent's answers to all other questions in the set. To prepare the data for analysis, Schwartz's guidance was therefore followed to transform the existing values data into new variables called 'relative values priorities':

"To measure value priorities accurately, we must eliminate individual differences in use of the response scales. We do this by subtracting each person's mean response to all the value items from his or her response to each item. This converts the ratings into relative importance scores for each of the person's values - into value priorities."

(Schwartz, 2012, p.12)

Assumptions of normality and homogeneity of variance for each of the new standardised variables were checked using skewness, kurtosis, Kolmogorov-Smirnov (K-S) and Levene's test statistics (Field, 2009). Using these measures, it was determined that only half of the variables could be considered normally distributed in the espoused and attributed values data sets. Therefore, in the findings chapters, findings are presented from the appropriate non-parametric tests wherever assumptions of normality and homogeneity of variance are contravened. The findings chapters compare central tendencies using only the median scores, for consistency.

The standardised data was processed in a number of different ways, which have been summarised in Table 8. More detail is given after the table.

TABLE 8: ANALYSIS PROCESSES - QUANTITATIVE VALUES DATA

No.	Data	Source	Specific data	Process	Purpose
1	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data)	Ranking tables of median values priorities across the whole questionnaire cohort	To ascertain which 'official' inward and stakeholder-facing values were most and least commonly prioritised across the full cohort of SEs.
2	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data)	Calculation of the percentage of organisations ranking particular espoused values in their 'top three'	To check whether any of the inward or stakeholder-facing values could be considered common priorities across the full cohort of SEs.
3	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data) by full range of SE characteristics data	ANOVA / Kruskal-Wallis (T-test / Mann Whitney U)	To ascertain to what extent the values espoused by key contacts in SEs varied consistently by the characteristics of their SE.

TABLE 8 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
4	Quant	Questionnaire / Interview section C	C8 / C9 - inward and stakeholder-facing values (standardised data) by stakeholder type	Ranking tables of median values priorities across the different stakeholder samples within the whole cohort	To ascertain whether the pattern of values prioritisation (and perception of values prioritisation by SP stakeholders) was the same or different across stakeholder types and to highlight any differences.
5	Quant	Questionnaire / Interview section C	C8 / C9 - inward and stakeholder-facing values (standardised data) by case (SE practitioner responses only)	Maximum / minimum tables for the values variables, split down by case. These tables were checked for variables with a minimum value of 0 to indicate where all values scores were above average in each person's set of responses.	To ascertain the relative level of consistency of response to the values questions across the key contacts and staff who responded within the context of each site visit.

Checking for associations between standardised values scores and SE characteristics [3] involved exploratory analysis, with no pre-defined hypotheses. For this reason, two-tailed significance was assessed. The possibility of type I errors in exploratory research (Field, 2009) was acknowledged, so only findings backed up by significant pairwise comparisons have been presented here. The plausibility of each finding has been considered with reference to the researcher's existing knowledge, in the findings chapters.

Although the overall interview cohort was fairly large, once segmented by case the respondent numbers were low. The analysis process determining values agreement [5] was therefore developed to use this limited quantitative data to the extent it could usefully prompt fruitful lines of enquiry. By checking which variables were universally seen as of above average importance within each case, it was possible to gain a basic indication of values prioritisation, for the purpose of starting to find grounds on which to differentiate SEs.

Within organisational climate and leadership research, various measures are conventionally used to investigate within-group variance: standard and average deviation, interrater agreement indexes, and coefficients of variation (Roberson et al., 2007; Biemann et al., 2012). Inter-rater agreement indexes were found to be less suitable than SD for measuring dispersion in such studies (Roberson et al., 2007). Therefore, initially the SD of the values sets, by case, was calculated. However, because the calculation referred to the consistency of response to *all* the values variables in a set (inward- or stakeholder-facing), it and other statistical processes did not help differentiate SEs on the grounds of the *content* of value choices, which was the understanding needed to inform the later parts of the study. The analysis process described above [5] was used because it provided more relevant evidence.

3.9.2 *Quantitative – Value creation*

The quantitative variables for the value creation data were not normally distributed. For this reason, non-parametric tests were used with these variables throughout. For the relevant analysis processes, see Table 9.

TABLE 9: ANALYSIS PROCESSES - QUANTITATIVE OUTCOMES / VALUE PERCEPTION DATA

No.	Data	Source	Specific data	Process	Purpose
6	Quant	Interview section D	D2.1.1-20	Basic frequencies of capabilities outcomes reported (e.g. where the respondent did not score the outcomes area 0 or missing)	To understand which capabilities areas were most often reported as areas of change created by the SEs interacting with SP stakeholders, regardless of the level of value assigned to those changes.
7	Quant	Interview section D	D2.1.1-20, D2.2.1-20 By interview schedule (individual / organisational)	Ranking tables for the frequency of responses indicating that ‘very important’ change (value) had been created in particular capabilities areas	To check in which capabilities areas most change was reported and to compare the responses to the individual and organisational question sets, to explore any differences.

Table continued overleaf...

TABLE 9 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
8	Quant	Interview section D	D2.1.1-20, D2.2.1-20 by type of stakeholder	Ranking tables of relative importance perceptions of the capabilities areas, across the whole cohort and also split down by stakeholder type	To explore the priorities of the cohort as a whole / the different stakeholder types.
9	Quant	Interview section D	D2.1.1-20, D2.2.1-20 by type of stakeholder	Kruskal-Wallis tests to check for significant differences between the combined SE practitioner value creation reports and the SP stakeholder value creation perceptions	To understand if there were significant differences in value creation reports / perceptions between the different types of respondents, in order to check the homogeneity or otherwise of the value creation data.
10	Quant	Interview section D / Characteristics data from questionnaire	D2.1.1-20, D2.2.1-20 / by range of SE characteristics data	ANOVA / Kruskal-Wallis (T-test / Mann Whitney U)	To check whether any particular SE characteristics categories associated with significantly different levels of response to the value creation questions.

3.9.3 *Qualitative – Values*

Table 10 on p.106 sets out two key ways the qualitative data on values was analysed. The inductive thematic analysis on values was carried out by identifying and then close-coding every *intentional* statement about organisational values to be found in the interview data [11]. *Intentional* statements were statements made directly in response to questions about values (i.e. comments alongside answers to section C and in response to the open-ended values question F1). This process was partly informed by, but not limited by, conceptual notes developed during the fieldwork and transcription phases via the process of reflective memo-ing (see section 3.4.5). Detailed codes were amalgamated under umbrella conceptual codes to refine the findings.

The list of the conceptual codes from this first process was then used to code *inferred* values statements [12]. *Inferred* values statements were made by respondents in the course of responding to interview section D. Section D asked the respondent to explain to what extent any perceived change was important, and why. In answering these questions, some respondents made comments which illustrated their perceptions of the priorities of the organisation. These excerpts were identified and coded. The codes were compared to the intentional statements to check for similarities and differences.

3.9.4 *Qualitative – Value creation*

Additional qualitative analyses were carried out using the comments made in response to the value creation questions (see Table 11 on p.107). One of these [14] was simply a review of themes, carried out using a loose analysis technique known as immersion / crystallisation (Crabtree and Miller, 1999), which relies on the interpretive power of strong familiarity with the data.

The other analysis process [13] was a small-scale inductive line by line analysis. It was carried out to build on the observation that overall the cohort reported most value creation in the area of fostering self-esteem (D2.3.7). The qualitative data from this one question was used as a microcosm for gaining further insights into how values priorities may coalesce around certain concepts of the good but diverge around others.

TABLE 10: ANALYSIS PROCESSES - QUALITATIVE INTENTIONAL / INFERRED VALUES ANALYSIS

No.	Data	Source	Specific data	Process	Purpose
11	Qual	Interview (parts of C and F1)	'Intentional values' statements (qualitative comments alongside section C and in response to final values question)	Identification of excerpts containing 'intentional values' statements. Inductive thematic analysis of excerpts in NVivo. Close-coding across the interview sample.	To understand the story people's open-ended comments told about the values priorities of their organisations and to be able to compare these to their quantitative responses to judge any difference or discrepancy.
12	Qual	Interviews (section D)	'Inferred values' statements (qualitative comments in response to D2.3.1- 20 and the following discussion)	Identification of excerpts containing 'inferred values' statements. Template analysis (using the codes developed for intentional values) in NVivo. Close-coding across SE practitioners only.	To understand the story people's open-ended comments (within the context of a discussion of value creation) told about their organisational priorities and to be able to judge any difference or discrepancy with the intentional values statements.

TABLE 11: ANALYSIS PROCESSES - QUALITATIVE DATA ON VALUE CREATION

No.	Data	Source	Specific data	Process	Purpose
13	Qual	Interview D2.3.7.	Open-ended responses to 'self-esteem' impact question	Separate inductive thematic analysis in NVivo. Close-coding across the interview sample	To build on the observation that fostering self-esteem had been seen as the change of most importance that the SEs were perceived to have brought about, by using it as a microcosm for gaining further insights into the results of the inferred values analysis.
14	Qual	Interview D2.3.1-20	Qualitative responses to all capabilities questions (SP stakeholders only)	Review of themes following an immersion / crystallisation analysis technique	To better understand and foreground the SP stakeholder perspective on value creation, by attempting to discern any strong tendencies to interpret SE value creation in particular ways.

TABLE 12: ANALYSIS PROCESSES - MIXED DATA

No.	Data	Source	Specific data	Process	Purpose
15	Mixed	Interview transcripts processed in NVivo	Intentional and inferred values statements – coded excerpts from analysis processes 11 and 12	NVivo query: Generated a node matrix of frequencies with the rows as the intentional or inferred values statements codes and the columns as cases, for each stakeholder type.	To understand the detail of the coding response (particularly regarding outcome values) to the qualitative feedback provided by particular stakeholder types within the diverse SE cases.
16	Mixed	Matrices formed in analysis process 15 + reference back to NVivo coding	Intentional and inferred values frequencies + reference back to the content of the original values statements	Creation of an overview table setting out the balance of outcome value priorities, by looking at coding frequency and incorporating qualitative judgement. / Creation of a summary table to distil the two most emphasised values.	To discern tendencies in values prioritisation across the case organisations.

3.9.5 *Mixed data*

All of the original coding for the qualitative values work was completed using NVivo. During the main analysis NVivo functioned solely as a repository for transcripts, and an indexing tool to allow the codes to be viewed by SE case or type of respondent. However, a few separate analysis processes were carried out which made use of the query function on NVivo to quantify elements of the qualitative coding (see Table 12 on p.108). This was done to allow a rough and ready comparison of the qualitative coding with the quantitative data.

By carrying out an NVivo query it was possible to see how many of the transcript sources (each representing a respondent) contained at least one coded statement. The frequencies were compiled into tables for each stakeholder type, by case, for intentional and inferred values [15]. Comparison of these matrices was then used as one of the influences on a qualitative judgement of the overarching values tendencies in each case [16].

3.9.6 *Qualitative – Decision-making*

The data for the decision-making analysis process was drawn from section E of the interviews. Rather than identifying excerpts and coding them, as with the qualitative analysis processes described above, this data was examined in its entirety using an abductive process to abstract from particulars to conceptual summaries [17]. The abstraction process involved summarising and then re-writing the SE practitioner stories about dilemmas, barriers or hard decisions, so as to explore the underlying tensions or unproblematised assumptions behind the decision-making involved. Thematically similar tensions and assumptions were then listed, refined further and, where appropriate, related to findings about values orientations. This process is represented in Table 13 on p.110.

3.9.7 *Values and value creation*

Table 14 on p.111 sets out the analysis processes relating to values and value creation. To consider the influence of values on value creation, one strategy available was to check for broad associations between the espoused values and the value creation reports [18]. These were both relatively small quantitative data sets with non-normal

TABLE 13: ANALYSIS PROCESSES - DECISION-MAKING

No.	Data	Source	Specific data	Process	Purpose
17	Qual	Interviews (section E)	Narratives of how a) the organisation brings about the impact claimed and b) what barriers, decisions and dilemmas are involved in that practice.	Identification of excerpts that described decisions or dilemmas. Abstraction from particulars to a conceptual summary. Excerpts from SE practitioner interviews only.	To better understand the extent to which values appear to guide decisions about SE activities - including governance, management, everyday activities and interpersonal contact. To identify where decisions are implicit rather than explicit.

TABLE 14: ANALYSIS PROCESSES - VALUES AND VALUE CREATION

No.	Data	Source	Specific data	Process	Purpose
18	Quant	Questionnaire / Interview section D	C9 stakeholder-facing values (standardised data) / D2.1.1-20, D2.2.1-20	Kendall's tau correlation tests	To check whether any priorities in espoused values are associated with any particular areas of reported value creation.
19	Mixed	Analysis process 5	Sets of cases / D2.1.1-20, D2.2.1-20	Kruskal-Wallis tests (and associated pairwise comparisons, carried out within SPSS)	To check whether sets of cases based on the differences in the priorities attributed to SEs by their SE practitioners are associated with any particular areas of reported value creation.
20	Mixed	Analysis process 16	Binary variables for Access, Guardianship, Growth and Self-determination focus / D2.1.1-20, D2.2.1-20	Kruskal-Wallis tests (and associated pairwise comparisons, carried out within SPSS)	To check whether an apparent tendency to focus on particular outcome values within a case associated with any specific areas of reported value creation.

variables in both, so these indications are reported as prompts for qualitative thinking, rather than as standalone evidence. In order to check for associations, a Kendall's tau non-parametric correlation test was run on the espoused values variables and the value creation variables for the whole cohort / the SP stakeholder responses alone.

During earlier analysis processes [5 and 16] two different ways of differentiating the cases by values orientation were developed. From these, it was possible to split the case cohort down into sets and use the Kruskal-Wallis test to check the respondent value creation reports against each other to ascertain whether the scores from any sets differed significantly from each other [19 and 20]. Pairwise comparisons were always consulted.

3.9.8 Addressing the data as a whole

The final objective of this research was to posit potential mechanisms for how values could be involved in processes and perceptions of value creation for SP stakeholders. Where the analysis previously dealt with discrete data sets, the final objective could only be addressed by bringing all the findings together in a more contextualised, case-by-case understanding. This last step was necessary to fulfil the explanatory intent of the project.

This stage of the analysis drew heavily of the ethnographic influence on the study, iteratively re-approaching the full dataset as a tool 'to think with' (Hammersley and Atkinson, 2007). It moved in a non-linear, iterative fashion between description, re-description, theoretical positing, retrodution and comparison (Neergaard and Parm Ulhøi, 2007). This has been described as the ideal way to weave insights together and prompt the conceptual leaps required for theory development (Klag and Langley, 2013). This process has not been numbered as its effects permeate the thematic presentation of the findings in the forthcoming chapters.

3.9.9 Analysis processes overview

The analysis processes presented from Table 8 to Table 14 have been amalgamated into one list which covers all twenty numbered analysis processes conducted for this study. This table may be found in Appendix 7 for easy reference.

3.10 Methodological limitations

This section gives an overview of acknowledged limitations and discusses the extent to which they could be expected to have influenced the findings.

Firstly, the quantitative work in this thesis was exploratory in nature. Without hypotheses, two-tailed significance tests were run. This meant more stringent significance levels than if the process had been deductive. Also, many of the tests performed were non-parametric tests because the data contravened the distribution assumptions required for parametric tests. Although there is disagreement over whether non-parametric tests can be said to be less able to detect genuine effects (Field, 2009), this approach may have added to the potential for power issues in the quantitative work. Post-hoc tests were carried out to guard against type I errors and to check association claims, which provided greater confidence in the results. However, the strict criteria for significance that were adopted in these post-hoc tests mean they are traditionally seen as having less power than ‘planned contrasts’, their deductive equivalent (Field, 2009).

Despite the potential for issues of power, interesting and significant associations *were* detected via the quantitative work on values and value creation. Non-statistical ranking and consensus-checking exercises based on the quantitative data were also illuminating and provided data that triangulated to some extent with the more detailed qualitative findings. For this reason, the quantitative elements of the study were incorporated into the written thesis as exploratory indications and considered for plausibility in the light of the extensive parallel qualitative work.

With regard to sample size, it is acknowledged that samples of five to six participants per SE cannot be considered representative, for statistical purposes, of the members of the whole organisation – either in terms of values or value creation responses. The choice to focus on a broader set of cases, rather than greater number of respondents from those cases, was strategic from the point of view of the resources and time available for this study. In recognition of this potential limitation, most of the analyses using quantitative responses did not focus on case by case data, but rather larger sub-samples (e.g. by stakeholder type, by SE characteristic or orientation). For judgements of consensus or values congruence, no statistical methods were used and qualitative judgements were prioritised. Nevertheless, it is acknowledged that the use of the aggregated quantitative value creation data in the final set of associational tests [18-20] did rely on statistical treatment of data from small case samples. The justification for writing the results of these tests into the final thesis was simply that the quantitative

results appeared to summarise the independently conceived qualitative judgement of the value perceived in SEs with different orientations. As such, omitting them seemed disingenuous, considering that exploratory tests had been performed and statistically significant results obtained.

A higher proportion of the SEs in this study's samples were larger and older than those reached by the randomised sampling of Social Enterprise UK's *State of Social Enterprise* surveys (2013; 2015). This was explained and justified in section 3.8.1, and at least some smaller and less formal organisations were included in both of the main samples. However, the relative stability and size of the participating organisations should be acknowledged. Only the managers of stable and relatively well-functioning SEs self-selected to participate and therefore one of the key questions for future research would be whether the study's findings on the commonality of certain types of process values across diverse cases would be the same if the sample had included more small, radical and / or struggling SEs.

One of the aims of this research was to include the voices of SP stakeholders in assessments of values and value creation in a way that had not been done before in the academic literature of the field. The interview schedules were developed to provide grounds for comparison between types of respondent and different cases, using standardised questions based on established theory. As such they were justified because they served the intention of the study to be holistic and comparative. Yet, because of ethical concerns relating to the relative complexity of these questions, one group of people with learning difficulties was excluded from participation (see 3.7). This means that the inclusive aims of the study could not be fully realised. This is a limitation that probably made little impact on the overall conclusions, because relatively few potential participants were excluded. Yet, it is a limitation that could be instructive for future projects aimed at broadening the voices included in academic studies.

Some SEs focussed their work on collective entities (businesses, voluntary groups) rather than individuals. One limitation of this study is that it was not possible to gain many participants who would represent their collective entity by participating in an interview. This problem appeared to stem mainly from the demand rather than supply side: SE practitioners appeared more reluctant to place the interviewer in contact with their organisational SP stakeholders. It is unclear why SE practitioners who had chosen to participate themselves were more difficult to engage in promoting the research to these stakeholders. One speculation might be that while the relational

ties of individual SP stakeholders to SEs appeared to be relatively strong due to close proximity (the SP stakeholders were often physically located at the SE site during the site visit and did not therefore have to change their daily routine to participate), the relationships between SEs and their organisational SP stakeholders were likely to be more attenuated by distance and less regular contact. This may have placed the SE practitioners in a more awkward position of requesting participation from SP stakeholders who they otherwise existed to serve. The result may be that this research includes less understanding of values and value creation around collective entities than might otherwise have been the case. Given the individualistic bias in much of SE research, counteracting this should be considered a priority for future research.

One of the limitations of the open-ended nature of interview section E was that respondents were not specifically directed to discuss governance. Given the original intention to look at the practical means by which values heuristics were translated into outcomes via governance, programmes and interpersonal relationships, this was an oversight. It also limited insight into decision-making relating to the concept of ‘open communication’ within SEs, which is discussed in the findings chapters. Future research on value creation should potentially more explicitly undertake to consider the implications of different forms of governance, especially given that SE practitioners appear not to choose to foreground this aspect of their work when asked about decision-making.

This study was always aimed at considering value creation for the SP stakeholders – i.e. the legitimating targets of SE activity. Nevertheless, the conception of value creation developed via the introduction, literature review and parts of the methodology was perhaps philosophically more committed to understanding radical and collective value creation than the emphasis of the quantitative outcomes interview questions may have conveyed. It is likely that this would have been mitigated by the ample open-ended opportunities for the participants to discuss collective priorities (and many did stress these elements) in the qualitative side of the interviews. The balance of attention conveyed by the interview schedule content seems justified in the context of a research study specifically about the experiences and perceptions of SP stakeholders, but future researchers could perhaps construct interview schedules even more purposefully to prompt the discussion of radical and collective interests and the extent to which they are weighed up with other concerns.

4 Findings preface

4.1 Purpose of the findings preface

This preface serves two important functions in the organisation of the thesis. Firstly, it introduces and explains the organisation of the three findings chapters and their relationship to the discussion chapter. Secondly, it explains the terminology adopted in the following chapters to distinguish between types of values and values statements. These elements are provided in the preface to prepare and guide the reader through the thematic presentation of the findings.

4.2 Overview of the organisation and content of the findings chapters

The findings chapters are organised thematically, in order to illustrate the through-line of the central theses of this study. The main findings chapters address in turn: organisational values, values-led decision-making and value creation. These correspond to the three research sub-questions presented in the methodology:

- a. *Exploring organisational values:* Are there organisational values common i) to SEs in general and ii) within individual SEs across varied stakeholders? Are there meaningful differences?
- b. *Exploring decision-making:* To what extent do organisational values guide decisions about SE operations (including governance and management practices and interpersonal relationships) and how does this process work?
- c. *Exploring value creation:* What outcomes do SP stakeholders experience and what is the perceived value of those experiences (according to different stakeholders)?

The third findings chapter also tackles the overarching research question:

How do organisational values in SEs influence the nature of value creation processes for SP stakeholders in these organisations and how do different internal stakeholders perceive this process and its results?

Each findings chapter draws on multiple sources of data and analytical processes, both quantitative and qualitative. This approach has been adopted (rather than a quantitative / qualitative split or chronological presentation) for purposes of argumentative clarity and parsimony of presentation. Using multiple data sources and data of different types to support and develop each argument foregrounds the mixed methods nature of the study.

Each of the findings relates back to a specific data source and analysis process. These are labelled in the text in square brackets and a reference table is provided (in Appendix 7), to ensure that the source for each piece of evidence is clear.

At the end of each findings chapter, there is a summary section. At the end of the third findings chapter the insights are brought together to provide an overview of the ways in which this study has addressed the research questions and aim. The discussion chapter expands upon the meaning of the findings to posit a model of five ways in which values are involved in influencing value creation processes and perceptions. The discussion chapter considers the implications of this model and contextualises the findings.

4.3 Making sense of terminology

This section clarifies the terms used in the findings chapters. Most of these have already been introduced, but they are presented here together for reference. This section covers the Schwartz values dimensions and differentiates between inward- and stakeholder-facing values / process and outcome values.

4.3.1 The values dimensions explained

The words used to label each of the ten Schwartz values dimensions are common words, but they are used in the Schwartz theory with precision. Table 15 provides a brief outline of the main motivational goals underpinning each dimension in the original theory at individual level. The explanations have been taken verbatim from Schwartz's (2012, pp.5-7) work. The quantitative values questions were formulated to build on these dimensions (see Appendix 1). Each values variable was labelled with a reference letter. These letters are included in Table 15 and used throughout the thesis for clarity.

TABLE 15: SCHWARTZ'S UNIVERSAL VALUES DIMENSIONS

Ref.	Values	Explanation of the motivational goal
A	Achievement	“Personal success through demonstrating competence according to social standards”
B	Power	“Social status and prestige, control or dominance over people and resources”
C	Security	“Safety, harmony and stability of society, of relationships and of self.”
D	Conformity	“Restraint of actions, inclinations and impulses likely to upset or harm others and violate social expectations or norms”
E	Tradition	“Respect, commitment and acceptance of the customs and ideas that one’s culture or religion provides” (adapted in the actual questions to the idea of operating according to a moral framework)
F	Benevolence	“Preserving and enhancing the welfare of those with whom one is in frequent personal contact (the in-group)”
G	Universalism	“Understanding, appreciation, tolerance and protection for the welfare of <i>all</i> people and for nature”
H	Self-direction	“Independent thought and action – choosing, creating, exploring”
I	Stimulation	“Excitement, novelty and challenge in life”
J	Hedonism	“Pleasure or sensuous gratification for oneself”

Source: Schwartz, 2012, pp.5-7

Occasionally, within the following findings chapters, reference is made to the underlying orientations which Schwartz (2012) suggested differentiated his values dimensions. Table 16 on p.119 shows that differentiation in simplified form. Figure 1 on page 60 may also be consulted to see these values arranged as a circular pattern of relationships.

TABLE 16: SIMPLIFIED MATRIX OF SCHWARTZ UNIVERSAL VALUES DIMENSIONS

	Prevention of loss	Promotion of gain
Personal focus	<i>Self-enhancement</i> (Achievement / Power / Hedonism)	<i>Openness to change</i> (Hedonism / Stimulation / Self-direction)
Social focus	<i>Conservation</i> (Security / Conformity / Moral framework)	<i>Self-transcendence</i> (Universalism / Benevolence)

Adapted from Schwartz, 2012, p.13

4.3.2 *Inward- and stakeholder-facing values*

McPhee and Zaug (2009) suggested that the continuous communication that occurs within organisations constitutes and reproduces organisational identity through how people within the organisation talk about themselves as a group or about their interactions with others outside the group. These ideas influenced the development of the quantitative values questions. They were split into two groups: a) inward-facing (IF) questions aimed at eliciting responses on collective priorities regarding the organisation as an entity and b) stakeholder-facing (SF) questions aimed at eliciting responses on collective priorities regarding stakeholders coming into contact with the organisation.

In the following chapters, the different sets are signified by the reference labels IF or SF used in conjunction with the letters given above for the individual values. For example, inward-facing self-direction would be labelled IF-H.

The questions were written with the intent of conveying the ten different *end states* suggested by the Schwartz values model. When the questions were developed, little attention was paid to the distinction explored below: the difference between process and outcome values. Yet, this distinction has become considerably more important in light of the analyses that will be presented in the forthcoming findings chapters.

4.3.3 *Process and outcome values*

In his classic work on values, Rokeach (1973) discussed the difference between means- and ends-related values and referred to them using the labels ‘instrumental values’ (to refer to preferred modes of conduct) and ‘terminal values’ (to refer to preferred end states). While he agreed that some instrumental values could be mapped onto terminal values (i.e. the preference for a particular *process* could be thought to be preferred because it would lead to a particular preferred *outcome*), Rokeach (1973) asserted that not all instrumental values had a terminal corollary. He saw this as especially true in relation to morality, where people chose to act in a way they considered moral *in and of itself*, not just in order to bring about particular end states. This understanding is familiar from debates in philosophy and ethics as the difference between deontology and consequentialism, and will be taken up further in the discussion chapter. However, the distinction was not originally one that was operationalised within this study, for the following reasons.

By creating interview prompts based on Schwartz’s universal values, the research implicitly accepted many of the assertions that surrounded his theory. Schwartz (1994) had, on the basis of his cross-cultural studies, refuted Rokeach’s claims of a mismatch between instrumental and terminal values. He suggested that Rokeach’s understanding had been incomplete and that when the full range of underlying universal values was exposed, the differences amounted simply to the same “motivational concerns” in adjective and noun form respectively (Schwartz, 1994, p.35). The assertion that ultimately all preference beliefs were about end states fit with the aims of this study. Accepting Schwartz’s assertion promised to make it easier to match up beliefs held collectively within an organisation about preferred end states (values) and perceptions of the resulting end states (value creation).

During the inductive thematic analysis [11] a distinction between means- and ends-related values was evident in the qualitative intentional values statements (Table 17 on p.121 provides a reminder of the differences between intentional and inferred values statements). As the analysis was inductive at this point, it was possible to discern the conceptual split in how staff spoke about their organisation’s values and to keep that split within the analysis framework, rather than attempting to force all of the values identified into end state preferences. In intentional values statements, respondents routinely emphasised modes of conduct more than preferred outcomes. The balance was different for the inferred values statements [12], where preferred end

states were equally as mentioned as preferred modes of conduct. However, it should be noted that the latter statements were collected during the interview section specifically about value creation. Given that the section focused on discussing ‘actual’ (rather than just ‘ideal’) end states, the high proportion of comments relating to modes of conduct could still be seen as indicative of a strong tendency to express values priorities as verbs rather than nouns even when not asked to.

TABLE 17: EXPLAINING INTENTIONAL AND INFERRED VALUES

Type	Explanation	Source of data
Intentional	Statements made in response to questions where the topic of discussion was explicitly values.	Section C open comments / Open-ended values question (Section F of interview)
Inferred	Statements made in the course of responding to questions about perceived ‘actual’ value creation. Additional comments which illustrated respondent perceptions of the SE’s priorities.	Qualitative responses to value creation questions (Section D of interview)

The means- and ends-related themes from the analysis of intentional and inferred values statements were checked to see whether they mapped onto each other, as would have been expected from Schwartz’s (1994) indications. However, the preferred modes of conduct could not be mapped onto the preferred end-states that had been identified. Consequently, these categories were kept separate in the analysis.

While the distinction between means and ends has already been discussed using the terms ‘instrumental’ and ‘terminal’ values by Rokeach and Schwartz, in this thesis these types are labelled, respectively, ‘process’ and ‘outcome’ values for four reasons.

Firstly, the change in terminology marks the intention to break from previous conceptualisations, not just words. Process and outcome values do not carry with them extra conceptual ‘baggage’ from the work of Rokeach and Schwartz and can therefore be used as fresh terminology to illustrate the findings of this study.

Secondly, the intentional use of different labels distinguishes that these terms refer to organisational values rather than to personal, individual ones.

Thirdly, using the label ‘instrumental’ for process values in the context of the discussion would cause confusion, because the word ‘instrumental’ may also be used with reference to Weber’s (1978) differentiation between modes of decision-making as ‘instrumental’ (*zweckrational*) and ‘values-based’ (*wertrational*). Whereas in Rokeach’s conception the ‘instrumental’ approach is more closely linked with a deontological ethical approach because it focuses on the morality of *how* to do something, in Weber ‘instrumental’ rationality can be interpreted as consequentialist because it focuses on calculating the best way of achieving a particular end. This means that the same term is being used for roughly opposing concepts, which it would seem sensible to avoid.

Finally, within the field of SE and of the VCS more widely, use of the words process and outcome (particularly with reference to evaluation) is already common and should make the findings of the study more accessible to SE practitioners when disseminated. Aiken (2002) chose to differentiate these types of values as process and product values in his study of how social economy organisations reproduce their values. His example of a ‘product’ value related to any preferred end state a social economy organisation attempted to deliver. ‘Outcome’, rather than ‘product’, has been used here for greater clarity.

The terms process / outcome values are not precise synonyms for the terms inward- / stakeholder-facing values. The former refer to *how* and *why* SEs should do things and the latter refer to *for whose benefit* they should do them. As a consequence it is possible to combine these terms to understand the types of values beliefs being conveyed (see Table 18). These distinctions are revisited in the first findings chapter.

TABLE 18: EXPLAINING PROCESS, OUTCOME, INWARD- AND STAKEHOLDER-FACING VALUES

	Process	Outcome
Inward-facing	We should act like this to be a ‘good’ organisation.	We should bring about this to be a ‘good’ organisation.
Stakeholder-facing	We should act like this to provide a ‘good’ experience for our stakeholders.	We should bring about this to provide a ‘good’ result for our stakeholders.

5 Findings I: Understanding SE organisational values

5.1 Chapter overview

The first step towards understanding how organisational values influenced value creation was exploring whether it was possible to gain meaningful accounts of SE organisational values. Recognising levels of consensus was a prerequisite of discerning the organisation-wide influence of those values. The first research sub-question therefore asked: Are there organisational values common i) to SEs in general and ii) within individual SEs across varied stakeholders? Are there meaningful differences?

This chapter answers that question in four parts. The first part presents cross-cohort quantitative and qualitative data on commonalities and differences in SE key contact accounts of organisational values. The second part explores potential differences in the perception of organisational values between key contacts, staff and SP stakeholders. The third part identifies differences between intentional and inferred values statements. The findings from each of these sections then provide the impetus for differentiation of the cases on the grounds of values orientation. This makes it possible to consider the influence of different values orientations on value creation in the following chapters.

The findings are detailed, but the overarching argument presented here is relatively simple. This chapter argues that there is a surprising level of consistency across SEs on organisational process values that guide *how* the SE interacts with the SP stakeholders. Not every staff member at every SE suggested they were guided by these values, but some consistency was apparent even across the diverse SEs in the qualitative sample (from a large commercial retailer to a small heritage organisation). However, the process values do not map simply onto the outcome values. The reported outcome values differed between SEs with similar process values and even sometimes within SEs. The implications of these differences are explored at the end of the chapter.

5.2 Similarities and differences in organisational values across SEs

5.2.1 Discovering common values in the questionnaire findings

In the questionnaire, SE key contacts were instructed to try to represent the ‘official’ values of their organisations when answering the values questions. Table 19 and Table 20 give an overview of the relative value priorities found across that diverse

cohort of 42 SEs [1] by presenting high-to-low ranked lists of the medians of the standardised (see 3.9.1) values variables.

TABLE 19: MEDIAN INWARD-FACING VALUES PRIORITIES FOR THE ONLINE SAMPLE

Values	Inward-facing values questions	Median values priorities	SD
Achievement	IF-A How can we achieve the best overall outcome for all parties involved?	0.45	0.60
Benevolence	IF-F How will our actions impact on the welfare and relationships of the people we come into contact with?	0.40	0.64
Moral framework	IF-E Are we acting with integrity, in a way that can be considered moral?	0.30	0.55
Universalism	IF-G Are we considering the diverse needs and perspectives of all involved and trying to come to an equitable solution?	0.20	0.64
Self-direction	IF-H Will this course of action allow us to maintain our independence and determine our future course?	0.15	0.74
Stimulation	IF-I Is there something new or innovative we could do to approach this in a different way?	0.10	0.66
Security	IF-C How can we avoid putting our organisation at risk?	0.10	0.70
Conformity	IF-D Are we doing what we are supposed to be doing, according to the appropriate regulations, standards and expectations of an organisation in this field?	-0.05	0.70
Power	IF-B What will make us influential and respected in our field?	-0.05	0.98
Hedonism	IF-J Will we enjoy this course of action?	-0.85	1.18

TABLE 20: MEDIAN STAKEHOLDER-FACING VALUES PRIORITIES FOR THE ONLINE SAMPLE

Values	Stakeholder-facing values All sentences start ‘We think that it is important for people to...’	Median values priorities	SD
Achievement	SF-A ... gain skills and knowledge so that they can do what they do well	0.60	0.54
Self-direction	SF-H ... be able to plan and make choices about their own lives	0.50	0.58
Security	SF-C ... feel safe and live in stable surroundings	0.30	0.65
Benevolence	SF-F ... be able to form good relationships and express care and concern for family and friends	0.25	0.62
Hedonism	SF-J ... enjoy life and experience pleasure in what they do	0.25	0.68
Universalism	SF-G ... be open and interested in the world, especially trying to understand things from other people's points of view	0.00	0.62
Stimulation	SF-I ... seek out challenges and new experiences	-0.05	0.50
Moral framework	SF-E... respect the traditions and beliefs of their community	-0.20	0.74
Power	SF-B ... earn money and move up in the world	-0.45	0.88
Conformity	SF-D ... understand how to fit in with what society generally expects	-0.50	0.78

Achievement (IF-A), benevolence (IF-F) and working with a moral framework / integrity (IF-E) appeared to be the highest relative value priorities, when key contacts reported inward-facing organisational values. These were ranked as ‘top three’ relative values priorities [2] for high proportions of the cohort (Achievement 90%, Integrity 86% and Benevolence 83%). They could potentially be thought of as common SE values. The qualitative analysis that follows explores the nuances of this argument.

Where the Schwartz model *at individual level* anticipates potential tensions between benevolence and achievement orientations, these were prioritised together across the study cohort ($\tau = .59$, $p < .001$). While this is not in line with the tension anticipated at individual level, it may reflect the “inescapable duality” (Griffith, 2009)

of SE organisations committed to achieving a social purpose, but achieving it not for themselves but for other stakeholders.

The ‘top four’ stakeholder-facing values across the cohort [1] were achievement (SF-A), self-direction (SF-H), security (SF-C) and benevolence (SF-F). These four values related to the four different quarters of Schwartz’s (1992) universal values model (see Table 16 on p.119). In the individual model these quarters represented different and conflicting fundamental orientations to the world, so the finding that they were all considered important in the stakeholder-facing data suggested a considerable diversity of values guiding SEs. This evidence of values diversity was promising as it opened the door to considering the influence of different priorities on value creation.

Yet, values diversity should not be overemphasised. Stakeholder achievement was still ranked within the top three relative values priorities [2] of 88% of the questionnaire cohort and self-direction 81%. Perhaps, given their high representation across the cohort, stakeholder-facing achievement and self-direction priorities should also be considered potential common SE values. Whether or not stakeholder security and benevolence values should be thought of as common is less clear cut as they were ‘top three’ values in only 67% and 64% of the admissible responses, respectively.

The commonalities and differences presented here started to answer the first part of research sub-question 1: Are there organisational values common to SEs in general? The quantitative findings suggested that there were a few potentially common priorities. The qualitative analysis that follows (5.2.3) provides further interpretation of these suggestions. However, first the next section briefly explores whether any externally visible SE characteristics were associated with relative values priorities, as a first step towards understanding on what grounds SE organisational values could differ.

5.2.2 Differences in relative values priorities by organisational characteristic

A variety of tests were employed [3] to explore the relationship of the relative values priorities and the categorical data on SE characteristics (see Appendix 8 for details of the variables and tests used). It is important to acknowledge that these tests were carried out as it shows that potential structural distinctions between SEs were explored. However, these distinctions proved less useful overall than other differences in orientation discussed more fully in forthcoming sections. For this reason, the findings will only be presented in brief. They are summarised in Table 21.

TABLE 21: DIFFERENCES IN RELATIVE VALUE PRIORITIES BY SE CHARACTERISTICS

Espoused values	Characteristic	Test	Sig.	Significant (pairwise) comparisons
IF-B (power): What will make us influential and respected within our field?	Origins of the SE (Q12)	H(3) = 9.934	p<.05	'Origins in VCS' lower than 'Always been a SE' / 'Origins in public sector'
IF-D (conformity): Are we doing what we are supposed to be doing, according to the appropriate regulations etc.?	Turnover (Q15)	H(4) = 12.000	p<.05	'£0 to £15,000' lower than 'More than £1 million'
IF-H (self-direction): Will this course of action allow us to maintain our independence and determine our future course?	No. of staff (Q14)	H(6) = 17.37	p<.01	'0 or less than 1 FTE' lower than '1-4', '15-49', '50-99'
SF-B (power): We think that it is important for people to earn money and move up in the world	Origins of the SE (Q12)	H(3) = 9.18	p<.05	'Origins in public sector' lower than 'Always been a SE'
SF-G (universalism) We think that it is important for people to be open and interested in the world etc.	Work integration (from Q4)	t = 3.63	p<.01	'WISE' lower than 'non-WISE'
	Turnover (Q15)	F(4,41) = 5.82	p<.01	'£0 to £15,000' higher than two highest turnover categories

Two of the inward-facing values findings related to SE size. Key contacts from the smallest category (by turnover) appeared to see regulations, standards and expectations (IF-D) as a lower relative priority than the SEs from the largest category. This distinction seemed plausible: greater responsibility and accountability accompany greater turnover, which may lead to paying more attention to regulations and standards.

The most interesting finding was the difference in inward-facing power (IF-B) prioritisation between SEs with VCS origins and those that had always been SEs or originated in the public sector. VCS practitioners often claim a ‘distinctive’ stakeholder-focused ethos in comparison to businesses or bureaucratic public institutions (Macmillan, 2012). In becoming SEs, practitioners within these organisations may attempt to continue enacting ideas of ‘voluntary sector distinctiveness’ (Jochum and Pratten, 2008).

Origins also related to power in terms of SP stakeholder earning and status (SF-B). While SEs with a public sector background had the highest average inward-facing power prioritisation (IF-B) of the different categories, they prioritised stakeholder power the least. At first sight the contrast seemed damning – highlighting a concern for the ‘power’ of the organisation at the expense of the ‘power’ of the SP stakeholders. However, in this context ‘power’ is being used as a label for a specific set of preoccupations (earning / status) rather than a sense of empowerment. The SEs with public sector origins all had remits focused around ‘softer’ outcomes: socialisation and dignity-based work with the dying, older people and people with learning disabilities. The finding fits with the idea that promoting resource-based power would be less relevant to their stakeholders’ needs. Future research could explore whether such remit differences hold up in a larger study and why they exist.

Prioritisation of SP stakeholder openness and interest (SF-G) tended to decrease in the larger SEs (by turnover). However, organisations that were inherently larger had relevant co-varying features. For instance, successfully carrying out work integration requires a relatively large workforce and a large turnover to sustain SP stakeholder salaries. Chi-square cross-tabulations of the staff categories with whether the SEs were involved in work integration confirmed an association: $\chi^2(6) = 14.786, p < .05$. WISEs were confirmed as placing less priority on stakeholder openness than non-WISEs.

This was an interesting finding, given that WISEs were potentially involved in socialising SP stakeholders through their work. However, a possible explanation was that WISEs were very clear about their vocational remit. They did not see fostering a

universalistic approach as unimportant, but simply less important than other potential outcomes. Qualitative data backed up this interpretation:

“The focus is, getting people to have the actual skills. If they don’t get skills but they progress as people, fantastic, but we’re not really in –. We’re not really in the business of making ‘better’ people.”

Member of staff, SV1

Overall these findings have sensitised the following research to the idea that SE origins and size may play a role in helping to differentiate some SE relative values priorities. The potential implications of a work integration focus were also worth considering.

5.2.3 Values similarities and differences in the case-situated interview cohort

The qualitative analysis of intentional values statements [11] was carried out inductively to provide another perspective. The quantitative and qualitative analyses were carried out at different times and in different ways. However, the findings were somewhat complementary. Table 22 on p.130 describes all of the values orientations identified during the inductive analysis [11].

These eleven values orientations were adequate to code all of the intentional and inferred values statements made by all three types of respondents. Where SP stakeholders occasionally suggested that their SE was not providing a good experience, the statement was always the reverse of one of the value orientations identified (e.g. complaints that not enough was being done to foster growth, or to appreciate individuality).

Although some of these orientations were identified more frequently and more deeply than others across the cohort, as a set they could be claimed to provide a basic overview of SE organisational values. This set has been used throughout the rest of the study to provide nuanced insights into organisational consensus or lack of it. In this section, the focus will be on similarities and differences apparent in only the intentional SE key contact accounts of their organisational values, to provide a qualitative mirror for the quantitative SE key contact accounts. However, occasionally quotes from other stakeholders are used for more effective introduction of the concepts where necessary.

TABLE 22: QUALITATIVE CODES FROM THE INTENTIONAL AND INFERRED VALUES ANALYSIS

Category	Qualitative codes	A description of what the qualitative codes represent
		On behalf of the organisation, SE practitioners prioritise...
Inward-facing process priorities	Authenticity	...genuinely doing what they say they are trying to do (congruence of statements and actions) and acting with intensity and focus to do it (visible effort in carrying out those actions)
	Embedded humanity	...running the organisation in a friendly and flexible way without depersonalising it into a non-human structure of rules and procedures
Stakeholder-facing process priorities	Appreciating individuality	...respecting human difference and tailoring activities to each SP stakeholder's individuality
	Promoting connection	...human relationships and a sense of togetherness - whether simple interaction, formation of relationships or co-operation
	Appreciating the broader context	...paying attention to their relationship with the natural environment or the broader human cultural environment
Inward-facing outcome priorities	SE sustainability	...the continuation of the SE as the bottom line
	Societal impact	...impact on society at societal level (positive change that is more than just the sum of the organisation's work at the individual level)

Table continued overleaf...

TABLE 22 CONTINUED

Category	Qualitative codes	A description of what the qualitative codes represent On behalf of the organisation, SE practitioners prioritise...
Stakeholder-facing outcome priorities	Access	...stakeholders having the (fair) opportunity to access activities that are seen as 'good' in and of themselves
	Self-determination	...stakeholders making 'healthy' self-directed decisions about their future (sometimes mentioned in combination with the idea of the stakeholder becoming less dependent on the SE and other agencies over time)
	Growth	...stakeholders embarking on positive personal (or organisational) change processes
	Guardianship	...vulnerable stakeholders being looked after here and now

PROCESS VALUES

On balance, the intentional statements made by SE key contacts about their organisational values tended to be framed as process values rather than outcome values. The most common of these [15] was the idea of ‘authenticity’, which many of the SE key contacts appeared to see as the fundamental basis for their SE’s approach.

‘Authenticity’ referred to values statements stressing the importance of acting with integrity and care. Acting with authenticity meant enacting relationships on behalf of the SE with genuineness and interest in the people involved. The shorthand word commonly used by participants for this approach was ‘care’, not in the simplistic sense of ‘looking after’, but to connote attention, focus and emotional engagement in the work at hand. The quote below from SV12 – the co-operative retail organisation – illustrated this approach:

“We care. [It’s] kind of universal. We care for our colleagues, we care for our members, we care for the environment, we care for the world, we care for each other and respect and integrity.”

Key contact, SV12

‘Authenticity’ also encompassed the prioritisation of excellence. Although the drive for high quality work initially looked like a separate imperative to ‘care’, closer examination of the comments suggested that the need for excellence was inextricably bound with the idea of the authentic focus and attention SE key contacts (and staff) believed their work deserved:

“And I know almost every organisation now has values and a value statement, but there is a big difference to having them and living them and although we are still on the journey to really working that out, I think we now know how important that is to our success ... to genuinely do what we do well.”

Key contact, SV13

Around half of the key contacts from the cases also stressed the importance of ‘appreciating individuality’ and ‘promoting connection’. ‘Appreciating individuality’ involved respecting human difference and tailoring activities to each SP stakeholder's individuality. It particularly implied approaching individual SP stakeholders as whole

people, rather than as embodiments of needs. This was illustrated in the following quote from a member of staff at SV3 (from the wider analysis), talking about the organisation's tailored approach when acting as an incubator for arts businesses:

“So they may want to grow a business that makes lots of money and employs people or they may want to grow a business that has a social impact and perhaps engage into community work ... or it may be important to them to have cultural significance ... or to have peer recognition within the sector that they're working in. I think we have to be ready to recognise and support all of those ambitions.”

Member of staff, SV3

'Promoting connection' offered a slightly different emphasis. It involved shaping activities to foster human relationships and a sense of togetherness - whether simple interaction, relationships that challenged social norms or the more formal promotion of the values of co-operation. Where appreciation for individuality was potentially oriented towards a more individualistic idea of human flourishing, promoting connection related more to well-being through solidarity. Yet, these different nuances were not in competition in the SE key contact accounts. Both conceptions could be found side by side. They could also be found whether the SP stakeholders were individual or collective, as is illustrated by the quotes below (from the wider analysis).

“A lot of the people we engage with need someone, they need a group, whether it be an individual or an organisation, and I think we provide that support and network unconditionally so people can rely [on us] ...”

Member of staff, SV1

“We're doing a massive project on dementia awareness and it's come to our attention there are lots and lots of local dementia alliances doing their own thing in their own communities and what we're able to do with the help of others, is to bring some of these people together and say, 'Why are you duplicating your efforts, why don't you work together, why don't you share good practice?' ... bringing organisations together in the way that we can do is extremely beneficial.”

Member of staff, SV12

The other two process values from the inductive analysis [11] were ‘embedded humanity’ and ‘appreciating the broader context’. ‘Appreciating the broader context’ simply denoted instances when respect and consideration were shown for the natural world or elements of the broader cultural environment. Interestingly it was not coded in the intentional values statements of any of the SE key contacts. However, embedded humanity was emphasised by around a third [15].

‘Embedded humanity’ distinguished SE activity from the clichéd rational, bureaucratic behaviour sometimes associated with large corporations and public bodies. Being motivated by a belief in embedded humanity involved attempting to overcome the difficulties and risks of dealing with large numbers of people, without that process creating a structure of rules and procedures that took on an imperative of its own.

While rules and procedures existed within the SEs, the respondents often noted how they would attempt to go beyond these in their interpersonal interactions. They would also try to shield their SP stakeholders from formality. The role of friendliness in counteracting bureaucratisation was a simple part of this. Believing in embedded humanity involved believing that people within SEs should act like people towards people, rather than officers of an organisation towards beneficiaries.

This belief did not belie the understanding that rules and procedures would have to be followed in order to avoid risk, comply with regulations and / or keep large organisations operating efficiently enough to sustain employment. Instead it emphasised that the organisational imperative was not the key concern to convey to the SP stakeholders. This attitude is illustrated below with a quote (from the wider analysis) from SV11 – the second re-use / retail community – on easing new SP stakeholders into the working environment:

“I think it’s really important how people cope with the first week ... We try not to bombard them with paperwork to fill out in the first hour or several hours, we spread that out a bit and we try to have a relaxed induction, where people will look around and be introduced to people and so try and make that as friendly a week as possible.”

Member of staff, SV11

The studied appearance of informality, however formal the procedures behind the façade, was combined with an emphasis upon genuine friendliness to constitute embedded humanity.

Of course, the impetus to act in this way links to the idea of authenticity through the connecting concept of ‘care’. It also clearly links to the idea of appreciating individuality. However, it has been offered as a conceptually separate code, in order to retain the detail of how it operates in SEs. The distinction can be made most clearly by offering contrasts. The opposite of acting authentically is being insincere and as a consequence being lazy. The opposite of appreciating individuality is treating people as stereotypes. Whereas, the opposite of embedded humanity is providing a service in such a way as to impress upon the SP stakeholders that what happens to them matters less than if the staff can work efficiently.

Considering this group of process values as a whole (authenticity, appreciating individuality, promoting connection, appreciating the broader context and embedded humanity), it could be suggested that at least the first three are potential common SE values, given how often they were emphasised. As the other two are also interlinked conceptually (and arise more commonly in other stakeholder accounts) the full set of five process values may even be thought of as potentially defining a distinctive SE approach, even when the aims and target stakeholders of those SEs are vastly different.

OUTCOME VALUES

Far fewer of the outcome values (access, guardianship, growth, self-determination) were mentioned in the SE key contact intentional values statements. In fact only nine of the fourteen key contacts made intentional values comments that could be coded as outcome values at all [15]. Only one of the outcome values was identified per key contact. The cases split four ways across the four different outcome values as follows: Access (SV2, SV6, SV9); Guardianship (SV1, SV14); Growth (SV10, SV12); Self-determination (SV5, SV11).

Although basic, this way of differentiating the case orientations seemed plausible. Prioritising the opportunity for people to access organic vegetables, fair trade items and accessible transport were the fundamental functions of SV2, SV6, SV9 respectively. Guardianship was an interesting and perhaps not intuitive emphasis for the WISE SV1 (discussed at a later stage), but guardianship was clearly the key aim of the heritage preservation organisation. As a community development hub, SV10 did

appear to focus on fostering growth through its supportive training programmes and at SV12, the co-operative retailer aimed to actively develop both staff and local suppliers. Finally, SV5 and SV11 were WISEs focused on helping SP stakeholders join the labour market, with the intention of leading them to greater self-determination.

These plausible indications of diversity in intentional outcome values seemed promising as they built on the expectation of diversity found in the quantitative data. They offered a simple ‘way in’ to potentially understanding the influence of SE organisational values on value creation. Whether the picture was so clear-cut or not is explored (after the summary) in the next two sections which look beyond the understanding of organisational values provided by the key contacts alone.

5.2.4 *Where the quantitative and qualitative data sets agree*

To summarise, the findings on inward-facing espoused values (quantitative) and intentional process values (qualitative) appeared to support each other. The code ‘authenticity’, developed during the qualitative analysis, was composed of interlinked elements: the ideas of working with integrity, working for the SP stakeholders and with the intent to do the SE’s work excellently. All three of the top ranked inward-facing quantitative findings - inward-facing achievement, benevolence and working with morality / integrity – therefore appeared to support facets of the common values orientation ‘authenticity’.

The potential common stakeholder-facing values (quantitative) were achievement and self-direction. The underlying goals of the achievement and self-direction dimensions (particularly in the way the questions were formulated) mapped quite plausibly onto the qualitative codes: growth and self-determination, although the qualitative version of the growth category was potentially a softer and more rounded understanding of growth than perhaps suggested by the bald label ‘achievement’.

Stakeholder-facing security and benevolence were also often prioritised across the quantitative cohort. Security mapped fairly well onto the qualitative code: guardianship. Yet, stakeholder-facing benevolence and access did not map on to each other at all. Prioritising access suggested that SP stakeholders should experience the opportunity to take part in some activity considered ‘good’ *in and of itself*, whereas prioritising stakeholder benevolence focused on improving capabilities to form and keep relationships. Considering how well the other three orientations mapped together,

the constituents of the qualitative coding scheme were re-examined to check for any ways in which the data sets might further correspond.

One of the identified process values: ‘promoting connection’ corresponded fairly well (as concerns underlying motivational goal) with the stakeholder-facing benevolence question as written. At first sight the potential to simply swap ‘promoting connection’ for ‘access’ seemed promising. The chosen label ‘promoting connection’ suggested preoccupation with a preferred end state (outcome). However, it should be noted that as a qualitative code it was conceived of as a process orientation relating to *how* the organisation should operate, in direct response to the close-coded transcripts. Similarly, the code ‘access’ arose from accounts of what *should happen* for SP stakeholders. Therefore the choice between process and outcome values labelling was not an arbitrary distinction, but one arising from the data at hand.

After some consideration, no attempt was made to adapt the qualitative codes to force correspondences with the quantitative findings, because they were developed faithfully from the transparent inductive analysis processes adopted with the qualitative data. ‘Access’ – the concept that can be most clearly thought of as representing SP stakeholder opportunity – is discussed further later in this chapter, where additional context explains why access should be retained as a useful outcome orientation.

Considering that the quantitative and qualitative analyses were carried out a year apart, using different types of data, gathered in different ways, the correspondence in findings was striking. The overview of both analyses pointed towards process values common to many SEs. It also highlighted two overlapping ways of understanding the most highly prioritised outcome orientations. Identifying these offered the potential of differentiating cases later in the study, depending on which of the four outcomes they prioritised.

However interesting these initial indications, this study was not designed to rely on key contact intentional accounts alone. Organisational values are by definition a collective understanding. For that reason, the next two sections explore in turn: a) the ways in which staff and SP stakeholder interpretations impact upon our understanding of SE values consensus and b) the apparent contrasts between intentional and inferred values statements. These sections highlight ways in which accounts of values may differ systematically, before the final section tackles the question of whether sufficient consensus on organisational values could be found *within* cases to inform an exploration of their influence on value creation.

5.3 Understanding organisational values from different perspectives

5.3.1 Comparing espoused and attributed values using quantitative data

This section compares the values espoused by key contacts to those attributed by staff and SP stakeholders. The means of comparison was checking the median scores for each set of values responses (IF / SF) and then comparing the relative ranks of the different median scores within each set [4]. These tables are provided in Appendix 9.

The findings confirmed that inward-facing achievement (IF-A), benevolence (IF-F) and morality / integrity (IF-E) were not just important to the SE key contact cohort, but also to the SE staff. They ranked in the top three values priorities for both sub-samples. The middle rankings (4-8), varied more considerably. The key point of difference was between rankings of inward-facing conformity (IF-D). Using a Kruskal-Wallis test, the difference in median responses was found to be significant, with the SE key contacts ranking inward-facing conformity lower on average than other SE staff (8th / 4th in rank).

The IF-I question asked to what extent the respondent prioritised innovative problem-solving. Standardised median responses put this values dimension at 4th place for the SE key contacts, compared to 8th place for the other staff. This mirrored the conformity question above, but did not test as statistically significant.

It seems likely that the respondents may have responded in line with the preoccupations specific to their own roles, rather than purely their impressions of organisation-wide values. The mirrored difference in conformity / stimulation may have arisen because for SE staff issues of regulation and procedure were more prominent in their everyday contact with SP stakeholders, whereas SE key contacts could reasonably be expected to have more strategic concerns requiring innovation. The Schwartz values model (2012) classifies the conformity priority as a preoccupation with avoidance of loss, whereas the stimulation priority is about promotion of gain. This classification would put the finding in line with common assertions that (entrepreneurial) leaders may be less risk averse than the employees they manage (Antoncic, 2003).

The rest of the rankings of inward-facing values are fairly similar and provide a first indication that inward-facing organisational value cross-stakeholder consensus may be likely.

For stakeholder-facing values, the top and bottom rankings across the samples were also fairly similar. Staff rankings agreed with the key contact rankings of stakeholder achievement (SF-A) and self-direction (SF-H) as high priorities. Both of these were also placed in the top four of the SP stakeholder priorities, suggesting that achievement and self-direction were perceived as important across stakeholder types.

Although a few differences between key contact and staff rankings were found in the middle ranges of the stakeholder-facing sets, around promoting security (SF-C) or benevolence (SF-F), these were smaller differences than above and did not test as statistically significant.

The SP stakeholder rankings saw SEs as guided by equally important priorities of providing safety / stability (SF-C), an enjoyable life (SF-J) and achievement (SF-A). Enjoyment was a higher priority than in the original online sample of SE key contacts (joint 4th) and other staff samples (3rd / 4th). However, these differences were not statistically significant.

This section has detailed the differences in median values priorities across different sub-samples of the study. The median responses across all samples placed similar values as highest and lowest priorities, with some difference in the middle range depending on whether the respondent was a SE leader or member of staff. Non-significant differences contrasted SE practitioner and SP stakeholder interpretations of the top SE values priorities. Overall there was a fairly high degree of correspondence between the values priorities attributed by staff and those given as 'official' by SE managers.

5.3.2 Impressions of the different stakeholder responses from the qualitative data

In general, there appeared to be striking similarities in the content and focus of the intentional values statements made by the staff and key contacts. Authenticity, appreciating individuality and appreciating connection were noted with similar frequency [15]. However, the outcome values differentiation was not made in such a clear cut manner as for the SE key contacts. Within single interviews, statements were coded to multiple different outcome values. Although particular emphases were usually apparent, they did not always accord with the basic outcome orientations suggested by the SE key contact findings alone.

SP stakeholder comments appeared to support the impression that SE key contacts and staff believed in authenticity and appreciating individuality. These were identified as relevant organisational values in the feedback from over half of the SP stakeholder respondents. However, appreciating connection did not feature as highly in SP stakeholder accounts of organisational values as in SE key contact and staff accounts. Suggestions of outcome values were also not as evenly spread as by the staff, with access and guardianship orientations the subject of SP stakeholder comments in a far higher proportion of interviews than self-direction and growth.

5.3.3 *Where the quantitative and qualitative data sets agree*

The two sets of data (quantitative and qualitative values data) generally seemed to support the idea that certain common priorities could be found across the staff and leaders of the SEs, if not total values agreement. The data also suggested that SP stakeholders recognised the relative prioritisation of these values in their organisations, even if they attributed certain values (such as enjoyment) to SEs slightly more than the SE practitioners claimed themselves.

That SP stakeholders did not appear to perceive their SEs promoting connection, growth or self-determination as much as SE practitioners is an interesting finding that will be taken up again in chapter 7. For now, this finding simply suggests that SP stakeholder accounts may not always correspond completely with practitioner accounts.

5.4 Similarities and differences between intentional and inferred values

Intentional values statements were comments made in response to direct questions about values. Inferred values statements were made during discussion of the extent, means and importance of the ‘actual’ outcomes the SE was providing for SP stakeholders. Inferred statements gave another perspective on values by providing insight into the respondent’s interpretation of values *within the context* of their work for the organisation, rather than in response to abstract ideas. Inferred statements were only coded for SE practitioners. Their statements were examined to check whether the intentional discourse around values presented to the researcher accorded with the embedded discourse around their work.

The range of eleven intentional values codes did not need to be expanded to accommodate coding of the inferred values. Apart from a slight shift towards

emphasising the importance of considering conventional staff as well as the SP stakeholders, there was little difference in overall content. However, there were a number of differences in emphasis.

Authenticity, appreciating individuality and promoting connection had all been relatively commonly understood as intentional cross-cohort priorities. Although all of these were still important in the inferred values, authenticity had dropped behind appreciating individuality and connection, which were mentioned far more often [15]. There was also a greater tendency to provide examples of embedded humanity than in the intentional statements. This shift perhaps represented the shift in thinking about process values when prompted in the abstract (in intentional statements) and in the context of considering the practicalities of delivering outcomes (inferred statements).

The difference between intentional and inferred *outcome* values was greater. Where in the intentional values statements the four outcome codes had been mentioned in roughly similar (fairly low) proportions, the inferred statements provided a different picture. Almost three quarters of the SE practitioners were coded as having made an ‘access’-related statement. In focusing on access, they did not ignore the possibility of outcomes further down the value chain, but often saw opportunity to access their SE activities as the main ‘good’ to result from their work. This led SE practitioners to see particular activities (e.g. cycling, sailing, organic gardening, productive work) as ‘bundles of good’ in their own right. They did not need to be unpicked to their ultimate outcomes for the respondents to feel pursuing them was justifiable and important. The following is an example of this in the extreme:

“Well, the values... well, I’ve said, our USP is heritage. And sailing. And our values are heritage and sailing. And I think that probably sums it up.”

Member of staff, SV14

In a sense, this huge emphasis on access across the cohort showed the respondents to be more focused on the work of their organisations as providers of ‘obvious’ goods, than necessarily as providers of named and evaluated outcomes. The role of ‘obviousness’ in decision-making is picked up and expanded upon in section 6.3.

In the *intentional* values statements self-determination was marginally the most common outcome value to be attributed to SE practitioners, but in the *inferred* values statements it was almost the least common. The self-determination outcome value

related to stakeholders making 'healthy' self-directed decisions about their future. Sometimes this idea of independence was mentioned in combination with the importance of the stakeholder becoming less dependent and, crucially, costing other the treasury and health services less over time. The difference in emphasis is therefore an interesting one because it may reflect the 'strategic decoupling' (Arvidson and Lyon, 2014) SE practitioners have to perform in the stories they tell in order to 'sell' their activities to wider society and public bodies (e.g. the non-dependency message) and the emphases they intend to pursue (e.g. personal growth and progression delivered in a non-pressured way).

The differences between intentional and inferred values statements add nuance to our understanding of organisational values, recognising that certain accounts may be performative rather than 'simply' factual. Also, recognising different emphases on outcomes values – especially on access and self-determination – opens a door to discussing (in later chapters) the reasons why SE practitioners may have a different impression of the extent of the chain of value they are creating for SP stakeholders than those SP stakeholders have themselves.

Only one further way remains for this study to explore SE organisational values: to attempt to determine whether there is sufficient within-case consensus on organisational values to make a meaningful exploration of the influence of those values on value creation for SP stakeholders. This is covered in the next section.

5.5 Similarities and differences in organisational values at case level

5.5.1 Discerning case level agreement using the quantitative values data

The findings below were drawn from a table of indications of agreement [5] compiled by checking which values priorities *all* SE practitioner respondents within a case rated as above average importance (in the context of the inward- or stakeholder-facing sets). This was used as a rough proxy indication of agreement on values orientation. Only a small amount of quantitative values data was available per case (see 3.9.1) and therefore these indications are not claimed as statistically representative of the wider staff body. However, this analysis process made intuitive use of the available data to say something about differences in values orientation, which is followed up with more informed insight from the qualitative data.

While the *inward-facing* agreement table did not appear to provide grounds for differentiation, the *stakeholder-facing* set showed potential. The most prominent differences were between those SEs where a high number of values were agreed as being of importance (e.g. up to five values dimensions) and those where few or no values were prioritised by all of the available respondents. A summary of the differences is provided in Table 23 where the top row indicates the number of Schwartz values quadrants spanned by the agreed priorities.

TABLE 23: AGREEMENT OVER STAKEHOLDER-FACING PRIORITIES BY CASE

	Zero	One	Two	Three	Four
Cases	SV4, SV14	SV2 (pleasure); SV9, 10, 12 (achievement)	SV1, SV3, SV8 (achievement and self- direction)	SV6, SV13 (self-direction and security overlap)	SV5, SV7, SV11

Three cases (SV5, SV7, SV11) showed agreed priorities spanning all four contrasting quadrants explained by Schwartz’s theory (see Table 16 on p.119). These cases were not just similar in their holistic range of values agreement, they also exhibited similar characteristics. They were all traditional-style work integration SEs.

This finding was of interest because it suggested that the sample of SE practitioners who contributed to the study for these cases believed a rounded range of potential human ‘good’ was being pursued by their organisations. SV7 and SV11 provided a home and work for their SP stakeholders and SV5 provided work for all their SP stakeholders and homes for some. The spaces they intended to create for SP stakeholders were relatively all-encompassing. This finding prompts the question of whether such an approach ran into more tensions (i.e. between priorities) than other approaches. This question is taken up in the decision-making chapter.

Another grouping of cases occurred around the combined prioritisation of achievement and self-direction (SF-A and SF-H). The mechanical repair, arts incubation and community development organisations (SV1, SV3 and SV8 respectively) all prioritised these two areas. All three were organisations working intensively with individuals for the growth and development of those individuals, so

their similarity as a cluster seemed intuitive. This similarity in stakeholder-facing values prioritisation provides another promising point of differentiation for examining diverse influences later in the study.

There were four organisations in which only one values variable was consistently scored above average by all respondents. The community agriculture (SV2) respondents agreed that enjoyment (SF-J) was their only stakeholder-facing priority. This finding seems entirely in line with the less formal ‘amateur’ nature of the community agriculture undertaking. Another plausible finding was that the community hub (SV10) involved in extensive training operations prioritised stakeholder-facing achievement (SF-A). However, it seemed less immediately plausible that a couple of the other organisations (the community transport SE and co-operative retailer - SV9 and SV12 respectively) agreed only on prioritising achievement in their beneficiaries. The key perhaps, to understanding these prioritisations lay in how the respondents chose to answer the questions. In both of these organisations, the importance of staff training and staff development was often discussed during the interviews. Perhaps SV9 and SV12 prioritised stakeholder achievement, but with staff at the forefront of their minds as stakeholders, rather than customers.

There were two case organisations in which there was no agreement between the respondents at all. These were the business certification (SV4) and heritage preservation (SV14) organisations, both of which had been identified during the wider study as organisations with very broad, non-individualised remits. Therefore, it was quite possible that the individualised stakeholder-facing set of values questions was harder for these respondents to reply to in a consistent manner, because the values of their organisations were less individually focused. These were the most atypical cases within the cohort on many grounds.

The agreed values of SV6 and SV13 spanned three of the four Schwartz quadrants. Their remits did not appear to overlap in the more obvious manners shown by the informal clusters offered above and the following connection is offered tentatively. Considering that the two overlapping values variables between these SEs related to providing both security *and* self-direction, a connection might be that these organisations, in their very different ways (e.g. via the fair trade movement and via former public service delivery) were concerned primarily with the potentially conflicting goals of providing their beneficiaries with safety and protection, whilst attempting to facilitate their independence at the same time.

While it is recognised that the quantitative values data was limited to a few responses per case, these findings do seem to offer a plausible way of differentiating between the overarching values orientations of some of the different cases.

5.5.2 Further nuances provided by the analysis of qualitative values statements

It was possible to split the qualitative data on organisational values down by respondent type (SE key contact, SE staff, SP stakeholder) and whether the statements were intentional or inferred. Each of these sub-sets of the data was reviewed by case and preoccupations were compared. In the realm of process values, little meaningful differentiation was apparent at case level. Therefore outcome values became the focus.

A detailed overview table was produced [16] to record notes on the coded outcome values emphasised within each of these sets of data, for each case. The contents reflected the earlier finding that multiple outcome values were often covered by the same respondent within the same interview. As such, the table did not provide clear-cut indications of case-wide values orientations. These findings remind us that expecting to find total consensus on organisational values is not realistic. Instead, the question is whether levels of consensus were sufficient to constitute organisational values. The quantitative work had suggested that partial agreement was possible, so it was important to check whether this was supported by the qualitative work.

Across the detailed overview table, certain tendencies were discernible. Therefore, to move beyond the precise detail of differences between stakeholders and types of statements toward an understanding of consensus, a summary table was produced [16].

The creation of the summary table involved a qualitative process that relied as much as possible on the detailed overview table (including frequencies of coded responses) but which also drew on the researcher's judgement and understanding of the case organisations. This judgement was drawn from the experience of having conducted the fieldwork in its entirety and having made informal qualitative memos throughout the fieldwork and analysis processes (see 3.4.5). It was used to fill gaps (for instance where there was no clear SP stakeholder or key contact coding available) or to make decisions between multiple outcomes when the prioritisation of the different outcomes was similar in frequency but not intensity. SP stakeholder impressions

always provided at least one of the codes in the final list (Table 24), to ensure that their perspectives were included.

TABLE 24: QUALITATIVE JUDGEMENT OF OUTCOME VALUES BY CASE

Case	Outcome values (qualitative judgement)
1 – Mechanical repair / retail	Guardianship / Growth
2 – Community agriculture	Access
3 – Arts incubation	Growth / Self-determination
4 – Business certification	Access / Growth
5 – Manufacturing	Self-determination / Access
6 – Fairtrade retailing	Access / Self-determination
7 – Re-use / retail (1)	Self-determination / Guardianship
8 – Community development	Self-determination / Growth
9 – Community transport	Access / Self-determination
10 – Community hub	Growth / Access
11 – Re-use / retail (2)	Self-determination / Guardianship
12 – Co-operative retailing	Access / Growth
13 – Service delivery	Guardianship / Self-determination
14 – Heritage preservation	Guardianship / Access

Due to the inductive qualitative nature of the underlying data, this process was able to discern the values orientations of the business certification SE (SV4) and the heritage organisation (SV14) better than the quantitative data, where no indication had been provided. For SV4 their certification process was the bundled ‘good’ that they believed organisations would benefit from being able to access, but the main aspirational outcome behind this good was the development and growth of the business sector as a whole and the organisations within it. For SV14 guardianship of the heritage items was of course paramount and access to the bundled ‘good’ of sailing was a strong motivator within the organisation.

The contents of the table above cannot be used to segment the cases into the same groups of organisations as the quantitative analysis. This non-correspondence is a point of richness, rather than concern. It represents the strengths of different types of data.

One of the obvious differences is that the qualitative understanding was developed from the foundations of a far broader range of data. Where the quantitative data was intentional and from SE key contacts and staff only, the qualitative analysis added in data from inferred values statements and also from SP stakeholder understandings. The differences in the detailed overview table showed that consensus was not a given, in a way that the quantitative data had already suggested. However, even on the basis of more nuanced data, different overall tendencies were discernible, which shows the promise of organisational values data being of use in considering value creation.

The richness of the qualitative work also meant that it allowed attention to be paid to more than differences in preferred end states. Other information was also present in the accounts. The most important example of this is how the qualitative codes incorporated an understanding of *how far along the value chain the respondent perceived there to have been an important end state* as well as an indication of the nature of that end state. This is the first insight which starts to expose the role of values *perceptions* in value creation.

5.5.3 *Considering value chains*

A value chain is of no fixed length. While life continues, so does the potential for use value to be converted by human beings into further use value. The important consideration then, if value creation is ever to be discerned, is when people consider an important end state to have been reached, rather than just an intermediary step on the way to the end state they consider important. This is a matter of judgement and explains why value creation involves not just achieving outcomes, but also perceiving those outcomes to be important.

So, when oriented towards ‘access’ an SE practitioner appears to believe that to do something ‘good’ for the SP stakeholder, the SE must provide a fair opportunity to access a bundled conception of the good, such as gardening, transport or the opportunity to buy fairly traded goods. Although of course ‘good’ consequences would be anticipated (e.g. the fair trade producers would get their community bonus), in

‘access’ the further consequences often appeared somewhat remote from the action focus of the SE. Provision was the main ‘good’ end state. This differed from accounts which placed the end result further down the value chain. Self-determination stood at the other end of this spectrum, where the preferred end result was an independent (or at least relatively self-directing) person and the intermediary stages in the value chain were not always clearly specified.

Therefore, although this distinction made it harder to map all of the prioritised stakeholder-facing values onto the four outcome values identified during the qualitative analysis (because the ‘access’ code signifies any manner of preferred end state as long it is the direct result of contact with the SE), it is a distinction which the qualitative work identifies in a way impossible using the quantitative data. For this reason both accounts provide important insight into SE practitioner thinking on organisational values.

5.6 Summarising the implications

In order to discern whether organisational values influenced value creation, identifying a certain level of consensus across each organisation was necessary, or it would not have been possible to consider the values ‘organisational’. The first research sub-question therefore asked: Are there organisational values common i) to SEs in general and ii) within individual SEs across varied stakeholders? Are there meaningful differences?

The first part of the question related to SEs in general. From SE key cohort accounts it was possible to discern: a) process values common to many SEs and b) differentiate four main different types of outcome value. SEs appeared to largely agree on the importance of inward-facing achievement, benevolence and working with integrity (all of which related to the qualitative process orientation ‘authenticity’), and the four most important stakeholder-facing values were achievement, self-direction, stakeholder-facing security and benevolence (three of which mapped on to the qualitative outcome orientations growth, self-determination and guardianship). Responses relating to these four outcome values in both the quantitative and qualitative data showed evidence of a spread of different organisational values across the cohort, suggesting that meaningful differences did exist between the organisational values of different SEs – at least in terms of outcome, if not process, values.

The second part of the question related to the fourteen individual cases and the level of consensus between key contacts, staff and SP stakeholders. Using just quantitative data from the key contacts and staff, it was possible to discern some plausible distinctions between groups of organisations on the grounds of the combinations of values they all agreed as above-average priorities. These apparently clear-cut distinctions were thrown into question by the greater detail provided by the input of SP stakeholder perspectives and inferred values data. Nevertheless, tendencies towards particular values orientations were discernible, even though there were some differences that appeared to relate to stakeholder type (particularly with regard to perceptions of risk and the importance of stakeholder enjoyment and safety).

The concept 'access' was discussed in contrast to other outcome values. Outcome values may all refer to preferred end states, but the concept of access foregrounds how important end states may be highlighted at different steps along the value chains resulting from SE interventions. This starts to uncover the role of perceptions in the judgement of value creation. Different stakeholders may be able to view the same outcomes, but conceive of the end value of those outcomes differently, depending on where along the chain the end state is thought to have been achieved. The role of perceptions in value creation will be revisited in the third findings chapter.

Not every respondent suggested their organisation was guided by the common process values (authenticity, appreciating individuality, promoting connection, embedded humanity) and the values evidence does not guarantee that the differentiated outcome orientations (access / benevolence, self-determination / self-direction, guardianship / security, growth / achievement) may lead to differentiated value creation. However, the evidence across the different data and stakeholder types of the distinction between common process values and differentiated outcome values is great enough to support the use of these understandings as a framework for exploring the role of values in decision-making and value creation throughout the rest of this thesis. This distinction between process and outcome values is the first part of the new value creation model that will be described at the start of the discussion chapter.

6 Findings II: Exploring decision-making in SEs

6.1 Chapter overview

The previous chapter explored whether it was possible to gain meaningful accounts of SE organisational values. The findings suggested that: a) some indications of organisational consensus were discernible at case level via both the quantitative and qualitative data, and b) process values did not appear to co-vary with the outcome values within cases. These two findings underpin the remaining chapters.

The focus of this chapter is on addressing the second research sub-question: to what extent do organisational values guide decisions about SE operations (including governance and management practices and interpersonal relationships) and how does this process work? The findings are drawn from qualitative decision-making data from the interviews with SE key contacts and SE staff, grouped together as SE practitioners for the purpose of the analysis. The operational decision-making section of the interview was not applicable to SP stakeholders, so any reference to respondents made below refers to SE practitioners only.

This chapter is split into two main sections. The first section provides detail of the common dilemmas and hard choices distilled from the SE practitioner feedback on decision-making in SEs. The tensions involved in these dilemmas are mapped onto process and outcome values first presented in the previous chapter. The second section identifies and discusses a common trope within the mainstream discussion of SE values: that SE activities are not ‘political’ and that many of the things SEs do are ‘obviously’ good.

Overall, the chapter argues that SEs largely coalesce around decisions arising from process values. This common ground functions to smooth over potential disagreements within organisations over sometimes disparate outcome goals. The accommodation of these disparate goals may contribute to the richness of experience provided for the SP stakeholders by these organisations.

While the first and third findings chapters offer insight into variation between different types of respondent and different cases, this chapter intentionally highlights the common decision-making issues found across the cases and the SE practitioner sample, to inform theory development. This approach helps to illustrate the prominent role of process values in SE decision-making, underpinning suggestions in the discussion chapter of the role of SE values in value creation.

6.2 Decision-making influenced by values

6.2.1 Four voiced dilemmas

In the conceptual framework for this study, organisational values were conceptualised as criteria and heuristics for decision-making. The findings of the decision-making analysis process [17] supported this view. Narrative accounts of dealing with barriers and hard choices were identified and then re-described, abstracting from the particulars to a conceptual summary. Although of course there was variation in emphasis and occurrence of issues across the cases, the analysis recognised four key ‘voiced dilemmas’ and four other ‘obvious’ or unproblematised decisions as prominent across the cohort. The unproblematised decisions are largely dealt with in the next section (6.3). The voiced dilemmas are listed in Table 25 alongside an indication of the related values in tension.

TABLE 25: FOUR KEY VOICED DILEMMAS WITHIN SES

	Description	Values in tension
1	How to balance self-direction as an organisation (in approach, activities, targets) with being constrained by external conditions such as the type of funding that is available / what customers will buy / policy context?	Authenticity vs SE viability as bottom line (demands of external pressures)
2	How to balance responsive personal interactions and discretion for the frontline staff, with the formalisation and professionalization that may be required to reduce risk, comply with regulations or be more efficient?	Embedded humanity vs Formalisation / Professionalisation
3	How to balance person-centred tailored activities with fairness to, and the continuing cohesion of, the stakeholder group as a whole?	Appreciating individuality vs Group cohesion
4	How to define the boundaries of the intervention role taken on by the organisation, regarding the level of support or protection that is appropriate?	Provision vs Facilitation

The process values identified in 5.2.3 appeared to play central roles in decision-making relating to at least three of the four most prominent voiced dilemmas.

The prioritisation of authenticity was most prominently brought to bear in decision-making around how to react to external pressures. Abstracted from particulars, many of the dilemmas boiled down to concern over how to genuinely do what the organisation had set out to do, in the preferred way, but within the (often financial) constraints provided by the external environment. Prioritising authenticity sometimes meant making difficult decisions (e.g. missing out on particular types of income), but also provided the guidance that the SE practitioners required to justify those decisions:

“I think we can improve our profitability overnight if we took the profit from tobacco ... we don't and that's not on the radar. We believe as a society it's the right thing to do, so we'll retain that, but again that could go straight into our profitability. It is just that ethical way of working really.”

Member of staff, SV12

While prioritising authenticity was often cited as a reason the SE might have lost money or opportunities, this was not always the case. It was also cited as the impetus behind developing new income sources that were seen as congruent with the aims of the organisation, as in the following extended example from the arts incubation SE:

“So we've got one space that we hire out to any external client who comes and hires it ... And before I started we'd only hired it out during the week days. That income goes towards our earned income a little bit. And we started hiring it out the evenings and weekends. Obviously there are certain hours that I need to work in. So we were thinking about how we get temporary event assistants and support. And what we did was open up the opportunity to some of our makers. They know the space better than anybody else, they're around at funny hours because they're making their work and doing whatever. It's a paid opportunity for them, so it's another way for them- it's another income stream for them. And it's sort of like a win-win-win all round. And all of that is recycled back into the system.”

Member of staff, SV3

However, it was not always possible to create win-win situations and authenticity's greatest counterweight was the bottom line assumption that the SE must remain a viable entity. The continued existence of the SE as an organisation recurred throughout the entire cohort as the ultimate counter to SP stakeholder-prioritising decisions. However, it was acknowledged that preoccupation with the business 'side' of operations in some organisations was not always equally spread across all staff. Particular issues appeared to arise in SEs where the 'social' and 'business' sides of the organisation involved two different sets of staff rather than one set with responsibility for both aspects:

“Well, we've had enormous problems with it over the years, we've had splits in the staff team, we've had war at times ... where people, one side 'actually we're only here to care'; the other side, 'actually because there's nobody here to work how can we run a business?' And we've had real bust-ups.”

Key contact, SV11

On the whole, running activities at a loss was acceptable but risking the organisation's existence was not. This was due to the essential belief in the importance of the SE's work. Although there were many SEs that found win-win situations, those that faced strong external challenges ultimately believed that a reduced programme of SE activities would be better than no programme, if SP stakeholders would still benefit. The challenge was to deal with the situation in a way that still expressed authenticity:

“We restructured earlier this year, so some people inevitably had to lose their jobs. And I think one has to be careful about being completely impartial there. It would be awfully easy to say well, we'll protect all beneficiaries, no beneficiaries will be taken into restructuring. That's a fork in the road. If you go down that fork you're probably risking real problems ahead, so we took the decision that everybody is at risk in that area, whether you're a beneficiary or not, but not automatically because you're a beneficiary or because you've got an impairment are you going to lose out. Certainly there was some concern there, but I think as we acted that out, people saw that we were very fair and very clear on our assessment and that nobody was prejudiced in any way.”

Member of staff, SV5

The next voiced dilemma related to the level of formality and professionalization required to carry out SE operations, particularly for those in direct contact with SP stakeholders. Forthcoming in section 7.3.4 is the finding that the SP stakeholders highly valued informality, friendliness and genuine relationships. Some SE practitioners also talked with pride about the organic, informal and friendly nature of the SEs they had built from voluntary groups and associations. Some SEs made use of volunteers and some employed previous beneficiaries, all with the intention of helping make SEs more approachable for SP stakeholders.

Yet, there were also drivers towards formality. Often strict regulations were in place for how personal / business interventions should be carried out. Even outside the regulatory frameworks, standardised procedures and the consistent application of rules were often the only way to ensure that safe-guarding activities were carried out and complex operations were managed. The dilemma for SE staff was the extent to which efficiency measures could or should be applied to their activities, before it would undermine their approach.

Related to this dilemma was one of the process values: embedded humanity. The ‘ideal’ was presenting the studied appearance of informality to the SP stakeholders, whilst enacting formal elements required to minimise risk and improve efficiency ‘behind the scenes’. To counteract the potentially distancing effects of formal procedures, it was seen as important to overlay genuine friendliness and caring interaction:

“You have to have a certain line of where, you know, we need staff here to work. But, you have to be open to assess it on how staff are and how they feel ... I like to think that staff say ‘well, actually I did go and speak to [his name] and he’s really good about it’. I’ve been here 3 years, and I think the staff do feel they can come to me and say ‘I’ve got issues or problems, can I sit down and talk to you?’”

Member of staff, SV12

The third voiced dilemma was balancing person-centred tailoring and responsiveness with fairness to the group of SP stakeholders as a whole. Here, the process value ‘appreciating individuality’ contrasted with considering the well-being of all other SP stakeholders and staff. This dilemma related in particular to how far a SE

could accommodate individual needs before it became too disruptive. This was one of the most prominent areas of voiced decision-making alongside the drive for authenticity in the face of external pressures.

The selection of appropriate SP stakeholders for the remit of the SEs was for many organisations a constant balance and negotiation. In the preliminary study (Fitzhugh, 2013), selection was identified as a key task in framing the activities of the SE to succeed. SEs needed to select SP stakeholders who could ‘fit and grow’ within the existing level of tailoring and attention offered by the SE. The current study reinforced the impression that while the aim was always to work responsively with SP stakeholders, there was always a line to be drawn between those who could be considered within the remit of the SE and those requiring too much individualised attention. The quote below illustrates this:

“I had another volunteer that people found really challenging, who were frightened when he went out in the van 'cause he'd get quite argumentative and they didn't know how to deal with it. And I had to ask him and I tried to do it in a nice way but he got really challenging with me and so I had to say, 'Look, actually we don't want you volunteering with us anymore.' And I didn't want to have to say that to him but I had to in the end. So it's tricky ... we've got to think of our existing people and you can't have ... if somebody is disruptive and difficult and everybody's feeling that uncomfortable then it's time for them to go if we can't manage it.”

Key contact, SV10

This dilemma over individual / group fairness was also expressed in the feedback in relation to pay within an SE which employed both able-bodied and disabled people:

“In terms of things like incentive plans that's really difficult. ... There'd be clearly some pallet makers who have an impairment that wouldn't be able to achieve the incentive payment. So by default you are discriminating against them. However, you are penalising and perhaps discriminating against the able-bodied ones So we're looking at ways of getting around that, that maybe is not on ability, but is maybe on experience or length of service. Now

you probably wouldn't – if that was a 100% able-bodied shop – you wouldn't have that challenge.”

Member of staff, SV5

The final voiced dilemma was around how to define the boundaries of the intervention role taken on by the organisation. How far should SE responsibility for the SP stakeholders extend and how much should the SP stakeholder be expected to do for themselves?

“When you're working with people who are a 'businesses of one' then life and business is one and the same very often. And we're obviously coaching them on their businesses but if they have a personal crisis, for example, it's very difficult to separate that out and I think one of the things that we've talked about in the past that maybe has been a dilemma, we haven't figured out a way of doing it ... do you support people personally in order to support them in business?”

Member of staff, SV3

One way of understanding this dilemma was in the balance between conceiving of the SE as either a *provider* or a *facilitator* of benefits to the SP stakeholders. As a provider, the SE's responsibility involved delivering a 'good' to the SP stakeholders, whereas as a facilitator the SE's responsibility involved either fostering the ability to, or removing impediments to, SP stakeholders pursuing their own conception of the 'good'.

This dilemma did not appear to relate directly to any of the process values, but instead to a conceptual split between the way outcome values could be described. Access and guardianship outcome orientations appeared to suggest provision, whereas growth and self-determination outcome orientations appeared to suggest facilitation. These constituted meaningfully different perspectives on the role of the SP stakeholders' own agency in co-creating the value intended by the SE.

The two aspects of facilitation – growth and self-determination – focused respectively on the SP stakeholder gaining positive and negative freedoms (see discussion for more). The two aspects of provision – access and guardianship – related to the practical creation of opportunities (access) and removing impediments to well-being / safe existence (guardianship). These differences in preference for particular

intervention styles are summarised in Table 26 and will be discussed further in the following chapters.

TABLE 26: DISTINGUISHING OUTCOME VALUES BY PREFERENCE FOR INTERVENTION STYLE

	SE role: Provision	SE role: Facilitation
Creating opportunities	Access	Growth
Removing impediments	Guardianship	Self-determination

6.2.2 *Decision-making across the organisation*

In the conceptual framework, values were modelled as heuristics for decision-making on possible courses of action within SEs. The potential courses of action were described as forms of governance / management, programmes and interpersonal relationships, corresponding roughly with the strategic, operational and personal types of action SE staff might be able to enact in the organisation's name. Within the analysis, there were ample examples of these values influencing decisions at all of these levels, except governance.

One of the limitations of the open-ended nature of interview section E was that SE practitioners were not specifically directed to discuss governance. As a consequence, governance received little unprompted attention.

While governance was little discussed, it was interesting to note the type of SE functions that were brought into the discussion, without prompting, by SE practitioners. Core process values appeared to permeate all areas of SE operations, not just the frontline personal relationships and strategic level funding decisions described above. There were even examples of how process values influenced difficult HR decisions. One clear example of SE practitioners being guided by their values was when in the service delivery SE (SV13), a member of staff pivotal to a new project had to be dismissed for breaching rules of conduct:

“It would be a complete pain to fire him and it will be a total nightmare to try and replace him and to try and re-learn what we’ve learnt from this pilot and re-train somebody, but it’s the right thing to do because this organisation is

about community and about caring for people. It's not about letting things like that slip because that's not who we are as an organisation."

Member of staff, SV13

Process values do appear to act as heuristics that guide the actions of SE practitioners. In each of the first three voiced dilemmas, values oriented the SE practitioner towards the 'ideal' (authentic, individualised, friendly and humane activity) in tension with the external or pragmatic pressures experienced by the SE.

Outcome values appear to operate differently, with tensions occurring *between* the outcome options (provision or facilitation), rather than between an 'obvious' ideal and a contrasted reality. They provide SEs with potentially conflicting orientations to reconcile.

Values were not only apparent in conscious choices between voiced options. One of the additional conclusions from the analysis [17] was that there were also a number of unvoiced assumptions filtering choices made on behalf of the SE, where consensus appeared to be that the required actions were 'obvious'.

6.3 Doing what is 'obviously right'

6.3.1 Assumptions

The first part of the decision-making analysis process [17] involved identifying large narrative excerpts on decision-making from the transcripts of interview section E. One of the original criteria used to identify these excerpts was whether the SE practitioner appeared to be 'weighing up' different decision options and then describing how the organisation settled on a course of action. By identifying these instances of 'weighing up', the intention was to refine the statements to a dataset representing decision-making, thus revealing the values that were foregrounded when prioritisation of one 'good' over another became critical.

However, during the process of examining the section E transcripts to identify 'weighing up', other parts of the same data seemed to offer further insights. SE staff appeared to be guided by key underlying assumptions that were never or rarely acknowledged as debateable when different decision options were mentioned. Instead, the ideas of 'obviousness' and 'right practice' permeated the SEs. This meant that often there did not appear to be genuine decisions between delineated options, even in

seemingly stressful or difficult situations. The filtering of options had been pre-emptively dealt with by the concept of 'right practice'. Even the use of the process values in dealing with three of the four voiced dilemmas described was essentially a foregone conclusion: the dilemma was in how far to accommodate pragmatism in relation to pre-conceived ideals of authenticity, appreciating individuality and embedding humanity.

In this way, the idea from the conceptual framework that values act as a filter for decision options in SEs appeared to be borne out. However, this part of their influence appeared to be more implicit than previously considered. Beyond the foregrounding of the process values, some of the key assumptions were:

- a) the continued existence of the SE was the bottom line;
- b) staff and stakeholder selection, alongside determining the details of programmes of activity, were seen as essentially managerial tasks focused on providing the best conditions for the SE to thrive, rather than as ethically or politically-charged processes;
- c) human beings were always more important than non-humans and the environment, however environmentally-oriented the SE; and
- d) open communication within the organisation should be aimed for (even if it was not always fostered in reality).

The continued existence of the SEs as the bottom line was discussed in the previous section, but it should be reiterated here as a key concern capable of overwhelming or threatening ideal values enactment.

The anthropocentrism of the SEs was not surprising, given the cultural context in which the research was carried out. In a developed and urbanised nation, anthropocentrism of goals is rarely challenged except by the deep green movement. However, it was somewhat striking that even in organisations with clear aims relating to environmental protection, so little importance was placed on the wider natural environment as a 'beneficiary' of their work.

Open communication was held up as an ideal by many SE practitioners. Open communication means the flexible and non-hierarchical exchange of opinions and the inclusion of the beneficiaries of activities in their shaping and planning. The extent and quality of this type of communication appeared to differ considerably between cases,

on the evidence of SE practitioner and SP stakeholder feedback. However, it was almost universally praised as an ideal approach, even if not always achieved.

These assumptions were contextually interesting, but the most contentious of these was labelled 'b' in the list above. The following section concentrates on the largely unvoiced assumptions around SE operational decisions.

6.3.2 *Uncertainty absorption*

Considering how important values were claimed to be during the explicitly values-focused parts of the interviews, the managerialism underpinning much of the discussion of actual decision-making was somewhat surprising. SE operational decisions were essentially viewed as a managerial optimisation task, rather than one which involved active consideration of the different ways of conceiving and delivering the 'good'.

The concept of 'uncertainty absorption' seemed particularly relevant in interpreting this behaviour (Seidl and Becker, 2006). Seidl and Becker explained how 'uncertainty absorption' was originally a relatively small part of the work of March and Simon in their 1958 book *Organizations*, but was taken up by Luhmann as a central concept to explain how certain decisions within organisations were not justified from first principles, but always built on the accepted inferences from previous decisions (Luhmann, 2000; Seidl and Becker, 2006).

In the context of the SEs the core process values and unvoiced assumptions can be seen as the accepted inferences from establishing and developing the SE as an organisation. This explains to some extent how much of the decision-making can be seen as managerial, because the decision to be 'good' (authentic, individualised, humane) has already been taken and its implications have been accepted at the core of the organisation. However, in this way the differing implications of the range of outcome values may also be unintentionally hidden from the participants if they believe that delivering the 'obvious' good is a neutral task to be carried out more or less efficiently, but not more or less virtuously.

Understanding that uncertainty absorption occurs within SEs provides an explanation for an otherwise confusing aspect of SE staff discourse. While the SE practitioners would happily promote the idea that they worked in values-based organisations, there was a definite resistance throughout almost the entire cohort to any

suggestion that their work was promoting *one particular conception of what is good* over another via their actions. This denial seemed all the more incongruous considering the number of assertions made by SE key contacts and staff that they were in some way involved in ‘changing the world’. The most that any would admit to would be a ‘humanitarian’ stance, seeing politics as oppositional and their work as more consensual. Many considered their way of engaging with SP stakeholders as the obvious ‘good’ way that, in the most extreme comments, nobody in their right mind would disagree with. The following quotes provide a flavour of this discourse:

“R: Are we acting with integrity? Well I bloody well hope so! [laughter] [muttering] well yes, it’s a very important consideration. How can people not tick? ...

Sorry – I can’t quite understand how some people would not find, in their business that those are important considerations.”

Member of staff, SV14, commenting around the quantitative values questions

“It’s frustrating because sitting in parliament I often wonder if they ever went on a delivery of solidarity furniture to a flat that’s been stripped out, because that’s the new criteria, and they are witnessing a young mother going into that premises with no carpet, no white goods and here’s your keys and your house, you should be grateful – how would they do, how would they fare and where would they turn to with no funding? And I’d love to invite them down to come and have a look [chuckles] not that I’m political because I’m not, I’m just an incredibly fair person.”

Member of staff, SV7

“I think we’re a bit wary, I think there’s a real pitfall in campaigning because a change of government could find yourself out in the cold, you’re better off doing what you’re doing and keeping your politics to yourself. ... I mean I think we shouldn’t be scared to support refugees, we shouldn’t be scared to say, ‘Actually homeless people deserve this’ well, actually everybody deserves a home, we shouldn’t be scared to do those things, but personally I think we should avoid political the big ‘P’ and I think we do across the board. Maybe that makes us

slightly toothless but I think it's better to work with people rather than to fight them."

Key contact, SV11

6.3.3 Framing and externalisation

To arrive at the point where certain courses of action seemed 'obvious', SE activity had to be framed in a particular way. This meant that those starting up and running SEs set out to design values-congruent activities and select appropriate target stakeholders and staff. From the discussions it was clear that SE key contacts were heavily involved in acts of filtering and selection. They designed activities where they judged their SE could make a difference, they chose to work with those SP stakeholders they believed they could help, and they chose staff who they believed embodied their values. This last point was particularly emphasised:

"You can train people to plate up a meal and you can train people to install a community alarm, but it's very difficult to train people to have that caring attitude. So we try and recruit for attitude and train people to do whatever we need them to do."

Member of staff, SV13

"It's just a matter of having the right people doing the job. So, it's all about recruiting people that care."

Member of staff, SV9

"Making sure that staff are well drilled and that means that you recruit them well, it starts with good recruitment policies, good understanding of humans and psychology. Getting the right people in the right job."

Member of staff, SV8

Other ways of framing the debate included a) adopting person-centred design principles in activity planning ('appreciating individuality') and b) managers acting as exemplars embodying the values they wanted to see. Through these processes of design, selection and role-modelling, those running the SEs provided a framework of

implicit value judgements in which operational decisions were simplified. Most of the tensions that were acknowledged were between ideal intentions and externally influenced practicalities, rather than the form of the ideal within the SE.

Coalescing around process values appeared to allow SEs to bring people together to work as a consensual group. Where previous literature stressed the tensions and paradoxes inherent in SEs (Peattie and Morley, 2008b; Hudson, 2009; Teasdale, 2012; Seanor et al., 2013), the finding that SEs coalesce around process values may well indicate the mechanism by which explicit tensions are avoided or mitigated to allow SEs to function.

In the following example of the resolution of a clash of intentions, the key contact describes having to re-establish in the minds of the staff his authentic commitment to the purpose of the SE (his commitment to the shared process values), once he realised that they interpreted his goal to raise the income of the SE as inauthentic to their social purpose:

“Then when I came in with this business attitude, and got it from [SP stakeholders] and staff, ‘All you care about is money.’ I learnt something from that. It’s obviously how I’m portraying myself. ‘No, I want the money so that you can have this, that and the other.’”

Key contact, SV7

These findings do not refute the existence of tensions or the explicit weighing up of different values when making some key decisions. However, absorbing uncertainty by accepting the core process values and key unvoiced assumptions of the SEs appears to provide a strong bond that defines ‘right practice’ for the SE staff. This appears to limit the extent of internal disagreement that can emerge into the realm of explicit decision-making, making certain courses of action simply ‘more obvious’ than others.

Also in this environment the source of tension is often defined as external pressure (e.g. the role of funders / difficulties of the marketplace / regulations). Externalisation of the source of disagreements and the concretisation of choices to a managerial rather than ethical level acts as a buffer to diffuse potential damage to interpersonal relationships within the SE from the existing tensions. The role of the core process values therefore seems to be an important one to smoothing over tensions arising from the multiple priorities of SEs.

Managerialism and the denial of political intentions appear to serve a tension-reducing function in SEs, in that they are part of legitimising the ‘obviousness’ of the SEs particular approach and avoiding conflict over potential differences in outcome preferences between SE leaders, staff and SP stakeholders.

6.4 Summary - coalescing around process values

While there was evidence that values were involved during explicit decision-making, there was also evidence that certain behaviours were thought simply ‘right’ and ‘obvious’. The concept uncertainty absorption (Seidl and Becker, 2006) helped to explain how staff who claimed they wanted to change the world and who suggested that their SEs were values-based, did not seem to consider that there might be different types of ‘good’. While tensions existed in the SEs, they were not often characterised as ethically- or politically-charged tensions, they were tensions over to what extent a particular fixed ideal might be achieved in the context of fixed external challenges (such as the state of the market, funding conditions or regulations). In this way, tensions were conceived of as something to be overcome managerially and something mostly fostered by external conditions, rather than internal disagreement.

Although internal disagreement did exist, the two mechanisms described above (framing of values via staff selection and initial activity design / the externalisation of the source of conflict) were ways of downplaying disagreement and avoiding interpersonal conflict over the tensions involved. Given that downplaying the tensions allowed different SE practitioners to sometimes follow different outcome agendas within the SEs (as long as the common process values were in place), this may actually have been a source of richness for the SP stakeholder experience. By allowing SE practitioners to interact with SP stakeholders in slightly different ways and for slightly different reasons, the SEs intending potentially conflicting types of change (such as SV5, SV7, SV11 – see 5.5.1) could, for instance, tackle different parts of the human experience under the umbrella of their organisations, without the tensions pulling the overall organisation apart.

The full findings on value creation will be presented shortly in chapter 7. However, a preview of those findings will be presented here to help illustrate the suggestion that coalescing around particular values does not preclude differing on others. ‘Being able to feel self-esteem and respected by others’ (D2.-.7) was the

capabilities area in which most value (very important change) was reported across the cohort. This makes sense given that the common process values are all oriented towards respectful and responsive relationships. However, during a brief extra inductive analysis [13] of the qualitative comments made by SE practitioners in answer to the self-esteem question, it was clear that it was possible to agree on self-esteem as a vital point in the value chain for the SP stakeholder, without agreeing on why or how an SP stakeholder could come to feel greater self-esteem. By searching the data for what SE practitioners claimed their organisation did to bring about an important change in self-esteem for SP stakeholders, the following varied answers were discerned:

- The SP stakeholder was included in groups / activities. Inclusion fostered self-esteem.
- The SP stakeholder was offered unconditional respect as an individual and that fostered self-esteem.
- The SP stakeholder's self-efficacy was improved by their exposure to opportunities and training in a supported environment, and that fostered self-esteem.
- The SP stakeholder became less reliant on the state and others to look after them and that fostered self-esteem.
- The SP stakeholder learnt valuable skills and acquired socially acceptable attributes that helped them integrate with mainstream society and that fostered self-esteem.
- The SP stakeholder began to help others rather than being just a beneficiary of help and that change of role fostered self-esteem.

Key contrasts in these interpretations included believing in:

- Respect as something that should be unconditional / earned,
- Self-esteem as arising from increased independence / connection,
- Self-esteem as arising from an increased ability to help oneself / help others.

These different views clearly reflected different values priorities. They should also be recognisable as themes relevant to ongoing debates about social welfare provision and the extent to which liberal individualism helps / hinders human well-

being (Jordan, 2008). However, these different priorities were all claimed as funnelling in to actions designed to bring about the same ends (self-esteem). The agreement related to a particular preferred end state in the value creation chain, with no guarantee of agreement over what fostered that value or what further value could come of it. The relevance of this ability to coalesce around particular perceptions of value, obscuring differences over others, is discussed further in the final findings chapter.

To summarise in answer to the sub-question for this chapter, organisational values did appear to guide decisions about SE operations on two levels: a) the voiced consideration of dilemmas over how to enact common process values in the light of pragmatic realities and b) the unproblematised enactment of the values (process and outcome) framed into activities and the staff body by management design and selection.

In answer to the question of how values were involved in decision-making, the role of outcome values appeared to be different to process values. Tensions between the differences underpinning various outcomes orientations were acknowledged and contrasted during the interviews in a way not found for process values. The SE role in either providing or facilitating for SP stakeholders was recognised as an explicit tension (although also potentially another source of richness if the SE was attempting to do both of these at once).

These differences between the roles of process and outcome values in decision-making, and the distinction between outcomes values focussed on provision or facilitation, form additional parts of the new value creation model that will be presented at the start of the discussion chapter.

7 Findings III: Considering value creation

7.1 Chapter overview

This chapter answers the third research sub-question: what outcomes do SP stakeholders experience and what is the perceived value of those experiences? It then addresses the wider aim: to better understand how organisational values may influence processes and perceptions of value creation for SP stakeholders in SEs.

The chapter is broken down into four main parts. The first part offers insight into outcomes reported from SE activity and the value different stakeholders place on those outcomes. The next part investigates potential associations between values orientations and reported value creation using quantitative and mixed data. The chapter moves on to offer insight into the important role of expectations in the perception of value creation, based on qualitative data. The final section summarises the three findings chapters.

7.2 Value claims

7.2.1 Important outcomes / value creation

The first step towards understanding value creation was to identify the outcomes claimed from SE activity. Initially, all responses were considered together (both the self-reports of SP stakeholders and the claims of SE practitioners). Some outcomes were almost universally reported [6]. Being able to undertake something new (D1) was claimed as an outcome by 87% of the respondents. Being able to feel enjoyment (D2), be recognised as achieving (D3) and being able to feel self-esteem (D7) were all claimed by 82% of the respondents. Put simply, high levels of many outcomes were reported. Even the lowest frequency outcome across the cohort (D10: being able to access structured guidance) was reported by a fifth of all respondents. A few outcomes related to benevolent socialisation were not reported at all by those who answered the organisational (rather than individual) schedule (D13, D16, D18). However, in general, respondents were not reticent in claiming outcomes from SEs.

Only by considering the importance data in tandem with the outcomes data was it possible to understand value perceptions. Outcomes claimed as ‘very important’ changes were read as the most significant areas of value creation. Table 27 presents the percentages of responses where very important change was perceived in relation to each outcome area, listed from highest to lowest [7].

TABLE 27: PERCENTAGES OF RESPONDENTS REPORTING ‘VERY IMPORTANT CHANGE’ IN OUTCOMES AREAS, SPLIT DOWN BY INTERVIEW SCHEDULE

D	Underlying capability	All respondents (n=67)	Individual schedule (n=59)	Organisation schedule (n=8)
7	Being able to feel self-respect	61.2	61	62.5
1	Being able to initiate or undertake something new	58.2	57.6	62.5
2	Being able to feel enjoyment	56.7	55.9	62.5
12	Being able to form and keep relationships	56.7	57.6	50
8	Being healthy / functioning well	52.2	55.9	25
3	Being able to achieve recognition for activities / actions	49.3	50.8	37.5
6	Being able to control one’s own resources	38.8	40.7	25
19	Being able to think for oneself (independence of mind)	34.3	33.9	37.5
20	Being able to decide how to act (independence of action)	34.3	35.6	25
9	Being safe	32.8	35.6	12.5
4	Being able to influence people directly	29.9	30.5	25
16	Being able to show compassion and see oneself in a broader context	29.9	33.9	0
15	Being able to care for others	28.4	28.8	25
11	Being able to fulfil obligations	26.9	27.8	12.5
14	Being dependable and trustworthy	23.9	23.7	25
18	Being open-minded towards human difference	22.4	25.4	0

TABLE 27 CONTINUED

D	Underlying capability	All respondents (n=67)	Individual schedule (n=59)	Organisation schedule (n=8)
13	Being able to look beyond one's own needs	19.4	22	0
17	Feeling part of the natural world and capable of engaging with it	19.4	20.3	12.5
5	Feeling able to influence institutions / norms in society	13.4	13.6	12.5
10	Being able to access structured guidance / frameworks for living	10.4	8.5	25

Across the cohort, the highest rated areas of value creation were: being able to feel self-respect (D7), being able to initiate or undertake something new (D1), being able to feel enjoyment (D2) and being able to form and keep relationships (D12). Political engagement and following frameworks for structured guidance (D5 / D10) were the least mentioned areas.

When split down by schedule type (individual / organisational) – see Table 27 again - the four most prominent outcomes areas in both lists (D7, D1, D2, D12) remained the same. Being able to feel self-respect (D7) was ranked first in both lists. For organisational respondents 'self-respect' referred to feeling confident in their organisation and that it was respected by others.

The first real point of difference between the responses to the two schedules (when ranked) was that D8 - good functioning (healthiness / smooth running) – was less commonly reported as a very important change by organisational representatives than individuals. Being able to access structured guidance (D10) was more commonly a very important change for organisations than individuals. Being able to show compassion and see oneself in a broader context (D16) was more commonly important for individuals than organisations. These differences are plainly understandable given the different nature of the stakeholders.

The table above presented differences in the cohort split down by interview schedule. However, it was also important to acknowledge the potential for difference between reported value (by key contacts and staff) and SP stakeholder accounts of their own experiences [8].

The most common very important changes reported by the SE practitioners (n=44) were being able to feel self-respect (D7 – 68%), being able to form and keep good relationships (D12), try new things (D1) (both 64%), being capable of enjoyment (D2) and feeling healthy (D8) (both 55%). The SP stakeholder account (n=23) was fairly similar, with enjoyment ranked first (D2 - 61%), and after that being able to feel self-respect (D7), try new things (D1) and feel healthy (D8) (all 48%). Although the top frequencies were ranked in different places, the top four / five outcomes were remarkably similar.

However, there were some significant differences between the SE practitioner and SP stakeholder accounts when the detailed importance scores were compared using non-parametric tests [9]. D12, D13, D15, D16 and D18 were all significantly ($p < .05$) lower rated by the SP stakeholders than the SE practitioners. These outcomes were: being able to form and keep relationships (D12), being able to look beyond one's own needs (D13), being able to care for others (D15), being able to show compassion and see oneself in a broader context (D16) and being open-minded towards human difference (D18). These differences appeared to relate to socialisation. That the SP stakeholder responses were significantly lower than the SE staff responses may indicate either that the SE staff were claiming greater change in these areas than was actually occurring or that change was occurring, visible to the SE staff, but not perceived, or seen as important, by the SP stakeholders. This interesting difference is taken up again in section 7.4 on the role of perceptions in value creation.

7.2.2 Potential correspondences between values and important outcomes

Section 5.2.1 identified the four highest-rated stakeholder-facing values as: achievement (SF-A), self-direction (SF-H), security (SF-C) and benevolence (SF-F). Given that the two question sets (values and value creation) were both grounded in the Schwartz theoretical model it was possible to speculate what the corresponding value creation would have been if these values translated directly into important outcomes. The highest expected areas of value creation across the cohort would have been:

achievement (D3), self-direction of thought and action (D19 / 20), being safe (D9) and being able to care for friends, family and others (D15). However, the previous section shows that none of these were the greatest areas of reported value creation.

Where promoting achievement and self-direction were seen as the most important stakeholder-facing values, in the related outcome areas (D3, D19 and 20) the frequency of ‘very important’ change placed them 6th, 8th and 9th respectively out of 20 possible outcomes. Only around a third of responses claimed SP stakeholders had experienced improvements in their self-directive thought and actions. Given how many of the SEs were involved in work integration, we should also note that in both the SE practitioner reports and SP stakeholder accounts, increased income / earning potential (D6) was only 7th on the ranked list of very important change. The impression given by this mismatch of values and value creation areas is of a set of case SEs that were potentially not as involved in the promotion of the ‘harder’ outcomes (achievement, earning, self-direction) as their values discourse suggested.

The differences between the two value creation sets (the ‘ideal’ based on values preferences and the ‘actual’ based on value creation reports) are interesting. If the value creation claims of the SE practitioners and SP stakeholders are to be taken as representative of an underlying reality, then that reality would see SEs first and foremost involved in a set of improvements in individual self-image, well-being and opportunity, rather than in externally-verifiable improvements in achievement and autonomy. Indeed, the SP stakeholder qualitative feedback on SE values orientations (see 5.3.2) suggested that SEs were seen as aiming for this. SP stakeholders more commonly identified ‘access’ and ‘guardianship’ as priorities for the SEs, rather than ‘growth’ and ‘self-determination’.

The question prompted by these findings was whether the discrepancy between intent and perceived value creation was consciously enacted by the SE practitioners (e.g. an example of marketing contrasted with intentions), whether it represented an operationalisation mismatch between intent and outcome, or a gap between ‘actual’ outcomes and perceptions of value creation. Section 7.4 explores these ideas, but before doing so, the next section moves on from cohort-level data to provide a case-situated understanding of associations between values orientations and value creation.

7.3 Associating values orientations and areas of value creation

7.3.1 'Official' values and value creation

This section presents the significant non-parametric correlations between the 'official' stakeholder-facing values (i.e. key contact responses) and the outcomes importance data from those within each related SE [18]. Table 28 presents the findings from these correlations in relation to data from the full cohort (SE practitioner and SP stakeholder value creation data), but also highlights the outcome areas (marked in *italics*) where the correlation remained significant when *only* SP stakeholder value creation data was used.

TABLE 28: CORRELATIONS BETWEEN KEY CONTACT VALUES RESPONSES AND VALUE CREATION DATA FROM ALL RESPONDENTS / THE SP STAKEHOLDERS AT THE CORRESPONDING SES

Values question (official response data)	Correlated value creation areas
SF-A - Achievement	D20 self-direction (action) .282**
SF-B – Power	D16 universalism (concern) -.294**
SF-C – Security	D2 pleasure .222* <i>D9 security (external) .271**</i>
SF-G - Universalism	D9 security (external) -.300**
SF-I - Stimulation	D13 humility .252* D14 benevolence (dependability) .273*
SF-J Hedonism	D3 achievement -.253* D6 power (resources) -.217* <i>D7 self-esteem -.267*</i> D12 group conformity -.277** <i>D17 universalism (nature) -.249*</i> <i>D19 self-direction (thought) -.326**</i> D20 self-direction (action) -.213*

* denotes p<.05, ** denotes p<.01

Associations between values data and value creation data could not indicate causation, but they could provide insight into areas of correspondence, to be considered

in the wider context of the study. The indications are plausible and relatively mundane: stakeholder-facing achievement (SF-A) orientation is associated with an outcome of self-direction (action) (D20), while a stakeholder-facing security orientation (SF-C) is associated with feeling safe (D9) and being able to experience pleasure (D2).

The array of outcome areas that negatively correlated with stakeholder-facing pleasure (SF-J) provided a more interesting potential distinction between the remits of different SEs. Improving self-esteem (D7) and self-direction (D19 / 20) are about facilitating autonomy, so the distinction posited is one between organisations with a remit to improve autonomy and others with a remit to increase pleasure and / or safety. This mirrors earlier qualitative findings. Growth and self-direction were identified as outcomes designed to facilitate autonomy while access and guardianship appeared to relate more to the provision of a pre-defined good (e.g. satisfaction or protection) for the SP stakeholder.

7.3.2 Differences by SE characteristic

This section makes brief reference to differences in reported value creation by the characteristic of the related SE [10]. More effective ways of distinguishing SEs are explored later, however these findings are included in Table 29 for reference. For parsimony and in awareness that this work is exploratory, only the significant findings of non-parametric associational tests that were backed up by significant pairwise comparisons are given.

Size may have played a role in whether SEs were reported to influence political enfranchisement (D5). Newer and smaller SEs (by staff no. / turnover) were reportedly associated with this more than their older and larger counterparts. This might be an interesting area for future study (are younger / smaller SEs more willing to become involved in activism, for instance, than older ones?).

However, the finding with the most striking message for the rest of the research was that WI-focused SEs were reported to create more value than non-WISEs, not in areas related to their direct vocational remits (e.g. skills, earning potential, self-direction), but in feeling safe. This association of safety with larger, individually-focused SEs is picked up again in the forthcoming sections.

TABLE 29: DIFFERENCES IN REPORTED VALUE CREATION BY SE CHARACTERISTIC

Value creation (outcome areas)	Characteristic	Test	Sig.	Significant (pairwise) comparisons
D1) Being able to initiate or undertake something new	Q14 staff	$H(6) = 18.59$	$p < .01$	'1-4' category significantly lower than '15-49' and '50-99' categories
D5) Feeling able to influence institutions / norms in society	Q13 Age	$H(4) = 11.51$	$p < .05$	'2013-present' significantly higher than 'before 1994' and '2005-2009' (General trend of older = lower)
	Q14 No. of staff	$H(6) = 13.11$	$p < .05$	'0 or less' category significantly higher than '100-249'
	Q15 Turnover	$H(4) = 13.42$	$p < .01$	'More than £1 million' significantly lower than 'between £15,001 and £100,000'
D9) Being able to feel safe	Q4 Work integration role	$U = 527.5, z = 2.835,$ $r = 0.37$ (medium effect)	$p < .01$	SEs with work integration focus significantly higher than SEs without a work integration focus

7.3.3 Differences between values-defined sets of SEs

The first findings chapter offered a selection of potential ways to distinguish the SE cases by values orientations. One example of this was in section 5.5.1 where the cases were differentiated with reference to which of the stakeholder-facing values *all* of the interviewed SE practitioners agreed were of above-average considerations in their SE. Those six groups were consolidated into five sets (of more than one case) to check for any significant differences in associated value creation reports. The consolidated sets are show in Table 30.

TABLE 30: CONSOLIDATED SETS OF CASES BASED ON QUANTITATIVE SF VALUES AGREEMENT

Set	Cases	Stakeholder-facing values agreed as above average importance across SE practitioners
1	SV4, SV14 / SV2	None / Pleasure
2	SV9, SV10, SV12	Achievement
3	SV1, SV3, SV8	Achievement and self-direction
4	SV6, SV13	Self-direction and security
5	SV5, SV7, SV11	One from all four Schwartz theory quadrants

When non-parametric tests were performed using these sets and the value creation scores [19], some significant differences were identified. These related to the outcomes: being able to undertake something new (D1), being able to achieve (D3), being able to feel self-esteem (D7), being safe (D9) and being self-directed (D20). For each of these variables, set 1 had significantly lower value creation responses. Set 1 responses to the achievement and self-direction question were significantly ($p < .05$) lower than set 3. Set 1 responses to the safety question were significantly lower than set 5. Set 1 responses to the self-esteem question were significantly lower than for both sets 3 and 5.

These findings, taken as a group, appeared to suggest there was something distinctly different about SV2, SV4 and SV14 compared to other cases in the SE

sample. This was also obvious from the qualitative work. SV4 (the business certification SE) and SV14 (the heritage preservation SE) were least like the other SEs visited. Neither of them specifically aimed to work with individuals. Their main goals were wider-ranging: more structural (trying to change the way people do business) and / or longer-term (preserving heritage for future generations). Although the qualitative work on outcomes at SV2 did suggest some individual enjoyment, as a community agriculture SE, the emphasis was on being part of a much wider movement to effect structural change (in food systems). The organisations in set 1 were therefore focused on different targets and timescales of value creation than the others, in particular sets 3 and 5, which were focussed on working intensively with individuals.

Working further with the sets based on qualitative understanding from the wider fieldwork, we can see additional differences. Set 2 cases (SV9, SV10, SV12) were also SEs that emphasised their wider-ranging remit, beyond supporting individuals 'here and now'. SV9 (community transport) and SV10 (community hub) both worked to serve individuals (via accessible busses and training schemes respectively) but they also aimed to play a considerable role in attempting to change the discourse around people's needs and capabilities. The co-operative retailer (SV12) was of course also part of a wider movement to effect structural change (via co-operative business ownership and working practices).

It was interesting that the quantitative data did not place the fair trade SE (SV6) in the group described above. However, from the qualitative feedback we can see that discussion of the organisation's value often centred less around fair trade as a structural mechanism, and more around the benefits for UK-based volunteers and fair trade producers as individuals. This is an example of the difference made by respondent focus: i.e. where along the value chain to assert their SE was creating benefit.

Awareness of the potential for respondents to choose where to focus their intentions and value claims along the value chain was vital to understanding the influence of values on value creation. Within almost every case at least one respondent claimed their work was part of a wider movement: whether changing stigma around homelessness (SV7 / SV11), fostering appreciation of skilled crafts (SV3) or promoting grass-roots action to tackle deprivation (SV8). However, the tangible difference in balance appeared to be between those organisations with a stronger focus on the everyday individualist good they could do and those who worked with individuals, groups, norms etc. in the service of a broader / longer-term vision of societal change.

This difference may relate to a distinction noted before in the SE sector, between reformist and radical SEs (Pearce, 2003; Fitzhugh and Stevenson, 2015): those that work within the dominant system to effect change and those that try to change the system. The way the quantitative standardised values and value creation questions were framed during this study may not have been adequate to pick up on the ways in which radical SEs created value. This is why the accompanying qualitative work was such an integral part of the study. The outcomes claimed by these organisations (particularly SV4 / SV14) did not always fit into neat boxes. The value claims in response to open-ended questions encompassed a far wider diversity of outcomes relating to systems, discourses and cultural norms than was covered by the SEs oriented more towards individual provision and facilitation.

Claims of value creation beyond direct effects on individuals were inevitably based on staff reports rather than the ‘personal’ experience of the targeted structure or norm. This does not undermine the value claims made by SE practitioners in these organisations, but it does highlight how it would be easy, in the movement towards making state and philanthropic funding / investment conditional on outcomes reporting, to skew activity towards reformist individualist concerns rather than radical approaches. By pressuring organisations to provide evidence of their impact from stakeholders with direct personal experience of impact, a whole level of potential impact would be hidden. This idea is taken up again in the discussion chapter.

7.3.4 An alternative set of values-defined distinctions

The findings above originated from sets built from the quantitative stakeholder-facing values data. An alternative differentiation offered in the first findings chapter was based on the qualitative outcomes data (5.5.2). Each case was labelled with two of the four outcomes values defined during the qualitative analysis: access, guardianship, growth or self-determination. This list offered an understanding of outcome preferences which incorporated how far along the value chain a meaningful benefit was claimed.

Simple yes / no indicators were prepared for which cases had been labelled with the four outcome orientations. When exploratory non-parametric associational tests were performed between these and the value creation scores [20], some significant positive associations were identified (Table 31).

TABLE 31: VALUE CREATION AREAS ASSOCIATED WITH OUTCOME VALUES ORIENTATIONS

Values orientation	Associated value creation areas
Guardianship	D9 Security (external)* (Whole cohort data)
Growth	D1 Stimulation* (Whole cohort / SP stakeholder data) D2 Pleasure* (SP stakeholder data only) D3 Achievement* (Whole cohort data) D6 Power (resources)* (SP stakeholder data only) D19 Self-direction (thought)* (SP stakeholder data only)
Self-determination	D9 Security (external)** (Whole cohort data only)

* denotes $p < .05$, ** denotes $p < .01$

These findings were interesting because they suggested that within the framework of the questions offered to the respondents, a values orientation towards growth (compared to not being oriented towards growth) meant significantly higher responses to a greater range of value creation questions. Using just the SP stakeholder responses, growth was the only values orientation which differentiated value creation responses at all.

While these findings were exploratory, they seemed plausible in light of the qualitative feedback. A guardianship orientation often did appear to result in greater feelings of safety and a focus on growth did appear to bring about a range of important changes for SP stakeholders. The access orientation was not expected to associate with any particular type of value creation for the reasons described in the previous section.

Amongst these plausible findings, the unexpected finding was the idea that a self-determination orientation would not be positively associated with self-direction of thought and action, but with feelings of safety. Only three of the seven cases identified as focussing on self-determination were labelled as also focussing on guardianship, so it was not a matter of simple overlap.

Although in the quantitative setting, this finding appeared somewhat surprising, contextual understanding from the qualitative work made the source of this difference seem clear. It appeared to relate to one of the conceptual distinctions made in section 6.2.1. Those organisations claiming to promote self-determination were primarily involved in *removing impediments* to a feeling of self-determination: providing food to

remove the problem of older people cooking for themselves so they could remain in their own homes longer (SV13), providing accessible transport to remove the problem of isolation for the housebound (SV9), providing supportive working environments (SV3, SV6) and also providing homes to previously excluded and / or homeless people (SV5, SV7, SV11).

All of these were essentially supportive actions, aimed at removing deep uncertainty for SP stakeholders. By removing these impediments, the SEs may well have led to a feeling of greater security for their SP stakeholders. As continuing engagement with the SE was necessary for these stakeholders to feel the benefit of that support (e.g. the value of accessible transport only lasts as long as it is provided), there was a distinct element of reliance in these actions even at the same time as they aimed to facilitate self-determination. This contrast embodies the tension in SEs between provision and facilitation.

The exploratory quantitative findings prompt speculation that the way to foster self-direction and achievement is adopting an organisational focus on creating opportunities for growth, rather than merely removing impediments to self-determination. Where the individually-focused SEs were attempting to provide a stable base so that the personal agency of the SP stakeholder could take over and lead to greater self-determination, the qualitative feedback appeared to support the idea that the intention did not necessarily translate as intended. Often, this supportive base was perceived by the stakeholders as *the* most important point of value creation.

Bringing in the findings of the qualitative analysis [14] suggests that within the SEs working intensively with individuals (e.g. sets 3 and 5), feelings of support and a 'family' atmosphere recurred as the most meaningful changes for the SP stakeholders. The authentic and friendly internal relationships within the SEs were seen as important by the SP stakeholders, even where they did not appear to be leading to improvements in activities or relationships outside of the SE (e.g. outcomes further along the value chain). This focus helps explain why the aggregated value creation data for the whole cohort (section 7.2.2) suggested a mismatch between SE practitioner intentions and the reported value creation.

Where SE practitioners in general aimed to promote self-direction and achievement, the highest ranking value creation areas were: feeling part of a group, feeling self-esteem, feeling healthy and being able to try new things. The direct and immediate value of being treated with authenticity, embedded humanity and

consideration appeared to be huge, especially for those SP stakeholders who could see they were benefitting from being inside the SE but who reported little change in the way they interacted with the rest of the world.

One example of this came from an SP stakeholder who felt respected and included at work, but disconnected from his local community. He made the contrast particularly strongly:

“R: I’ve got no friends or family anyway. ... Apart from the people I work with, but I generally care about them anyway.

I: So you care about the people here?

R: Far more than I would do for people in the community I live in. Because as far as I’m concerned the people I work with are my family now. And to me they mean more than anyone else does.”

SP stakeholder, SV5

These findings suggest that different values orientations may indeed be associated with differentiated types of value creation, but that the influence of those values may not be straightforward. The point in the value chain at which the most important value is perceived by SP stakeholders may not always correspond to the intended point of value creation.

7.3.5 Expanding on differences between values-defined sets of SEs

Although the two sets of values-defined case distinctions (quantitative and qualitative) were arrived at via completely different processes, they could be seen as identifying a similar underlying understanding of what differentiates the SEs. This is hinted at when the two different interpretations are mapped onto each other and patterns emerge:

TABLE 32: MAPPING THE QUANTITATIVE AND QUALITATIVE DISTINCTIONS BETWEEN CASE VALUES

Set	Case	Provision		Facilitation	
		Access	Guardianship	Growth	Self-determination
1	SV4	1		1	
	SV14	1	1		
	SV2	1			
2	SV9	1			1
	SV10	1		1	
	SV12	1		1	
3	SV1		1	1	
	SV3			1	1
	SV8			1	1
4	SV6	1			1
	SV13		1		1
5	SV5	1			1
	SV7		1		1
	SV11		1		1

The wider-reaching organisations in sets 1 and 2 were labelled with the outcome focus ‘access’ during the qualitative analysis. As the set numbers increase, the balance tips more towards SEs working intensively with individuals. SEs in these sets were progressively labelled as focusing on promoting growth, then self-determination. These labels were given before any sets had been identified so the patterns were not planned. However, they appear to loosely tie together the two ways of differentiating cases.

In 6.2.1 ‘provision’ was described as a tendency to focus at organisational level on what the SE could do here and now, including providing access and guardianship. However, the SEs coded as having an access focus were in the sets described in the previous section as having a broader and longer-term vision. This seems contradictory – as if the quantitative and qualitative data provided the same distinctions on opposing grounds. However, these understandings are compatible. To understand, we must consider the idea of the value chain.

In section 5.5.3 the idea of the value chain was used to explain what it meant to provide a ‘bundled’ good. A ‘bundled’ good was a set of activities or a state of being that was considered ‘good’ in and of itself, not just as an intermediary state to bring about further outcomes. In the qualitative feedback, activities such as cycling,

transportation, growing vegetables and heritage preservation were sometimes described in these terms. This showed that it was possible for respondents to make a choice (whether conscious or unconscious) about where in the value chain to see importance. The previous descriptions of the value chain highlighted how each of the discussed sets of values in turn (process, provision, facilitation) appeared to relate to results at increasingly distant points along the chain.

TABLE 33: THE VALUE CHAIN

Values	Process values	Provision values	Facilitation values
Intended point of value creation in value chain	Interactions built on trust, respect and warm humanity	Increased likelihood of benefitting from a ‘bundled’ good – an activity or state of basic health and well-being	Increased likelihood of autonomous thought and action through improving chances and removing impediments

Table 33 summarises the findings to show that there was:

- a) fairly widespread agreement over *how* to start the chain of value creation (directly, via quality relationship- and trust-building), but acknowledges that there was
- b) greater disagreement over *what* ends the interaction should bring about, and
- c) that this disagreement was not just about *what* ends, but also about *when in the value chain* a genuinely ‘good’ end-state could be perceived to have been brought about.

It also incorporates the idea of value creation as a fallible chain, where SEs can only effect direct value creation through interaction, then only *raise the likelihood* of further outcomes.

However, for a full understanding of the value chain, the illustration is incomplete. During the original qualitative analysis [11] another outcome value was identified beyond access, guardianship, growth and self-determination. It was described as an inward-facing goal, like SE sustainability, and has therefore not yet featured in the discussion. However, at this point it can be introduced to better understand why

organisations with a broader- and longer-term focus might seemingly paradoxically seem to focus on ‘here and now’ access.

The fifth outcome value was ‘societal impact’: the SEs’ role in providing positive change beyond the sum of each organisation's work at the individual level. A couple of examples of this kind of statement are provided below:

“We’re looking to use the co-op business model as a way to go in and disrupt markets that are currently purely corporate, capitalist. ... So the rationale has to be, we are a fundamentally different business model. It’s about striving for a fairer world.”

Key contact, SV12

“Like almost every issue I can think of, the food system plays into it. If we can change our food system I think we can change the world. ... I think the way to make a difference is in your community and in your own garden and that’s the difference that I hope we’re making.”

SE staff member, SV2

At the time of the initial analysis, societal impact was labelled as an inward-facing outcome value because the data emphasised pre-defined ‘good’ approaches the SE could take (e.g. running according to a different model or creating an alternative system), rather than intentions focused on bringing about experiences for individual SP stakeholders. However, it can be added to the end of the previous table to provide a fuller understanding of the SE value chain in line with the description of radical intent already provided qualitatively above (see Table 34).

By placing societal or longer-term impact at the end of the value chain, Table 34 highlights how its realisation is far from the direct control of the SE – so far in fact, and so dependent on many other external influences, that the SE’s impact becomes virtually impossible to distinguish. Only SEs in broader movements (e.g. Fair trade) could potentially measure and distinguish these broader effects. To some extent they operate ‘in hope’.

TABLE 34: AN EXTENDED UNDERSTANDING OF THE VALUE CHAIN

Values	Process values	Provision values	Facilitation values	Societal impact
Intended point of value creation in value chain	Interactions built on trust, respect and warm humanity	Increased likelihood of benefitting from a ‘bundled’ good – an activity or state of basic health and shelter	Increased likelihood of autonomous thought and action through improving chances and removing impediments	Increased likelihood of structural, cultural or longer-term changes to society or the natural world



Each section along is more distant from the initial interaction and therefore harder for the SE to control directly in terms of outcomes

When values orientations were labelled ‘access’ during the qualitative analysis, what was being discussed was the part of the transaction the respondents knew they could control and claim influence on. They believed in the connection between their actions and the societal impact (a ‘best’ way to go about things – recalling the idea of ‘obviousness’ covered in section 6.3), but what they could focus on in discussion were the bundled goods they provided. These fit into constellations of meaningful and non-instrumental actions, rather than simply serving an ultimate end.

This understanding directs us to consider the distinction between those SEs providing pre-defined goods and those promoting a means for stakeholders to decide the good for themselves. Obviously, such a distinction is conceptual and in practice less clear-cut. Only four of the fourteen cases were labelled as having tendencies solely in the provision category (SV2, SV14) or the facilitation category (SV3, SV8). Interestingly, these were at the easier end of the range of cases to label with outcomes orientations because the values statements seemed less varied across stakeholders and intentional / inferred sets [16]. In other SEs the overlap between provision and facilitation appeared to be a genuine point of tension.

The distinction between providing pre-defined goods and facilitating autonomy as conceptualised here broadly mirrors established contrasts between objectivist or subjectivist ethics. Combined with the distinction between focusing on negative or positive freedoms (i.e. removing impediments or creating opportunities), these concepts may be used to build up a picture of SEs that can draw from existing political and social theory on the contradictions between such approaches rather than attempting to ‘reinvent the wheel’. These potential strands of distinction will be picked up in the discussion chapter as a way of refuting the value-neutrality of SE ‘social’ purposes. SE outcome values pluralism clearly contributes to SE value creation pluralism, although not always in the ways expected by SE practitioners.

7.4 Perceptions of value creation

7.4.1 A focus on perceptions

In the findings above, specific associations between organisational values and value creation in SEs were suggested: value creation in the area of feeling safe when SEs were oriented towards guardianship / self-determination, and value creation from a growth orientation in ability to feel pleasure, try new things, increase one’s earning potential and think in a more self-directed way. It was also acknowledged that certain of the SEs (particularly those in sets 1 and 2) did not always conceptualise the targets of their social purpose as individuals or even individual entities such as organisations, but instead as environments, cultures and / or norms. However, in order to be able to describe the value of their work tangibly in relation to individuals and entities, the SE practitioners in these organisations often highlighted how they were providing fair access to a ‘bundled’ good, thus foregrounding their direct actions rather than longer-term hopes.

These exploratory findings were based on mutually reinforcing readings of the available quantitative and qualitative analyses. They gave a plausible account of the way values could be involved in influencing types of value created for SP stakeholders.

Yet, it was also clear from both the quantitative and qualitative analyses that SE practitioner outcomes intentions did not always translate directly within case organisations into perceptions of value creation in related outcomes areas. This was true even when the SE practitioners reported on their own perceptions of the value they

were creating for SP stakeholders, but particularly clear in the qualitative accounts from SP stakeholders.

One of the guiding principles of this study was to consider the value created by SEs *for the SP stakeholders*. The definition of value adopted suggested that value creation relied on subjective judgements of importance by those experiencing the outcomes, not just reports from those standing outside the experience. For this reason it seemed important to continue to study the role of subjectivity and perceptions to better understand reported value creation.

7.4.2 Identifying areas of non-correspondence

Previous findings sections have already set up the question of why perceptions of value creation did not always seem to correspond in accounts from SE practitioners and SP stakeholders. When the aggregated scores from the value creation data were presented (section 7.2.1), there were significant differences between the overall SE practitioner and SP stakeholder accounts of value creation – with SE practitioners claiming greater value creation in areas related to socialising SP stakeholders to be more benevolent and universalist. At the end of that section, the question was posed whether the discrepancy was because:

- Change in these outcome areas was occurring but the SP stakeholders did not perceive it
- Change was occurring and the SP stakeholders perceived it, but did not attribute it to the work of the SE
- Change was occurring and the SP stakeholders perceived it but did not see it as important, *or*
- Change was not actually occurring in these outcome areas despite the fact that SE practitioners believed it was.

Questions of perception were also relevant when SP stakeholders appeared to see SEs focused on self-determination as creating value through safety and a ‘family’ atmosphere for them (section 7.3.4), rather than through promoting self-direction of thought or action. This raised the question of whether they experienced no change in

their self-direction, experienced it without recognising it or perceived it but did not see it as important.

These two examples of non-correspondence between SE practitioner intent and SP stakeholder perceptions present the possibility that change may occur for the SP stakeholders but for some reason they do not 'see' it or value it. They appear to 'see' the provision of supportive opportunities and services (the direct effects of the process values and an access / guardianship orientation), but for whatever reason appear to less consistently 'see' what might be called the 'transformative' effects on outlook, level of self-direction and interpersonal connection that are claimed by some SE practitioners.

Yet, in those organisations focused on growth, the quantitative findings suggested a more pronounced recognition of these transformative effects. This was reinforced by the qualitative data. Respondents at SV1, SV8 and SV10, in particular, enthused about the ways in which they had changed personally as a result of interaction with the SEs. One of the goals of this section is to consider why this difference may have existed.

A starting point for considering these differences was provided by perceptions of organisational values. When SP stakeholders attributed process values to their SEs (section 5.3.2), 'promoting connection' featured less often in their accounts of organisational values than in SE practitioner accounts, where it was roughly equally prioritised alongside authenticity and appreciating individuality. Also, suggestions of outcome values by SP stakeholders were skewed towards claiming access and guardianship orientations for their SEs rather than self-direction and growth. Therefore even in terms of judging intentions, the general impression was that SP stakeholders perceived and appreciated SEs as organisations which were authentic, appreciated their individuality and provided tangible support and opportunities, rather than as facilitators of connection, growth and self-direction.

This focus on tangibility – alongside the general observation that some of the SP stakeholders found it more difficult than others to be self-reflective (see 3.7) – might explain part of the total discrepancy between SE practitioner accounts and SP stakeholder self-reports. However, it does not explain why SP stakeholders of growth-oriented SEs might overcome this tendency. The stakeholders involved in the growth-oriented SEs did not, in general, appear more articulate or reflective than those involved with the other SEs. Perhaps some of the craftspeople and business operators at SV3 and SV4 may have been expected to have a different range of experience, but as only one SP stakeholder respondent was drawn from those two cases, this would not

have made a great difference to the narrative of the SP stakeholder accounts. Differences in the nature of the disadvantage between target groups could of course have played an as yet unrevealed role, but in the absence of this understanding, this section explores other reasons by using vignettes from the fieldwork to unpick non-correspondence between SE intentions and SP stakeholder value perceptions.

This focus on non-correspondence is important even though many of the value creation accounts did tally between SE practitioners and SP stakeholders. It allows us to look at the peculiarities of where the links in the value chain were not forged in order to better understand how those links normally form.

7.4.3 *Vignettes of non-correspondence: SP stakeholder does not see change*

One potential reason for non-correspondence of intent and value creation was the idea that change was occurring but the SP stakeholders did not perceive it. One example of this was to be found in SP stakeholder reactions to the meals-on-wheels service. The SP stakeholders were very positive about SV13's work. However, the qualitative accounts they gave emphasised different elements of the service than those given by the SE practitioners.

Here are two comments from SE practitioners at SV13 discussing the key role they believe their SE plays in improving / maintaining physical health for their SP stakeholders:

“The health implications of food are so important and that’s why we’ve recruited our own dieticians and nutritionists ... Most of them [the SP stakeholders] are underweight or malnourished and our nutrition team are making huge differences to people by recommending them particular meals from our menu that are high in calories or lower in calories if they need to lose weight.”

“Obviously the fact that we’re a food business means that we’re providing nourishing, tasty foods for people. I think our nutrition and wellbeing service is entirely focussed around that, so that’s the wider wellbeing, also looking at increasing appetite, things that may affect poor appetite ...”

SE practitioners, SV13

The SE practitioners suggested that the existence of their service brought about measurable differences in general health. Just from a common sense understanding these claims seemed entirely plausible – that the provision of balanced meals for those who found it hard to or could not cook for themselves would broadly result in better health. If the study had focused on value creation from the perspective of institutional stakeholders, such as the NHS or the social care system, then this would probably have been one of the key areas of discussion with stakeholder representatives. Yet this study focused in particular on SP stakeholder experiences of value creation: whether they themselves perceived objective change to have happened *and* whether they saw it as important. The respondents involved in this research did not appear to ‘see’ nutrition-based change:

“I: Do you think this organisation has made any difference to whether you experience bodily health or mental-well-being?”

R: No.”

“I: Do you think this organisation has made any difference to whether you experience health and mental well-being?...”

R: If someone’s coming in every day, it makes a vast difference to me. I’ve got something to look forward to. That is the answer to it all.”

SP stakeholders, SV13

The second quote echoes the idea that broadly-speaking, SP stakeholders perceived the most value from direct relationship-building. From the more open-ended discussions too, it was clear that what the SP stakeholders valued was the convenience and connection provided by the delivery of a defined service: the provision of meals by friendly and interested people. It was acknowledged that this service allowed them to stay in their own homes, although this was not stressed. A more important point made by the SP stakeholders was the feeling of reduced burden on other family members – another relationship-based area of value.

The difference in emphasis is interesting because it highlights again the subjective nature of value perception, but also how the intervention of SV13 was seen as the delivery of a service that addressed *existing* preferences. The food was seen by

SP stakeholders as a ‘bundled’ good, rather than the means of arriving at other outcomes.

From the vantage point of an overview of older people’s health and well-being, the SE practitioners brought a different set of knowledge and understanding to the discussion of their potential value creation than the SP stakeholders. The SE practitioners saw their job as preventing issues that, due to their knowledge of the wider population, they knew could impact on the independent living of their SP stakeholders in the future. Yet, the preventative aspect did not feature highly in the SP stakeholder accounts. Realisation of that value by SP stakeholders would have required them to imagine themselves first without the service (the counterfactual) and also to have accepted and internalised the narrative that their health would have inevitably suffered without the excellent nutrition provided by the SE. In this way SP stakeholder knowledge, and ability to reflect, impacted on judgements of value.

7.4.4 Vignettes of non-correspondence: Change not attributed to SE

One example of an SP stakeholder seeing change but not attributing it to the SE came from one of the re-use and retail organisations where a SP stakeholder was funded for a training course to complement his existing skills but did not want to give too much credit to the SE for his progress. He believed they simply made it easier for him to do what he would have found a way to do anyway:

“I’ve done the [qualification] ... So helping me, when I move on, to ... well, get more established easily as a [job title] again. Which is what I used to be. So yes, they’ve helped me. I’d say a little. I’m only saying a little because I did do it all in my own time and I would have found the money somehow to do it.”

SP stakeholder, SV11

From what seems like an objective viewpoint, the measurable change is that the SP stakeholder has received financial support to learn and been able to evidence that learning through a qualification. An outcome has undoubtedly occurred and one that external stakeholders would probably consider significant. Yet the SP stakeholder’s outlook was that the *important* help that the SE had provided was providing a place of support and safety at a low point in his life. Unlike the training course, that support had

provided him with something he acknowledged he had needed, but had been unable to provide for himself:

“It’s just because of providing the stability to get my head straight and be back to the [name] that I used to be.”

“[The organisation] is like a big soft fluffy cushion really. And if you wanted to live in that big soft fluffy cushion forever you can. So for the initial period while I was here, it was a good thing to have that big pillow around you.”

SP stakeholder, SV11

The SP stakeholder went on to reject the idea that he should stay in the ‘big soft fluffy cushion’ forever. In speaking in this way the SP stakeholder appeared to be highlighting his own agency rather than submitting to the idea that the organisation’s intervention transformed his skills and motivation. The SE was seen as important and as having created value, but the value was not perceived in the facilitation of autonomy but the delivery of support that he needed. Later comments revealed that he wanted to highlight this difference because he felt the SE did not do enough to promote autonomy in other SP stakeholders at the organisation:

“Our support workers ... they’re not so much support workers, they’re facilitators. But to facilitate depends on people coming to them saying look, I need help. ... I think there should be more emphasis on helping people or giving people the option of help. I think there should be more emphasis on training and moving forward.”

SP stakeholder, SV11

He favoured a growth orientation: creating opportunities rather than just removing impediments. His own outcome values were not congruent with what he perceived to be happening at the SE. This lack of congruence appeared to mean that he did not ‘see’ transformative value, for himself or for others, although he was using the space created by the SE as intended: as a foundation for dignified self-help.

7.4.5 *Vignettes of non-correspondence – Change not seen as important*

The final example is drawn from SV2 – the community-supported agriculture SE. It was a relatively informal co-operatively-organised SE, so it was difficult to find an interviewee who could be considered simply a ‘beneficiary’. As such, all of the members answered questions about their experiences *and* decision-making. It became clear that the act of membership itself could perhaps be considered a ‘bundled’ good: the preference to be co-operatively involved with others.

One of the members at SV2 provided interesting answers with regard to the benefits of involvement. In contrast to the first example above, the member claimed there were health benefits from fresh air and gardening and suggested she might be benefitting from them. However, she did not want to rate health outcomes of high importance to her, because she said she was already healthy so the benefits would not be additionally significant. She suggested that other members of the co-operative who were experiencing ill health might find that element more valuable, but that for her involvement was not about ends, but about doing:

“...because generally going over the allotment is an extension of the things I’ve done in the past anyway, you know being outdoors and exercising and things, and so it’s an extension of what I was doing, with the exception of receiving strange vegetables [both laugh]. That’s about it really.”

SP stakeholder, SV2

The sense of importance for all of the stakeholders at SV2 was that they wanted to be involved in the gardening and / or the co-operative action as a means of expressing their preferences and environmental beliefs. Involvement was a statement of intent and the choice to live in an alternative way. The focus was action in the first instance, with societal impact as a distant justification, rather than a driver. Value creation was judged through this lens.

7.4.6 *Meeting or transforming expectations*

The key mechanism defining whether these three sets of SP stakeholders considered particular outcomes to be of value appeared to be the level of congruence between their *existing* preferences and the SE’s offer – either delivering support (e.g.

SV13, SV7/11) or the chance to act according to a shared worldview (e.g. SV2, SV4, SV12, SV14). This finding foregrounds the role of SP stakeholder agency as a reminder that while external (state / funder) expectations of SE contributions may rest on measurable outcomes, the lived experience of value to SP stakeholders may be quite different.

This study is not suggesting that the measurable outcomes are unimportant, but that there may be clear reasons in the lived experience of SP stakeholders to explain why in SEs (particularly WISEs) outcomes related to financial gains or progression to mainstream employment may not be reached as often as intended or hoped (e.g. Borzaga and Loss, 2006; Clarke 2010). Effective promotion of these tangible outcomes would presumably rest on at least some kind of transformative experience (learning, upskilling, confidence-building etc.) and if the expectation is safety, rather than challenge, this transformation may not always be a part of the SP stakeholder lived experience, even if intended.

Expectations clearly play a part in determining whether SP stakeholders perceive value and by extension therefore how *far along the value chain* they perceive it even possible to experience value.

The contrast between meeting and transforming expectations was illustrated well by the activities of SV3. They provided studio spaces for artists and craftspeople – a classic example of the delivery of a ‘bundled’ good that the artists and craftspeople knew they wanted. However, alongside this straightforward delivery, they also provided coaching, networking and schemes to support people from disadvantaged backgrounds into the arts. One of their schemes aimed to encourage artisans to employ assistants, to create more arts jobs. These were not conventional delivery activities, but acts with transformative aims. The people involved were helped to look beyond their current expectations and see wider possibilities for themselves and others. When this approach worked, original expectations were surpassed and replaced with new ones:

“They can provide you with some sort of- almost some kind of frames through which you can see if you want to take your business from here to there. Have you thought about these elements? Have you tried this? Have you done that? A couple of years back I had no idea of all those frames ... now I kind of see patterns... And you know, you can learn that.”

SP stakeholder, SV3

In other SEs, there were even examples of SP stakeholders agreeing that their interaction had been transformative in the socialisation areas that the SP stakeholder cohort in general ranked significantly lower than the SE practitioners:

“More tolerant of others, I am. Quite a lot now... Like, kids always got on my nerves. But I’m more tolerant now, because you see them most days, in and out ... So I’m more tolerant with the children now, not telling them to get out and shut up! It’s come to attitude as well, what you’re thinking. Don’t eff and blind at them, basically. You’ve got to earn respect and say ‘go to your mum’ ...

SP stakeholder, SV10

“Yes, I’m far less selfish than I was. [pause] But only again because you know you can’t live with 30 other people and be selfish. So you know you have to give of yourself. Just to help other people. And it has, it’s changed me. Being here has changed me a lot. ... Because I’ve never been one to forge relationships and keep them and stuff like this. Whereas here, I’m starting to.”

SP stakeholder, SV7

Accounts of transformation were rarer than accounts of the satisfactory delivery of expected outcomes. However, their existence highlights the final part required for a comprehensive model of the influence of values on value creation in SEs: the role of persuasion.

7.5 The persuasive element of value creation

Congruence between expectation and delivery allowed the perception of value. Where expectation and delivery were not congruent, value was not perceived by the SP stakeholders, even if objectively outcomes were occurring.

Therefore, the challenge in transformative work was in changing the expectations of the SP stakeholders so that the aims of the SE became the expectations of the SP stakeholder: to create congruence between intention and experience. This appeared to happen when the SP stakeholders ‘bought in’ to the story of change that the SE was promoting. In the following example, SE staff often spoke to SP stakeholders of the

importance of identifying and following a passion, just as they did. This role-modelling helped transform expectations:

“I’m thinking about starting my own business up, end of this year. ... I wouldn’t have thought of it if it wasn’t for [name], who’s the director of this business, and of course my manager, [name] and a few other people. But I wouldn’t have thought of this specific idea if it wasn’t for those guys. How they come to work and they’re working hard inspires me to do something that I want to do.”

SP stakeholder, SV1

From the qualitative accounts, facilitating change in SP stakeholder expectations appeared to relate back to the foundation of the common process values. The process values were oriented towards building respectful and responsive human relationships. Only on the basis of these relationships were the SE practitioners able to persuade the SP stakeholders of the value of what they were offering in a way that could be accepted as genuine. These relationships did not guarantee persuasion or transformation, but they did appear to underpin it, as in the following example. An SP stakeholder felt able to allow her son to independently receive support from the SE practitioner she had previously learnt to trust:

“I tend to talk for [son’s name]. And yesterday we had a meeting and he [the development worker] said, right, ‘you stay outside!’ [both laugh] So that’s what I did! ... I’m quite protective of my son [chuckles] and if I didn’t think he [the development worker] was a nice man, I wouldn’t let him go and see him.”

SP stakeholder, SV8

In this way, value perception appeared to be interpreted through relationships, not just acts, mediated by a level of trust and belief in the integrity of the SE and its staff. The findings showed that links between SE activity and perceptions of value creation beyond the simple delivery of expectations were not inevitable, but the product of an atmosphere (authentic etc.), an approach (creating opportunities) and agreement (from the SP stakeholder that the approach was worthwhile). This understanding, arrived at via the analysis of empirical data, clearly fits with the ‘contingency perspective’ (Lepak, Smith and Taylor, 2007), where assessments of value depend on

the stakeholder's knowledge of options, their assessment of the need at hand and the context for their decisions.

To conclude, value creation is about more than just providing activities and expecting all SP stakeholders to perceive the same value from them. The people and the mechanisms involved vary. SEs produce value in different ways: either delivering according to people's expectations or attempting to transform them. The first is more of a customer service model, the second more of an educative or persuasive role. The educative or persuasive role may commonly occur at individual level, but it should not be forgotten that it must also play a part in value creation by those organisations with an eye to societal change. Only by persuading people of the narrative of change the particular SE is built on will new people be brought to 'see' value in what the organisation is doing.

One example of this process of persuasion *not* working was an interaction reported by a member of staff at SV6 – the fair trade SE – where she was told by a member of the public that all fair trade coffee was rubbish and therefore not worth buying. She explained that although she tried to persuade him, he was not open to her suggestions that a) there were a lot of different types of fair trade coffee with different tastes and b) that the value of finding one he liked and buying it would have a wider benefit beyond simply his satisfaction: a win-win. He remained dismissive in the face of her narrative of how value could be created for him and developing world producers by the SE's activities.

Incorporating this understanding of value creation in relation to expectations and persuasion helps to enrich the model offered in the discussion chapter. It highlights why SE intentions may not always translate directly or easily into SP stakeholder experiences.

7.6 Summarising the findings

This study aimed to explore how organisational values influence processes and perceptions of value creation for SP stakeholders in SEs.

The first findings chapter suggested that there were organisational values common to SEs in general and that these could be split down into process and outcome values. The process values did not map on to the same underlying motivational concerns as the outcome values. Instead, they were remarkably similar across diverse

SEs. Outcome values provided a more meaningful way to differentiate organisations. *Within* SEs, SE practitioners could coalesce around shared process values even whilst individually believing their organisation was oriented towards slightly different ends which embodied different ideas of the ‘good’. Despite the lack of total within-case consensus on the orientation of each SE, there was enough agreement to broadly distinguish outcome values orientations for the cases. These distinctions were carried forward to the later analysis.

The second findings chapter offered insight into the extent to which organisational values appeared to guide decisions about SE operations. For most conscious decisions, process values acted as guides for the ideal way the SEs should operate: with authenticity, appreciating individuality, promoting connection and embedding humanity in their work. These ideals were contrasted in decision-making with the ‘real’ or ‘practical’ external influences on the SE’s role as a viable business as well as a provider of social value. This decision-making approach saw SE practitioners trying to stay as true to the ideal as they saw possible, but divergence occurred in the face of: a) threats to the viability of the business and b) commitment to their whole group of SP stakeholders over individuals within that group.

The majority of conscious decisions were considered managerial and forced by external circumstances, rather than the enactment of different internal conceptions of the good. Coalescing around process values appeared to minimise tensions although some fundamental tensions remained around the balance of responsibility for change between the organisation and the SP stakeholders.

One way in which tensions within each case were minimised was via the selection of staff and the early framing of intervention activities. SE practitioners were recruited on the grounds of shared values and SP stakeholders were recruited for their suitability to be receptive to the intervention activities (Fitzhugh, 2013). In this way the managers arranged for the reproduction of the organisation’s values through uncertainty absorption.

There was not sufficient data to report on the effect of values on governance, but within all other operational areas, organisation-wide values did appear to permeate communication.

The first part of the third findings chapter set out the outcomes that SP stakeholders reportedly experienced from their involvement with the SEs. It went on to outline the perceived value of those experiences. From the cohort data, the highest

ranked areas of value creation did not translate exactly from the organisational values reported in the previous part of the study. Achievement and self-direction were less often reported as very important changes than enjoyment and health, leading to the first intimation that there might be unintended consequences of particular values focuses.

The differences in value creation between SEs focussed on individuals or on broader change were highlighted, with the 'radical' organisations more commonly describing their contribution in terms of the performance of a specific 'bundled good' rather than any intermediary outcomes they expected to prompt. As such they seemed particularly oriented towards action and process, compared to the more outcomes-focused WISEs in the cohort.

A mismatch was identified between SP stakeholder perceptions of the value being created by self-determination-oriented SEs and the SE practitioner reports. This non-correspondence was interesting alongside the suggestion from the quantitative findings that a growth orientation was more associated with value creation reports relating to autonomy. Qualitative accounts also suggested that in growth-oriented SEs the SP stakeholders appeared more likely to report transformational change than in SEs without a growth orientation.

Value creation perceptions relied on congruence between existing expectations and experiences, but organisations involved in transformational change also attempted to shape expectations through persuading the SP stakeholders of the importance of their narrative of change. Where this was achieved, SP stakeholders enthusiastically reported change in socialisation and development areas where they might not otherwise have 'seen' value. The lived experience of SP stakeholder value was potentially quite different from the expected value creation, especially where SEs appeared to focus on prevention and / or removing impediments to SP stakeholder well-being and progression. This did not mean that impact was necessarily missing from such activities, but that if it was occurring then it was only judged as value by other stakeholders (e.g. reducing benefit claimants or health service dependency) rather than the SP stakeholders themselves.

These findings provided insight into how organisational values influence processes and perceptions of value creation for SP stakeholders in SEs. These insights are brought together at the start of the next chapter in a concise model, before the discussion contextualises the findings and explores their implications.

8 Discussion

8.1 Chapter overview

The discussion chapter consists of four main parts. The first sets out the findings from the previous chapters in a concise model of how organisational values appear to influence processes and perceptions of value creation for SP stakeholders in SEs.

The second part suggests how the five elements of the model influence the value creation system originally presented as the study's conceptual framework in section 3.3. Beyond the development of the model as a contribution in itself, it is suggested that this study offers two new overarching contributions to knowledge, which relate to two different parts of the value creation system, but are interlinked. The realms of these contributions are shown on a newly annotated conceptual framework diagram.

The third part of the chapter discusses the first three elements of the model: atmosphere, approach and accommodation. The section conveys one overarching contribution of this study, i.e. the empirically-grounded assertion that SE outcome values are plural and operate within the context of a shared SE ethics. It highlights why the political orientations within that pluralism may be overlooked, even by members of the SE organisations themselves, but asserts that they should not be, given their practical implications for SP stakeholder value.

The final section expands upon the conceptual and theoretical implications of the last two parts of the proposed value creation model: agreement and aspiration. The section as a whole conveys the second overarching contribution of the study, i.e. that the translation of SE practitioner intention to SP stakeholder value perception depends not only on actions to create outcomes, but also on whether and how the value frames of SE practitioners and SP stakeholders are aligned.

8.2 Model: The 5 'A's

The findings chapters set out considerable detail on the influence of organisational values in SEs on value creation for SP stakeholders. The following model is offered as a concise way of understanding the main points from the findings. It highlights five influential 'A's: atmosphere, accommodation, approach, agreement and aspiration.

ATMOSPHERE:

- Common SE process values of authenticity, appreciating individuality, promoting connection and embedding humanity foster respectful and responsive interactions between SE practitioners and SP stakeholders.
- The SP stakeholders value these interactions for their friendly and genuine quality, with direct important outcomes for their sense of inclusion and self-confidence.
- The nature of the interactions also lays the groundwork for the potential acts of persuasion required for transformative value creation for SP stakeholders.

ACCOMMODATION:

- SE practitioner intentions coalesce around common process values, masking the potential for disagreement amongst them over preferred end states.
- This accommodation creates some tensions within SEs (for instance between focusing on providing / facilitating for SP stakeholders or concentrating on creating opportunities / removing impediments).
- However, it also allows for SE practitioners to work in a multi-faceted way to focus on different aspects of SP stakeholder support within each SE, providing a greater richness of potential experiences than an SE focused on just one type of preferred end.

APPROACH:

- Outcome values tendencies are framed into SEs by early stage management decisions over the SEs' activities and on an ongoing basis via staff selection.
- Four main approaches are: access, guardianship, growth and self-determination, but they are not exclusive focuses within SEs.
- The differences between these approaches appear to relate to objectivist or subjectivist ethics and positions on preferred types of freedom, belying the idea of social value creation as an ethically / politically neutral act.
- By influencing programme choices, values appear to influence the type of value experienced by SP stakeholders, but not always in a straightforward way.

AGREEMENT:

- Creating a link between direct intervention and SP stakeholder attribution of value to the outcomes of that intervention requires agreement, i.e. congruence between the expectations of the SP stakeholder and the SE offer.
- Value is perceived when the SE caters to existing preferences (delivery) or persuades SP stakeholders of a new narrative of change (transformation).
- Where SP stakeholders do not know of or accept the narrative of change, outcomes may occur without the SP stakeholders 'seeing' them or judging them of value.

ASPIRATION:

- Some SEs also aim to create structural / broader / longer-term impact than can be judged by considering outcomes for individuals or individual entities (e.g. groups / businesses).
- While the aspiration that justifies this approach focuses on the very end of the value chain (societal change), the SE practitioners often discuss their organisation's contribution in terms of the opportunities they provide at the start of the value chain for people to act in a way that is seen as good in and of itself.
- This focus means that SE practitioners at these organisations are less oriented towards shaping downstream outcomes for individuals from their work, leading to less directive encounters for SP stakeholders within these organisations than with the more individually-focused SEs, particularly WISEs.

These points address the overarching research question: how do organisational values in SEs influence the nature of value creation processes for SP stakeholders in these organisations? The next sections will discuss these findings to place them within the context of existing literature and also identify practical implications.

8.3 Where the 5 'A's influence the value creation system within SEs

The conceptual framework diagram originally presented in section 3.3 had distinct parts illustrating issues relating to processes and perceptions. The processes involved in value creation were posited above the horizontal dashed line. The annotations immediately below the horizontal dashed line illustrated how processes

taken to be 'real' were discernible only through impartial and contingent human perspectives.

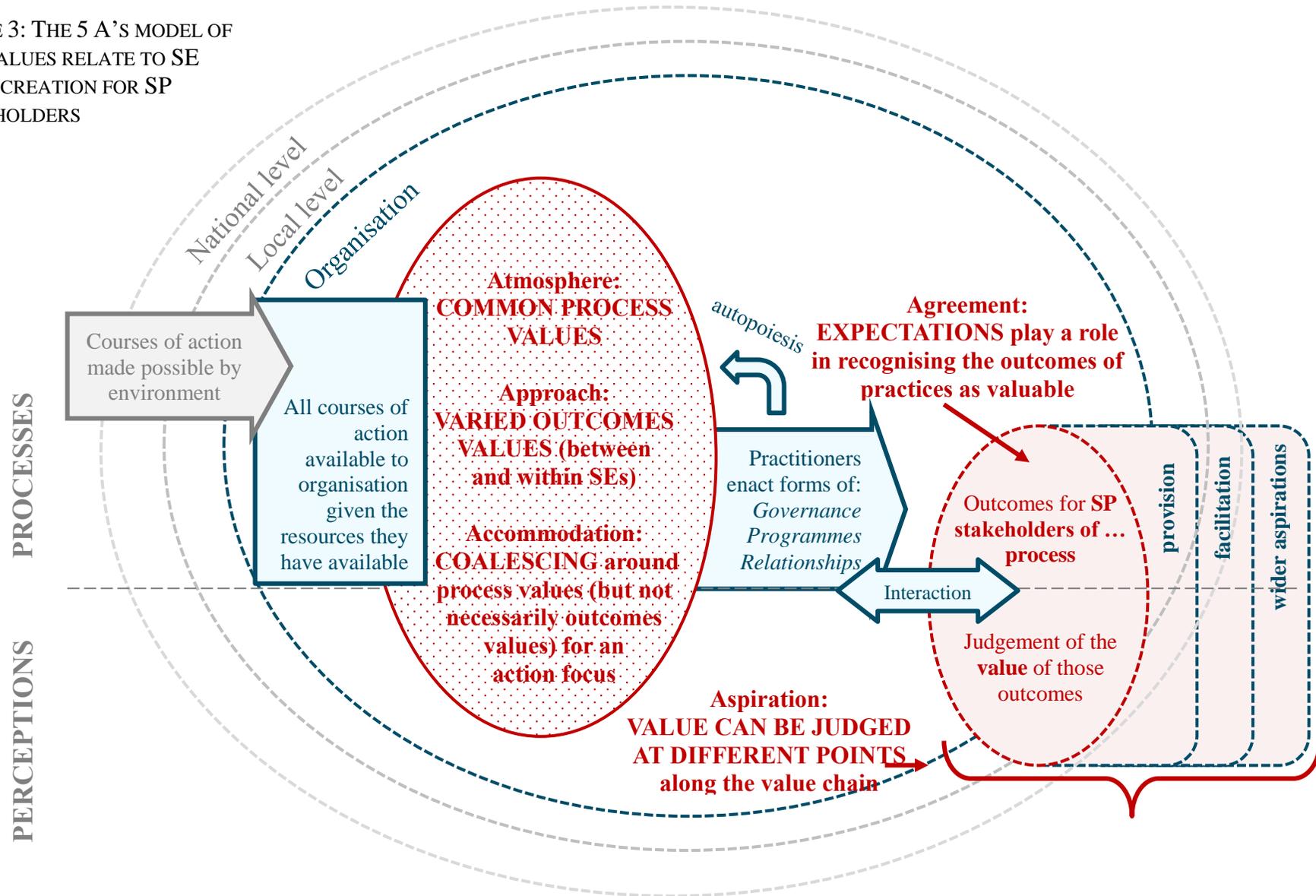
Figure 3 on p.203 has been both simplified from the original conceptual framework diagram and additionally annotated with the elements of the model (5 'A's) described above, to illustrate how they relate to the overarching value creation system.

Mapping the elements of the 5 A's model onto the conceptual framework diagram confirms the suggestion that organisational values act as a filter, reducing all possible courses of action available to the organisation to the activities (including types of interpersonal interaction) eventually adopted. This is shown by the large shaded oval at the middle left of the diagram encompassing atmosphere, approach and accommodation.

However, this mapping also highlights another site of interest within the value creation system. The smaller oval to the right of the diagram indicates the level of the SP stakeholder within the system. It straddles the processes / perceptions line and it is at this point that values are also relevant to the extent to which SEs may be able to create value perceptions in their SP stakeholders. The new annotated diagram indicates that value creation may also be influenced by the role of expectations in allowing the perception of potential value ('agreement') and the possibility of perceiving value at different points in a potential value chain ('aspiration').

While both of these interesting areas in the value creation system operate across the intersection of concern with processes and perceptions, it could be suggested that the first (atmosphere, approach, accommodation) is more about the influence of organisational values on processes and that the second (agreement, aspiration) is more about the role of perceptions. For this reason the findings as a whole appear to offer two overarching areas in which this study may contribute to extending the debate on value creation. The discussion below is therefore split into two according to these preoccupations and attempts to place processes and perceptions of value creation in the context of existing literature, providing a deeper understanding of the implications.

FIGURE 3: THE 5 A'S MODEL OF HOW VALUES RELATE TO SE VALUE CREATION FOR SP STAKEHOLDERS



8.4 Action over ends – the understatement of SE values pluralism

8.4.1 Overview of the section

This section considers the context and implications of findings on how organisational values influence value creation practices in SEs. The section focuses on ‘atmosphere’, ‘approach’ and ‘accommodation’ in turn. The first step is to consider whether SEs appear to focus on process over ends to a greater extent than might be expected in other organisations and if so, what this means. The next sub-section offers a framework for understanding this focus on process: Kantian business ethics. The following two sub-sections then explore existing evidence that supports this assertion and discuss how it may be possible for Kantian business ethics to be shared between SEs, only for outcomes values to vary under that umbrella. The section on freedom, equality and order illustrates the different preoccupations possible within the boundary of the shared ethic. It is then acknowledged that this is not the usual realm of tension discussed in SEs and the following sub-section considers why the possibility of tensions between outcomes might be understated or avoided in both academic and practical discourse. Finally, the section ends with an overview of ways in which the understatement of differences in outcomes orientations might benefit SE leaders, but also present dangers in relation to the creation of value for SP stakeholders.

8.4.2 The implications of a focus on process over ends

Being oriented towards an idea of right practice over right outcome is known as a deontological, rather than consequentialist outlook (Alexander and Moore, 2016). Given the prominence of process-focussed values in the SEs studied for this research, it is possible to propose that one of the distinctive features of SEs as a business model (compared to mainstream business) may be a shift towards a deontological outlook, from the highly consequentialist mode of private profit-maximising business. It is not that the SE practitioners are oblivious of ends. Their more complicated relationship to ends will be discussed in detail in later sub-sections. It is just that, on balance, the integrity of how the SE practitioners act appears to be at the *forefront* of considerations within SEs. This contributes to a shared idea of the ‘obvious’ way to practice (see 6.3), which within SEs is then assumed will contribute to the creation of desired outcomes.

The categories of process values arrived at via the qualitative analysis lead to the proposition that SE practitioners aspire to what has been called a ‘Kantian’ business ethics (Bowie, 1998; Arnold and Harris, 2012; Bowie, 2017). Kant’s ideas have been mentioned on the periphery of SE studies a few times. One example is Lutz’s (1997) assertion that the Mondragon co-operatives respect human dignity in such a way as to follow the second formulation of Kant’s categorical imperative (see below). Another is Dierksmeier’s (2013) off-hand mention of social entrepreneurs as positive examples of the enactment of Kantian virtue ethics. In *Management for social enterprise* (Doherty et al., 2009), a very basic overview of a Kantian perspective is offered alongside other ethical positions, in order to provide SE managers with multiple lenses through which to view their ethical decisions. Doherty et al. (2009) suggest that both Kantian ethics (via stakeholder theory) and a feminist approach may operate in SEs.

Bull et al. (2010) mentioned a Kantian perspective in their paper on ethical capital, suggesting that it underpinned ‘socially responsible business’ engaged in CSR, rather than the more advanced levels of ethical capital they attributed to full SEs. Most recently, a brief reference was made to Kantian business ethics as one of many business ethics frameworks researchers could be challenged to make use of in future SE research, rather than re-inventing the ethical ‘wheel’ (Chell, Spence and Perrini, 2016).

Taking up this challenge and offering a contrast to Bull et al.’s (2010) conceptualisation, this section asserts that the latest formulation of Kantian business ethics (Bowie, 2017) bears a strong resemblance to SE practitioner intentions across a wide range of SE types, as evidenced by the qualitative findings of this study. This resemblance will be explored below by first briefly describing the features of Kantian business ethics and then mapping the process values identified in this study onto them.

Although Bowie’s (1998; 2017) Kantian business ethics are based heavily on Kant’s original works (particularly the three different formulations of the categorical imperative to be found in the *Groundwork of the metaphysic of morals* from 1785 – Kant, 2005), they are also influenced by other scholars such as Rawls and by a certain level of pragmatism in applying individual maxims to organisations (Freeman, 2012; Bowie, 2017). For example, the current formulation of Kantian business ethics was initially prompted by the development of stakeholder theory and retains associations with that theory despite diverging underlying philosophies (Freeman, 2012). The understanding of Kant’s work used here to compare with the empirical evidence should be acknowledged as drawn largely from these business ethics interpretations, rather

than constant recourse to Kant's original texts. This is justified because the intention is not to develop or challenge the Kantian legitimacy of the existing formulation, but to note the business ethic formulation's resemblance to SE practice.

8.4.3 *Kantian business ethics in relation to SE process values*

Kant is known for philosophical work which emphasised that morality relates primarily to the intention of acts, rather than utilitarian judgements of the goodness of the outcomes of those acts (Hill, 2009). He proposed tests which could determine the 'good will' of an act and these are known as maxims (ibid.). Strictly speaking, each of these maxims relates back to the single fundamental idea that moral acts are moral *in and of themselves* rather than because they should prudentially be carried out for the sake of some other goal (ibid.). However, in practice differentiations are drawn between the more abstract formulation of the universal law (Galvin, 2009), the humanity formulation (Dean, 2009) and the framing device of a kingdom of ends (Holtman, 2009).

In Kantian business ethics these three formulations have been discussed separately to build a picture of the implications of the categorical imperative for business practice (Bowie, 1998; 2017). The three formulations taken forward in Kantian business ethics can be summarised as maxims of 1) fair play, 2) respect for people as ends in themselves and 3) moral community: i.e. listening to stakeholder voices (Bowie, 2017; Freeman, 2012).

The first formulation suggests that the only morally permissible decisions are those which are not conceptually self-defeating if undertaken universally. Examples are: the making and keeping of promises, drawing up and abiding by contracts and respecting other people's property. If everyone ignored the norms of promising, promising would not exist as a concept. If everyone ignored their contractual obligations, contractual relationships would not exist. This can be understood as a maxim of fair play.

In Bowie's book (2017) and critical perspectives on his Kantian ethics (Arnold and Harris, 2012), the examples given in relation to the application of the maxim of fair play are examples of what you might call 'strong' contraventions of the maxim, such as fraud and theft. Yet, intentions within SEs appear to go beyond avoiding this type of 'strong' unethical activity, into fair play in the realm of what resembles a 'softer' type

of promise-making activity. During the findings chapters, the concept ‘authenticity’ was presented. It was identified as one of the key intentional process values within SEs and it clearly reflects Kant’s call to fair play, as can be seen from the original description arising from the analysis process:

“On behalf of the organisation, SE staff prioritise ... genuinely doing what they say they are trying to do (congruence of statements and actions) and acting with intensity and focus to do it (visible effort in carrying out those actions)”

Excerpted from Table 22

The concept of authenticity as discussed by SE practitioners suggests that organisational missions and relationships undertaken for the benefit of SP stakeholders are viewed as promise situations which it would be unethical to interpret as non-binding. In this sense, the SE practitioners appear to go further than the examples in the Kantian business ethics literature towards the maxim of fair play, adopting a relational responsibility (the element of SE ethics Doherty et al., 2009 briefly suggested might relate to feminist ethics), rather than just a legalistic or contractual interpretation.

The second formulation of the categorical imperative, which concerns treating people as ends in themselves, is the element of Kantian ethics that Lutz (1997) identified within the co-operatives of Mondragon. It is this formulation and its interpretations in Kantian business ethics that provide the strongest suggestion that SE practitioners intend to make decisions in a Kantian manner. Recognising the dignity of the person as a person, rather than as a ‘human resource’ is admittedly not only a Kantian preference. Yet the aspect of the Kantian business ethics interpretation which fits well with the intentional process values in SEs is the intention to carry out both negative and positive obligations with regard to human dignity. To carry out the maxim in a negative sense is to avoid using people as mere means. To carry it out in a positive manner is to actively promote their dignity as ends-in-themselves (Bowie, 2017).

The concepts of ‘appreciating individuality’ and ‘embedded humanity’ from the qualitative analysis suggest that SE practitioners intend to follow this maxim in their interactions with SP stakeholders. First, by respecting human difference and tailoring activities to each SP stakeholder's individuality, they attempt to avoid viewing people as interchangeable. Then, by running the organisation in a friendly and flexible way

without depersonalising it into a non-human structure of rules and procedures, they attempt to convey to SP stakeholders that their dignity will be safeguarded.

The quantitative findings that placed ‘fostering self-esteem’ at the top of the list of valued SP stakeholder outcomes (see 7.2.1) suggested that one of the main areas of value creation for SEs was the promotion of personal dignity. The qualitative findings relating to SP stakeholder feelings of ‘family’ and belonging (see 7.3.4) similarly suggested that adherence to the positive maxim had tangible and relevant value creation results. These findings support the idea that SEs not only intend to protect and promote human dignity, but also that working in this way is perceived by SP stakeholders as creating value ‘at source’, i.e. via the direct actions within the SE, not just in the outcomes further down the value chain.

If all SEs were genuinely acting according to a Kantian ethic of respect for persons as ends in themselves, the hope of SE as a humanised economic model (Hart et al., 2010) to do business ‘as if people mattered’ (Schumacher, 1974), would be borne out. This would be in stark contrast with accusations that (US) SEs act in collusion with neoliberal agendas of commodification (Garrow and Hasenfeld, 2014). Yet, it should be reiterated at this point that this exposition of Kantian ethics is proposed as the ‘ideal’ intended by SE practitioners and it has already been acknowledged in the second findings chapter (6.2.1) that practical tensions impact upon the extent to which SE practitioners believe they can reach this ideal. The extent of the realisation of the ideal has potential repercussions for its translation into value perceptions for SP stakeholders. Nevertheless, the value creation evidence cited does suggest that in many of the English cases this intention *does* translate into valued perceptions of ‘respect for persons’, which may be an interesting contrast with SEs in the US operating in a different political and cultural environment, and one to explore in future research.

For the third formulation of the categorical imperative, Bowie (2017) seems to have pragmatically worked on the original Kantian ideal to make it more understandable in the context of organisations. The original formulation refers to the requirement to act as if you were both “subject and sovereign” (Bowie, 2017, p.92) of an ideal kingdom in which people were respected as ends in their own right. Bowie interprets this as meaning that the rules by which people act in a community or group setting should be rules that must be demonstrably “acceptable to all” (ibid.). The connection between being both subject and sovereign within a community of rules brings to mind Rousseau’s concept of The General Will (1762/2004), with its attendant

practical and conceptual issues, but these difficulties are unacknowledged in Bowie's text. Instead, he pragmatically proposes features of organisations which he suggests would be capable of arriving at rules of this kind, drawing on findings from empirical organisational studies to shape his suggestions (Bowie, 2017).

Bowie suggests managers within a 'moral' firm would: a) consider any stakeholders affected by their decisions, b) provide the means of participation in and / or endorsement of decision-making by those stakeholders, c) avoid the exclusive prioritisation of one (type of) stakeholder over all others and trade-offs based on numbers rather than qualities, and d) ensure that no decisions reached through this process contravened the maxims of fair play and respect for persons (ibid.).

This formulation appears to mirror one of the general underlying assumptions identified within the SE sample for this study: the idea that 'open communication' was an ideal to aim for, even if it was not necessarily always being enacted (see 6.3.1). Open communication was the idea that both staff and other stakeholders should not be hierarchically removed from the management of the organisation, but that their opinions would in some way be taken into account, whether informally or formally. During the preliminary research prior to this study (Fitzhugh, 2013) the concept of SP stakeholders 'having a say' within the organisations was found to be the most visible mismatch between SE practitioner aspiration and the lived experience of WISE SP stakeholders. One of the SP stakeholders described the involvement mechanisms at his SE as:

"probably more taken than anything else, but you get an idea of why decisions are being made at least."

(Fitzhugh, 2013, p.72)

While the current research study did not explicitly ask for comments on open communication, there were indications from the qualitative review of decision-making data that levels of this practice appeared to vary considerably across the different cases. Within SEs with otherwise mainstream hierarchical structures, members of staff and SP stakeholders sometimes commented on their ability to speak openly up the chain of management. Others described how their SEs adopted co-operative structures and / or specific devices for participatory governance more consciously.

The suggestion that some level of stakeholder participation is required to make an organisation into a ‘moral community’, sits more comfortably with the European concept of SE than the Anglo-Saxon academic focus on either ‘earned income’ or ‘social innovation’ definitions of SE (Defourny and Nyssens, 2012). In the EMES (European academic network for the study of SEs) definition, participatory governance is one of the three key elements in the multi-dimensional constellation of SE, alongside the economic and social dimensions (ibid.). Pestoff and Hulgård (2016) recently stressed the importance to SE studies of recognising this ‘third’ dimension – participation.

Pestoff and Hulgård (2016) suggested that it is important to examine the political implications of whether SEs (recognised as independent projects for social change – small-scale politics in action) choose to enact democratic participation at an organisational level. Noticing this tells us whether they are actively attempting to contribute to changing norms and expectations on the location of decision-making power with society. In this way, Pestoff and Hulgård (2016) link the discussion of democratic means back to the type of impact the enactment of those means is supposed to achieve relating to power. The level of open communication has a direct bearing on the level of influence the SP stakeholders may have over defining the shape of welfare intervention and / or participation opportunity being offered to them.

While following the other two Kantian maxims of fair-play and respect for persons might arguably be attributed to ‘decency’ and / or ‘obviousness’ without an overt political dimension (as in the SE practitioner accounts), the idea of moral community goes to the heart of issues of different ideas about how the group ‘good’ should be defined and / or explored, with echoes of political and social theory through the ages. This tension may well be why it is the Kantian maxim which has been found to be most mismatched between intention and action within SEs (Fitzhugh, 2013). This idea is picked up again throughout the following sections where relevant.

8.4.4 Foregrounding the action-orientation

In some ways, the proposition that SE practitioners appear to be primarily guided by a deontological Kantian ethic seems to directly contradict the prevailing idea that SEs and social entrepreneurship are outcomes-driven:

“There is broad agreement that social entrepreneurs and their undertakings are driven by social goals.”

(Peredo and Mclean, 2006, p.59)

This goals-focused conception has been relatively unchallenged. One example was when Ridley-Duff and Southcombe (2012) asserted that SEs should not merely be thought of as ‘social purpose’ (in relation to goals) but instead as also potentially ‘socialised’ (i.e. in the humanity and collectivity of the means they adopted) if the radical ends of SE were not to be squeezed out of the movement. On the whole, the idea of the SE as the rational deliverer of pre-defined outcome ‘products’ appears to remain in mainstream conceptions of SEs and in the outcome-focused metrics used to assess their activities (Antadze and Westley, 2012).

Yet, an understanding of SEs as having a strong deontological component helps us to better understand why some SE practitioners might not directly build their strategies with measurable outcomes in mind (Ormiston and Seymour, 2011). It also explains Grenier’s (2010) difficulty in getting SE / VCS practitioners to discuss their organisational visions. When funders or the Government pressure SEs to act in a more consequentialist manner (e.g. via the financialisation of priorities and the adoption of performance management tools), many papers report that SE practitioners respond with a mixture of reluctance, resistance and / or gaming the system for marketing purposes (e.g. Nicholls, 2009; Lyon and Arvidson, 2011; Arvidson and Lyon, 2013; Forsberg and Stockenstrand, 2014; Dey and Teasdale, 2013; Dey and Steyaert, 2016). Forsberg and Stockenstrand highlighted how this resistance takes the form of a shared process ethic:

“Both [cases in their study] were grounded in a collective community built up around a hidden script of collectively created and expressed values about quality and how work should be done.”

(Forsberg and Stockenstrand, 2014, p.181)

SE resistance to consequentialist priorities would be to be expected in this manner if, as a movement, SEs were to be defined by their shift towards non-consequentialism in comparison to mainstream business.

Other existing evidence supports the suggestion that SEs exhibit less consequentialist identities than mainstream businesses. Moss et al. (2011) used content analysis to explore the mission statements of ‘social ventures’ and more mainstream businesses. They found evidence of normative and utilitarian identities (roughly analogous to a deontological / consequentialist split) operating within them, but with a far stronger normative component in the social ventures than the mainstream businesses. This evidence corresponds to the findings of the current study which suggested that the Kantian ideal is predominant in SEs, but constantly butted up against the utilitarian pragmatism of attempting to deal with external pressures of viability and regulation.

Parkinson and Howorth’s critical discourse analysis (2008) directly acknowledged the action-focussed nature of SE practitioner discourse and contrasted it with the same practitioners’ comparatively limited discussion of final outcomes. The paper asserted that social morality appeared to underpin the sense of legitimacy felt by these practitioners, whether as “activists” or “guardians” (ibid., p.304). This last comment, differentiating activists and guardians, mirrors on the micro-scale the main thrust of this thesis: i.e. that different ultimate purposes (such as pursuing change as an activist or maintaining security as a guardian) are possible under the shared umbrella of legitimacy provided by an active and visible engagement with an idea of ‘doing good’.

In the light of these ideas of shared process values but the possibility of outcomes difference, the next two sections draw upon the empirical evidence relating to the part of the value creation model labelled ‘approach’. They propose an understanding of the differing SE purposes possible whilst remaining under the shared umbrella of Kantian ethics.

8.4.5 *‘Good’ and ‘Good-for’*

There is a difference between considering acts moral and considering them useful, and Kant can be interpreted as having distinguished between ‘good’ (moral) and ‘good-for’ (instrumental) types of value (Callanan, 2013). This dualism has been consistently recognised in the discussion of ethics from Plato to the present day, but it should be acknowledged that it has also been contested by value monists who either reduce all good to moral good or to good-for conceptions (Rabinowicz and Rønnow-Rasmussen, 2015).

In a sense, the ‘good-for’ value may be equated with the concept of use value, in that it is considered value for the instrumental good it may be perceived to bring to a person, in the context of their situation and expectations. This particularity contrasts with what Kant was primarily concerned with: law-like overarching guidance on the necessity of respect for promises, persons and respectful interaction within groups (Callanan, 2013). Perhaps Rawls makes this distinction most clearly by labelling the overarching ‘good’ “justice as fairness” (1999, p.347) and contrasting it with a fuller conception of ‘good-for’ that could only be realised closer to concrete experience. For Rawls – influenced by Kant – the thin theory of the good is the framework within which to make moral decisions about other goods:

“In justice as fairness the concept of right is prior to that of the good. In contrast with teleological theories, something is good only if it fits into ways of life consistent with the principles of right already on hand.”

(Rawls, 1999, p.348)

In this way it is possible to recognise how, under the umbrella of a Kantian agenda to respect promises, personhood and participation, many different interpretations of the best type of use value might still flourish. Bowie emphasises this flexibility when discussing how to solve zero sum trade-offs between stakeholder groups (all of whom require respect):

“As I keep emphasizing, Kant’s moral philosophy should not be seen as a system of absolute moral rules to address all moral problems. All that is required is that whatever policy or principle is adopted, it cannot violate the categorical imperative in any of its formulations. However, any one of a number of policies or principles ... might pass the tests of the categorical imperative. ... Kantian ethics is really quite permissive.”

(Bowie, 2017, p.95)

From this understanding we can discern that diverse actions, with the potential for different consequences, are available in SE action guided by a Kantian ethic. This understanding is consistent with the findings of the study. SEs could share process

values, but offer different primary considerations of what was ‘good-for’ their SP stakeholders, with implications for SP stakeholder experience.

The section below uses these findings as a ‘tool to think with’ (Hammersley and Atkinson, 2007) to arrive at a theory which places SE outcomes value pluralism within the Kantian context.

8.4.6 *Freedom – equality – order*

One of the distinctions drawn in the second and third findings chapters was between the idea of positive and negative approaches in SEs. Positive and negative were not used as indicators of a value judgement. Instead, they were used descriptively. Positive approaches were described as actively creating opportunities, whereas negative approaches were described as removing impediments to action.

The positive / negative distinction was drawn primarily from Berlin’s *Two concepts of liberty* (1969), where it pertained specifically to freedom. However, it is also a recognised way of understanding how the state and other welfare providers may address people’s needs and rights in general (Dean, 2010). In this context the negative realm pertains to non-interference, autonomous choice and a ‘thin’ framework of welfare in which persons are expected to be best able to operate self-sufficiently. This contrasts with the ‘thick’ positive realm which pertains to providing active opportunities for self-realisation and enabling people with benefits / entitlements (ibid.). These approaches are in tension: the first approach may be criticised as insufficiently determinative of the features of life people need to flourish, not just survive, while the second approach may be criticised as overly determinative and therefore contrary to personal freedom (Dean, 2010; Berlin, 1969). Whether you prefer one or the other approach depends on your relative weighting of freedom with other considerations of what makes a life worth living.

Bound up in these conceptions are issues of power: who decides what people need to live well? Who decides whether the ‘good’ is arrived at through following a specific vision of the good as an act or state, or primarily via the opportunity to choose the vision for oneself? Who decides whether the forces of the organisation should focus on the interests of individuals or on tackling power structures, unequal systems and / or oppressive norms? By understanding these differences, organizing for well-being is

exposed as an inherently political act, because it asks practitioners to make decisions about whose vision of ‘good’ ends counts (Perri 6, 2012).

Table 35 (found in its original form as Table 26 in 6.2.1) has been annotated in italics to illustrate the differences in preferred ends found within the SE cases:

TABLE 35: DISTINGUISHING OUTCOME VALUES BY PREFERENCE FOR INTERVENTION STYLE – ANNOTATED TO HIGHLIGHT THICK & THIN / OBJECTIVE & SUBJECTIVE APPROACHES

	SE role: Provision <i>The objective good:</i> <i>Defined needs</i>	SE role: Facilitation <i>The subjective good:</i> <i>Freedom to define</i>
Creating opportunities <i>Thick conception of the good</i> <i>(promote gain)</i>	Access <i>(Promotion of equal opportunity access to ‘bundled’ goods)</i>	Growth <i>(Freedom through self-realisation)</i>
Removing impediments <i>Thin conception of the good</i> <i>(prevent loss)</i>	Guardianship <i>(Protection from suffering / harm)</i>	Self-determination <i>(Freedom through independence from interference)</i>

The evidence from the qualitative and quantitative findings suggested that SP stakeholders perceived value to be created relating to each of these orientations, but that the most prominent outcomes associated with orientations towards *guardianship and self-determination* were remarkably similar, i.e. feelings of safety and protection for the SP stakeholders. Based on this value perception evidence, the whole of the bottom row of the matrix could be simplified to a single realm: the realm of prevention of loss. SEs with this orientation appear to provide value through security, regardless of whether they do it for the protection it affords vulnerable people or in the hope that greater SP stakeholder self-determination would be able to arise from it without further intervention.

This delineation leaves three outcome values orientations with potential linked SP stakeholder value creation consequences:

- The access orientation appears to relate to a perception of value in fair opportunity of access to ‘thick’ ‘objective’ goods and with SEs focused on structural / longer-term issues.
- The growth orientation appears to relate to perceptions of value in self-realisation and SEs with a focus on individuals and their subjectivity.
- The prevention of loss orientation appears to associate with perceptions of value in security and relates to organisations with mixed ideas about the role of subjective and objective goods.

As a triumvirate, these are respectively reminiscent of some of the main concepts in political theory – equality, freedom and order – and by extension to some extent with the political movements they underpin – respectively socialism, liberalism and conservatism (Heywood, 2003). This is not to suggest that SEs or their participating practitioners can easily be identified as *party* political, because both the blurred lines of party politics and the reality of multi-faceted emphases within each organisation (see 5.5.2) preclude this.

Additionally, the types of equality, freedom and order identified within the qualitative analysis of values statements, might be more precisely labelled as somewhat positive liberal interpretations of these: e.g. the preference for promoting equality is framed as equality of opportunity in almost all of the cases, rather than substantive resource equality. The freedom developed is through personal growth and self-mastery, rather than classical liberal absence of constraint. The preference for promoting order / security seems to exist within a mixed approach which offers a narrative of providing a base for self-determination, but appears to sometimes slide into paternalism via aiming to impact upon a large range of outcomes in the lives of SP stakeholders (see 5.5.1).

The mild liberal slant at the intentional level is not unexpected within the ethical boundary, given that Kant saw freedom and rational autonomy as:

“a necessary condition at the basis of all perfections.”

(from Kant’s *Lectures on Ethics* cited by Guyer, 2000, p.96)

Yet, Kant’s ethics have been used to support myriad political positions, including a re-thinking of Marx to favour participative communities of producer co-operatives (van

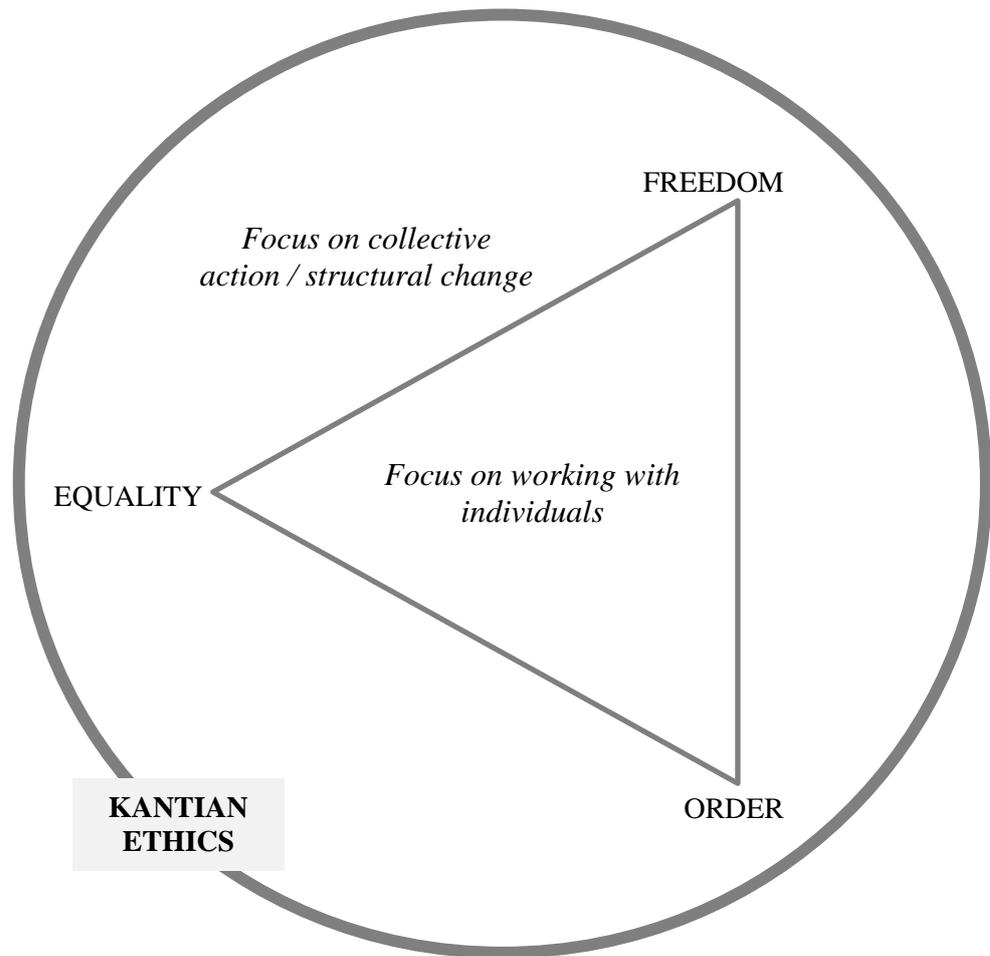
der Linden, 1988) and a preference for cosmopolitan liberal internationalism (Flikschuh, 2000). For this reason, the liberal element should be acknowledged, but not overstressed as exclusively determinative of the outcomes orientation.

At the individual level, ‘liberal’ political moderates are said to exhibit greater ‘integrative complexity’ (i.e. a greater tolerance for complexity in debate), which is why they may acknowledge the importance of freedom, equality and order and recognise there may need to be trade-offs between them (Jost, Federico and Napier, 2009). This tolerance is higher than either left/right extremists or conservatives in general (ibid.). This idea of ‘integrative complexity’, although derived from the psychology of individual motivations and characteristics, offers a useful metaphor at the organisational level. In the case SEs, one of the reasons explored for claims that SE work was not political, was that it was not oriented towards conflict, but towards values-guided action based on convergence between different opinions and approaches – in other words an integratively complex values system.

Rather than attempting to assign SEs party political identities, the thesis is simply that these abstract political concepts (equality, freedom, order) can be understood to underpin differences in the broad intentions towards (and claims of) value creation in SEs even though they are not necessarily recognised as political concepts at the level of practice. The important point is that tendencies towards one or other of these concepts are a possibility even in the face of integrative complexity at the organisational level and under the umbrella of a shared ethics. While no SEs were able to operate at the extremes because their Kantian ethics provided a moderating boundary, differences in focus on equality, freedom and order were present between the cases in the sample, with practical and tangible consequences.

Figure 4 was developed to illustrate the similarities and differences in SE organisational values suggested by the findings of this study. The encompassing Kantian intentions are represented by the circle. Within that, the outcome values are represented as points on a triangle. The inside of the triangle denotes an orientation towards individuals and their interests and the outside represents a focus on collective action / structural or longer-term change.

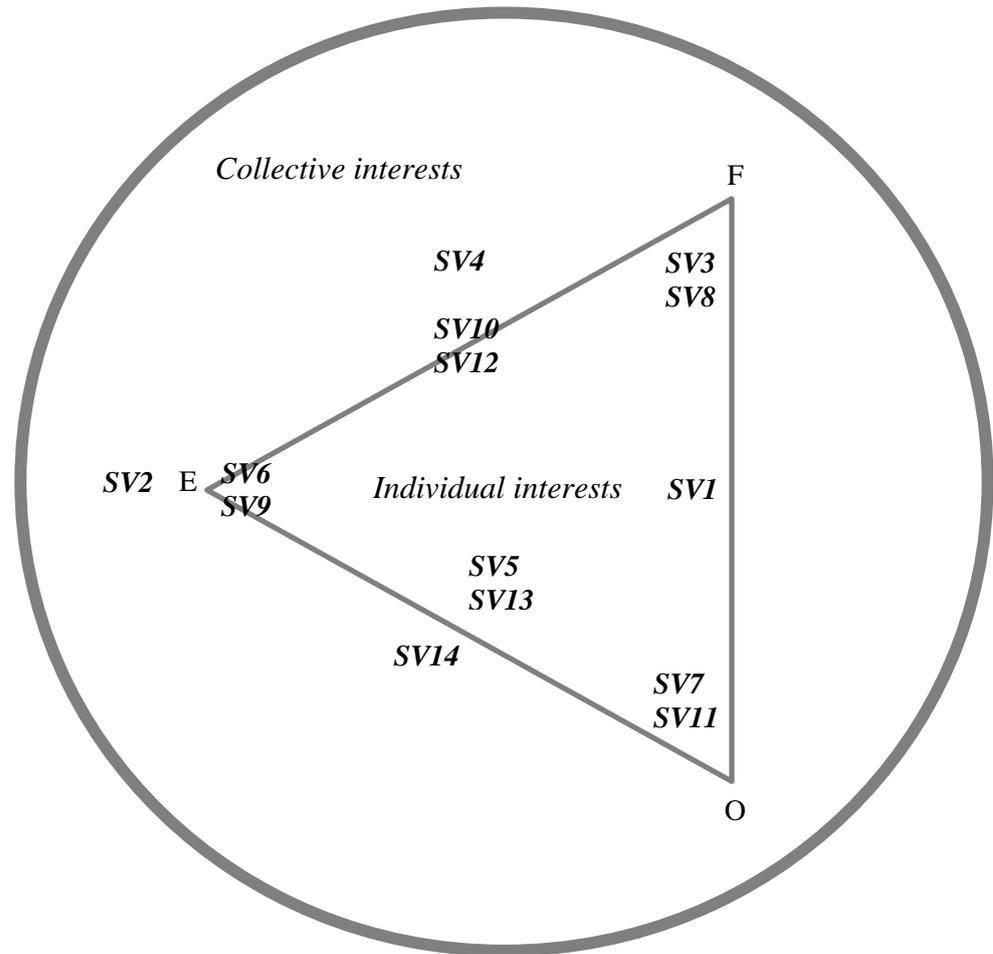
FIGURE 4: DIAGRAM OF SIMILARITIES AND DIFFERENCES IN SE ORGANISATIONAL VALUES



To illustrate this way of considering SE values, each of the sample SEs (identified by their site visit - SV - number) has been mapped onto the diagram in Figure 5 according to the qualitative judgements of growth, guardianship and access orientations found in section 5.5.2 (taken as indications of tendencies towards, respectively, freedom, order and equality). The placement also reflects the distinction between focus on individuals / collective concerns arrived at in section 7.3.5.

While these placements are not definitive accounts, the positioning of each SE is a clear and concise way of identifying general ways the organisations are similar and different. Broad differences are apparent at a glance. One of these is the greater emphasis on collective interests the further left the case is to be found on the diagram. Another is the way in which some of the cases appear to be more integratively oriented to different types of good (in that they are placed mid-way between orientations and / or straddling the line) than others.

FIGURE 5: DIAGRAM OF SE CASE OUTCOME VALUES DIVERSITY



So, SV2 and SV7 may share intentions to respect promises, personhood and participation in a Kantian manner, but SV2 emphasises equality within that and aims to deliver it via co-operative action that facilitates ecological fairness in the environmentally sustainable food system. In contrast SV7 aims to do this via focusing on individuals, the prevention of their suffering and providing them with a stable base from which to make their own decisions in the future.

SV14 shares the space of collective action with SV2 in that each organisation represents members deciding together how to promote the respect of an existing resource. However, as a heritage organisation, SV14 is closer to the realm of prevention of loss than the more radical SV2. Without reference to the data, SV14 as a heritage organisation might have been labelled on this schema as purely concerned with the order / security point on the triangle, but one of the reasons why the qualitative data was so useful is that it provided nuances which show unusual combinations of radicalism and conservatism. For example, this SP stakeholder from SV14 often rents

the heritage items for his own leisure use and highlights how the idea of promoting the common or shared good is part of the ethos of the SE:

“And the [heritage items] are still performing exactly the same function [as they were when they were made] ... which is allowing people like me, who otherwise would not be able to [use such items] the opportunity to do so. ... It does seem to me a wonderful expression of the democratic, sharing side of society where things are created and held for the common good, for people to share, rather than being kept jealously away for private use.”

SP stakeholder, SV14

On the diagram, the commercial co-operative SV12 is placed midway between equality and freedom, collective and individual interests. This liminal positioning represents the way in which co-operatives were developed in an attempt to express organisationally a balanced response to individual and community interests (MacPherson, 2011). It also shows why people from all points on the political spectrum admire aspects of co-operative organisation, as either promoting self-help, solidarity or structural changes in ownership (Fitzhugh and Stevenson, 2015).

8.4.7 *Different types of tensions within SEs*

So far, it has been asserted that SE outcome values pluralism operates within the context of a shared ethics. It is suggested that outcome values differences have tangible effects on the different type of value experienced by SP stakeholders. Yet, academic attention to date has focused on the clash of logics between what has been called here the ‘ideal’ Kantian ethics (the normative ‘social’ side) and pragmatic responses to ‘external pressures’ (the utilitarian ‘economic’ side) rather than the outcomes content of the normative side (Doherty, Haugh and Lyon, 2014; Hudson, 2009; Moss et al., 2010; Seanor et al., 2013; Young et al., 2012; Teasdale, Kerlin, Young and In Soh, 2013).

In one sense it is clear why clashes of institutional logics would gain more attention than differences in political outcome orientation. Different outcomes orientations do not appear to result in as many voiced dilemmas within SEs. The social / commercial tensions relate to tangible and pressing issues of interest to business

practitioners and academics alike: trade-offs in resource commitments, managerial styles and operational control.

The most recent research on the topic of normative / utilitarian tensions suggests that the paradoxes of ‘commercial’ and ‘social’ conditions are never resolved within SEs. Instead, they fuel a recursive process of negotiation in which issues are articulated and delineated, discussed and mitigated in a cyclical process of learning which is a point of strength as well as conflict in the SEs (Mason and Doherty, 2016). The articulation and delineation of governance issues as described by Mason and Doherty (2016) appears to bear considerable similarity to the first three of the four ‘voiced dilemmas’ identified in this study (Table 25 on p.151). Their classifications were: “social/commercial balance; conflict of interest; participation and resource pressures” (ibid. p.463) which show preoccupations within SEs of similar foundational issues to those found in this study, relating to authenticity / pragmatism, embedded humanity / formalisation and competing allegiances to individuals / the group / the organisation. This congruence allows their model of tensions at the level of institutional logics to be accepted here, leaving space to discuss whether a lack of awareness of potential tensions between *outcomes* orientations matters for policy and / or practice and if so, why.

8.4.8 *Paying attention to political implications*

It would not be uncommon to read the lack of recognition of political preferences in SE decision-making as reminiscent of features of NPM (New Public Management). Yet, the suggestion that SEs are examples of a neoliberal mentality filtering into the world of welfare (e.g. Garrow and Hasenfeld, 2014; Eikenberry and Kluver, 2004) has been somewhat countered by reports of SE practitioner resistance, where complicated layers of identification and dis-identification have been highlighted (Dey and Teasdale, 2013; Dey and Steyaert, 2016). It is well-known that many SE practitioners seem suspicious of being too ‘business-like’ even whilst choosing business as a means to facilitate social action (Powell and Osborne, 2015). Accusations of neoliberal collaboration sit oddly with this suspicion and with evidence of the Kantian idealism of the SE practitioners. Dis-identification is also demonstrated via the repeated discovery of tensions between what SE practitioners want to achieve and their frustrations with the constraints of working within a market framework. The evidence of their plural

outcome orientations contrasts with the particular preoccupations that would be expected from a purely neoliberal approach, as is discussed below.

Neoliberalism is a commonly used term that provides a face for a poorly defined set of overlapping concepts – from the idea of an overwhelming and all-encompassing zeitgeist to a policy package favouring deregulation, liberalisation and privatisation of public services (Steger and Roy, 2010; Eagleton-Pierce, 2016; Byrne, 2016). The Foucauldian concept of neoliberalism as a ‘governmentality’ which pervades social action and favours atomistic autonomy and competitiveness, is of particular interest here because it implies that neoliberal organisations would favour particular human outcomes: they would embody concepts of human nature as self-interest, assert the importance of rational choice and imply the consequent necessity of devolution of responsibility to individuals rather than a preference for societal structural changes (Steger and Roy, 2010; Eagleton-Pierce, 2016; Byrne, 2016).

In trying to assess the similarities and differences between SEs and this picture of neoliberal governmentality, it seems most important to recognise the mild liberal slant within most of the sample SEs, alongside the Kantian preoccupation with rational autonomy. The narrative of ‘self-determination’ was strong in the intentional statements offered by SE practitioners but appeared to be less commonly carried through to their work than might have been expected from the strength of the autonomy narrative. It was suggested when this finding was raised that such a narrative might be strategically useful for the SEs, but not necessarily as authentic as some of their other preoccupations. Also, it should of course be remembered that the intention to foster autonomy and rational choice does not necessarily arise from a commitment to *neoliberalism*, but potentially just a broader rational liberalism. Indeed, the evidence above has identified the actions of SE practitioners as more readily described as diverse interventions tinged with positive liberalism.

The managerialism of the SEs has also been acknowledged in the previous findings. The term managerialism was used in the findings chapters to designate the idea that attempting to provide ‘the best’ outcomes was mostly seen as a technical task of optimisation rather than a matter of debate or contention (see section 6.3.2). Yet perhaps the term that should have been used to explain this sense of clarity over ‘best’ approaches was instead ‘idealism’. Both neoliberalism and SE idealisms may favour what appears to be a managerial optimisation approach, because they share the assertion that an idealised system of organisation (whether a society, group or in this

case organisation) may be administered rather than governed (Goodwin and Taylor, 2009). After all, a rejection of the adversarial contestation of interests is a recognised part of idealistic blueprints for social change (ibid.). This does not mean that neoliberalism and the varied idealisms of the SEs are the same in content.

The idealised system in neoliberalism is the market and the related ideal human life is a private and atomised autonomy. In SEs the utopian aspirations appear to follow the Kantian ethical imperative and then are combined with (sometimes resistant) pragmatism in the face of, and recognition of, the market ideology pervasive in the current culture and time period. The ideal human life is again rational and autonomous, but many SE practitioners also appear to aspire for it to be more embedded in a system of connection and mutual care. The most ardent SE practitioners making intentional statements on self-determination in SV7 and SV11, were also people who talked about the importance of solidarity and helping oneself to be able to help others in turn.

Perhaps recognising the generalised intention within SEs to be non-adversarial whilst working on possibilities within and around the edges of the existing market system explains how it is possible to see SEs as both a reflection of hegemony and spaces for change within the hegemony at the same time (Curtis, 2008). Dey and Steyaert (2016) emphasised how contrasting ‘practices of freedom’ or ‘practices of subjection’ (under neoliberalism) may prove difficult to delineate just from visible activities. Following the rules of the game to obtain resources to carry through idealistic projects may be interpreted as collaboration or resistance depending on your point of view.

In previous academic work, choosing to concentrate on the level of SE affinity to the market system has prompted studies on whether SEs mission drift towards greater or lesser commercialisation (e.g. Teasdale et al., 2013). However, concentrating on SEs as idealistic spaces for change would prompt a different set of analytic priorities. Recognising that SE de-politicised narratives come from the (varied) idealisms of their projects, not necessarily their absorption of neoliberal norms, is an important step in changing the focus for academic understanding. Recognising that orientations toward different preferred outcomes stem from different underlying conceptions of human nature helps to clarify why they could have diverse implications for the lived experiences of SP stakeholders. The next section builds from this starting point to explore, in the realm of SE value creation, potential benefits and criticisms of an idealistic approach which largely takes outcomes priorities for granted.

8.4.9 *Benefits and dangers of overshadowed outcome priorities*

Three main practical benefits of ‘accommodation’ are apparent. Coalescing around common process values appears to mask the potential level of disagreement possible over preferred end states, which allows SE practitioners to a) come together in an organisation for immediate values-guided *action* without having to first explicitly resolve any philosophical differences over outcomes preferences; b) be able to claim to be following a content-less empiricist ‘what works’ agenda rather than a specific outcomes ideal which might be harder to persuade people to fund / support in a neoliberal era, and c) operate as organisations which appear to have multiple and potentially contrasting outcomes orientations, dealt with by different practitioners / departments of the organisation, with the intention of holistic intervention. Thus it could be speculated that the claim of de-politicisation serves primarily to minimise potential conflicts which could make the running of the organisation more complicated for SE leaders in particular, in relation to the staff group, the wider background of NPM and neoliberalism and between different potential values trade-offs.

Yet, while there may be real practical benefits for the SEs of playing down preferences for particular outcomes ideals, the reason for this benefit is also a potential danger-point. This is because the benefit arises from the power SE leaders gain from shaping the explicit decision-making agenda to include some issues and not others – via what Lukes (2005) called non-decision-making. The specific danger of using this practically beneficial power without explicit realisation or acknowledgement that it is an act of control (instead suggesting that the agenda is ‘obvious’), has two key implications for the lived experiences of SP stakeholders and their consequent perceptions of value creation. The first relates to the dangers of replacing publicly-determined service outcomes with privately-determined ones in each organisation involved in delivering social value, if their programmes are not open to democratic scrutiny. The second relates to how certain narratives of change are hidden or downplayed by the masking on which the control depends and therefore, it is suggested in the next section of this discussion chapter, radical narratives cannot be incorporated as effectively into acts of educative persuasion when attempting to provide value through transformation for individual SP stakeholders or for society.

In relation to the first danger, SEs have long been touted as potential ways to replace or outsource some publicly funded and delivered services (e.g. DTI, 2002), even across periods of different party political control and apparent differences in

political ideology (Nicholls and Teasdale, 2016). The preferred outcomes of public services should, if the democratic processes of government are working adequately, be open to discussion and debate in the public realm. This contrasts with non-decision-making within SEs. When combined with the propensity to fail to enact the ideal of ‘open communication’ in practice, this means that tendencies to favour particular outcomes may rarely be challenged in SEs.

Indeed, the immense power and practicality of non-decision-making may be the implicit reason why practitioners in some SEs are reluctant, in practice, to open the potential floodgates for disagreement and spend the energy that goes into facilitating debate. Certainly, where more participative and co-operative processes were adopted (e.g. SV2), the time given to debate appears to have been considerable in relation to the time needed to run the practical project. Yet, the ultimate consequence of not making time for debate might be invisibly sliding priorities (unchecked and unavoidable) with tangible impact upon SP stakeholder experiences, in comparison to more democratically-determined outcomes orientations.

It is hoped that the theoretical proposition that SEs operate under an umbrella ethic but may have different ultimate outcomes priorities can make a practical contribution within SEs by prompting thought over the use of decision-making / non-decision-making power. The second interlinked theoretical and practical contribution of this study relates to the perception of value and is discussed in the following overarching section of this chapter.

8.5 The limits of translating values into value creation

8.5.1 The implications of communication as a mechanism in value creation

This section expands upon the conceptual and theoretical implications of the last two parts of the proposed value creation model: agreement and aspiration. Both foreground the communication of value propositions as one mechanism which could facilitate or limit the translation of SE practitioner intentions into value perceptions.

The part of the model labelled agreement suggested that value creation in SEs was about more than providing activities and expecting all SP stakeholders to perceive the same value from them. SEs produce value in different ways: either delivering according to people’s expectations or by transforming those expectations to be congruent with the type of good they aim to provide. It is proposed that only via the

narrative of change the particular SE is built on are people brought to 'see' value in what the organisation is doing because it either fits with what they want (delivery) or changes what they want (transformation). This understanding explains how SE intentions may not always translate directly or easily into SP stakeholder experiences if those experiences are not already wanted or understood as valuable. Even if there is objectively observable delivery of an outcome, it does not necessarily mean value will be perceived in that outcome, unless the SP stakeholder has been exposed to, or been persuaded of, the idea that it has value.

Evidence from case studies of six Australian third sector welfare delivery organisations suggested that the most notable values congruences between practitioners and SP stakeholders were around the importance of particular process values (e.g. flexibility and responsiveness) rather than overarching ethical or outcomes values (Nevile, 2009). These process congruences appeared to correspond with a greater perception of value creation for the SP stakeholders than outcome areas in which there was a greater variety of values. This evidence is echoed by the findings of the current study, where the Kantian ethics appear to lead to similar reports of self-esteem value experiences across diverse organisations, while other experiences were particular to the outcomes orientations in each organisation.

In the third findings chapter, the role of persuasion was offered as a potential explanatory element of the value creation model. The importance of SE ability to persuade has been mentioned by SE academics before, but in the context of gaining resources and strategic partnerships (Di Domenico, Haugh and Tracey, 2010) and reframing societal discourses around the acceptance of SE as a concept (Teasdale, 2010a), rather than as a part of the mechanism of translating outcomes into perceptions of value creation for SP stakeholders. However, looking beyond third sector studies (where little appears to have been discussed on the role of persuasion in interactions with the SP stakeholders except at the periphery, with regard to ethical consumption), there are two relevant academic areas in which issues of value in communication could be discussed to shed light on SE practices.

The first area of relevant existing thought is in the area of service-dominant logic (SDL) in marketing theory (Vargo and Lusch, 2004). SDL is a concept which discusses the importance of relationship-building and interaction in creating and facilitating value for 'customers' and as such can be used as a framework for theorising why the links in the chain from value proposition to value perception may fail.

SDL was developed in the context of mainstream marketing and as such is a theory bound up in the instrumental logic of mainstream businesses, the wisdom of the marketplace and an aim to gain competitive advantage. While, it can provide useful insight into why certain SP stakeholders may not perceive the value of outcomes intended by SE practitioners, it does not address the whole picture. An alternative analytic focus on idealism rather than business as the key feature of SEs was suggested in section 8.4.8. Adopting this focus recognises that the transformative work of SEs appears to contain parallels with the work of movements for social change.

The second area of relevant existing thought on communication, persuasion and value therefore relates to social movements. This literature will be relevant to both the agreement and aspiration aspects of the value creation model developed here, but it is suggested that the change in analytic lens from business preoccupations to those of idealistic movements provides more insight into the value creation related to aspiration.

8.5.2 *Service-dominant logic*

Vargo and Lusch (2004) identified features of what they called a ‘service-dominant logic’ (SDL) emerging in marketing theory, in a move away from orthodox marketing ideas of selling potential customers tangible goods with a supposedly fixed value. SDL subscribes to the idea that all ‘offerings’ made by firms – whether goods or services – are only value propositions until customers respond to them as potential value-in-use (ibid.). Goods may be thought of as ‘*service appliances*’ in that they are the mechanism for conveying an experience of value-in-use to the customer (Ballantyne and Varey, 2006). Therefore the interactive relationships in which customers respond to the firm’s value propositions are recognised as more important than in orthodox transactional models:

“A service-centred dominant logic implies that value is defined by and co-created with the consumer rather than embedded in output.”

(Vargo and Lusch, 2004, p.6)

Ballantyne and Varey’s (2006) augmented model of SDL suggests that ‘relating’, ‘communicating’ and ‘knowing’ are three vital ways of facilitating the passage of value propositions into perceptions of use value for the customer: the ‘arbiter’ of value.

Building quality, trusting relationships with customers becomes delinked from exchange transactions under service-dominant logic, and it is these longer-term and wider relationships that it is suggested provide “structural support” (p.337) for value-creating activities to succeed. From the evidence provided in this thesis and backed up by Powell and Osborne’s (2015) investigation of marketing practices in SEs, it could be suggested that SEs are already thoroughly involved in relational facilitation of value creation as suggested by service-dominant logic, in an intuitive and instinctive way, rather than through the conscious enactment of marketing theory. While these quality and trusting relationships may be necessary, the findings of this thesis have shown they are not sufficient to ensure that SP stakeholders always perceive value where SE practitioners intend them to perceive it. Following the SDL theory, other facilitators of value perception may be necessary.

The other facilitators described by Ballantyne and Varey (2006) include making sure the tacit value creation knowledge and skills of the employees are respected, regenerated and shared (knowing) and moving beyond mono-directional selling communication and into dialogues of mutual learning between firm and customer (communicating). In this way, the SDL theory brings us firmly back to the concept of open communication, as discussed earlier in this chapter in relation to the mismatch between its idealisation by SE practitioners and its patchy levels and types of enactment in the SEs.

This reading of SDL suggests that one way of closing the missing links between value intention and perception in SEs might be greater participation by the SP stakeholders in discussing, defining and advancing the original value propositions of the SE’s work. This type of dialogue would need to go beyond the informal openness currently seen as ‘open communication’ in those SEs which were otherwise hierarchically and managerially organised. It would involve moving towards organisations which were more genuinely user-led. This would incidentally also appear to move some SEs towards addressing, where relevant by SE function, the apparent ‘democratic deficit’ and accountability issues inherent in an apparent transfer of delivery of welfare services away from the state (Taylor, 2010).

The details of SDL theory help convey why SEs may currently be very successful at fostering value perceptions in SP stakeholders (i.e. through their relational approach and the informality that allows them to use their tacit knowledge in these relationships), but also why certain value propositions may become mismatched with

value perceptions (i.e. through a lack of truly dialogical communication and limited user influence on the type of value proposed in some of the SEs).

Yet, the unvoiced assumptions beneath the surface of SDL mean that its use as a readymade solution for how to avoid mismatched intentions and perceptions is not a panacea. SDL's basis is in mainstream business, where the underlying assumption of desire for competitive advantage (by responding more effectively to the wisdom of the marketplace) is non-controversial. The market system is conceived of as content-less and a neutral arbiter of supply and demand, where the value in getting closer to customer desires and needs will manifest in improvements in market share. Those customer desires and needs would be expected to exist already and need to be revealed and tapped in a content-less system. This would presumably make the SE role of 'delivery' more effective.

Yet, what space does this kind of responsiveness leave for the more 'transformative' attempts at value creation, where current needs and desires are potentially to be shaped and altered in line with an ideal of value creation rather than just revealed as preferences? A transformative system *cannot* be content-less because the ideal exists as a real goal. The content is the elements of each ideal that SE practitioners ultimately believe should not be challenged if the SE is to do the 'best' for the SP stakeholders. It is here that the varied idealisms of SEs should be recognised as a different realm in which communication, in particular persuasion, might play a role in whether intentions are translated into value perceptions.

8.5.3 *Idealism and the need to persuade*

The tension identified in the previous section, in relation to the potential role and extent of open communication, was a tension familiar from political theory, between approaches which: a) favour theorising (coming up with an ideal of) the social good and then working towards implementing it, or b) prefer democratic experimentation piecemeal towards it within a sanctioned decision-making system (Goodwin and Taylor, 2009). If SEs are understood as vehicles for varied idealisms, (even if it is acknowledged that those idealisms are pursued with a level of pragmatism), then it becomes clear why some may idealise open communication without subsequently enacting strong mechanisms for SP stakeholders to influence organisational value priorities. While dignity and autonomy of the individual are part of their Kantian ethic,

other fixed outcome agendas may exist and be socialised into the staff and designed into the activities. Allowing SP stakeholders to determine outcomes priorities might challenge those ‘objective’ ideas of the good.

By viewing SEs as vehicles for enacting ideals that may challenge existing ideas, rather than as businesses serving revealed customer desires, it becomes clear why incorporating an understanding of the types of persuasion used in political and social movements is relevant. A firm is primarily trying to align itself better with *customer* understandings of value in the SDL approach. Whereas, political and social movements attempt to change public understandings of social reality and what is of value, so that public understanding can be brought into alignment with the *movement’s* ideal. These can be described as opposite ways of achieving ‘frame alignment’ between stakeholders, where ways of understanding and relating to socio-political realities are shared (Dardis, 2007).

The idea of attempting to gain frame alignment between SE practitioner intent and SP stakeholder perceptions is used to ‘think with’ the existing data to offer an example to illustrate the above. The example is based on the idea that many SE practitioners appear to want to foster connection, promote co-operation and provide spaces for solidarity more than the value perceptions of individual SP stakeholders always appear to realise (see 5.3.2).

8.5.4 *The hidden radical: why it may not translate to individual perceptions of value*

Earlier in this chapter the Foucauldian concept of neoliberalism as a ‘governmentality’ was introduced as a pervading social order which can be thought of as promoting atomistic autonomy and competitiveness, portraying human nature as self-interest, asserting the importance of rational choice and implying the consequent necessity of devolution of responsibility to individuals (Steger and Roy, 2010; Eagleton-Pierce, 2016; Byrne, 2016). Resisting this framing order through promoting connection and co-operation, portraying human nature as compassionate and helpful, asserting the importance of emotional and cultural expressions of humanity and implying group and state responsibility could be seen as radical in the context of neoliberal governmentality.

Around three quarters of the SE practitioners made statements about the importance of connectivity and / or co-operation and sometimes went so far as to

suggest they were working specifically to foster solidarity. However, this orientation was recognised more in the inferred than intentional values statements and under a third of the SP stakeholders recognised it as a values orientation for their SE. This was in a context where the values orientation ‘appreciating individuality’ was particularly foregrounded in the intentional and inferred statements of SE practitioners and noticed as valuable by the SP stakeholders.

The resulting question is why this apparent underpinning of solidarity was so ‘hidden’ in many SE practitioner intentional accounts and SP stakeholder attributions, compared to an appreciation for individuality? The answer for this may be that the message of solidarity and co-operation runs counter to the prevalent neoliberal governmentality and therefore requires SEs to actively persuade others away from the default ‘frame’ of individualistic value. If the strong narratives of change coming from the SE practitioners are a) one which fits with the default frame of individualism and b) one that challenges it, it seems likely that the SP stakeholder value perceptions will arise more strongly from actions and outcomes which fit the former, rather than latter interpretation, unless strong educative persuasion is in place.

In order for that type of persuasion to take place, the first step is actively exposing the ‘audience’ (in this case SP stakeholders) to a new and alternative vision of what is good *and* if necessary shaping the self-image of the audience so that they can feel confident enough to accept and commit to an alternative interpretation and its implications for their lived experience (Simons and Jones, 2011; Stewart, Smith and Denton, 2012). It is proposed here that while SEs do well on the second part (improving self-image, self-esteem, confidence and fostering identification with the organisation), they do not always seem to make their ideal outcomes known to the SP stakeholders, because this would involve SEs taking on more overtly radical images than would perhaps allow them to gain legitimacy following a business-oriented model of operation.

When SEs foregrounded the parts of their missions conveying an alternative worldview to address collective interests (e.g. SV2 community agriculture, SV4 business certification, SV14 heritage preservation) then there was evidence in the qualitative data of open and visible attempts to shape people’s perceptions via educative persuasion. In the community agriculture SE (SV2) the group were attempting to spread their message to people from more disadvantaged backgrounds. These potential participants were people who, unlike the people who turned up to grow

the vegetables already, were not already converted to the ideal of personal involvement in local food production, the organic ethos and the preference for co-operative action. As a fledgling organisation some at SV2 recognised they were still attempting to build up ways to persuade potential participants to see the value in their offering. This was seen as necessary so that the SE could move beyond simple ‘delivery’ of a lifestyle experience for the mainly middle class membership and start to propagate their more radical value intentions for SP stakeholders and the earth. At the time of interviewing, these attempts at persuasion had not brought in new participants from disadvantaged backgrounds, with implications for the types of SP stakeholders capable of benefitting from the organisation at that time. However, it was hoped that via experience and learning from other similar organisations more diverse members might be tempted into valuing organic vegetable growing and co-operation.

The transformative vision of the community hub (SV10), a much longer-standing organisation, was perhaps more successful in persuading potential SP stakeholders:

“People can come here sometimes, thinking about volunteers or work experience placements, and they’re resistant to it, so they’re, ‘I’ve got to come here’ for whatever reason or ‘Ooh, I don’t want to be here’ and then they start to enjoy it and then come more hours than they have to. That is common.”

Member of staff, SV10

SV10 was placed in a liminal position on Figure 5 between promoting equal opportunity and positive personal development and between individual and collective interests. There may be something in this liminality that allowed the SE practitioners to combine a persuasive narrative under the default individualistic mode (gain skills, grow in confidence, become more autonomous through taking responsibility) whilst role-modelling how this type of individual development and growth could be employed to contribute back to the community with a sense of solidarity and interconnectedness in a win-win model of interaction. The SE practitioners and SP stakeholders at SV10 all appeared to be invested in ideas of community action as well as personal growth, even when they admitted this had not been the case before coming into contact with the SE. Within this approach, each SP stakeholder was seen as important and capable of action, but they were encouraged to think of themselves as being able to do something for

others with that capability too, particularly within the community facing activities of the organisation.

It is perhaps in this way that solidarity was attached successfully to a more familiar narrative of positive personal growth within SV10. Thus, in the qualitative feedback from the SP stakeholders at SV10, much emphasis was placed on the individual benefits of involvement *and* on finding it refreshingly fulfilling to be able to help others within the setting of the organisation.

These two examples illustrate first, how the very type of SP stakeholder who becomes involved with an SE (and therefore it is possible to propose value offerings to) rests on persuasive narratives and, secondly, highlight the possibility that the relative distance of the value propositions offered from the default neoliberal narrative of human nature may indicate the level of effort it would take to persuade SP stakeholders to 'see' value in the SEs' propositions.

8.5.5 Benefits and dangers of service-dominant / idealistic approaches to value alignment

This section has asserted that the way in which value propositions are communicated is one mechanism which could facilitate or limit the translation of SE practitioner intentions into SP stakeholder value perceptions. It has suggested that SE practitioners intuitively set up the conditions for many value propositions to be accepted as valuable by SP stakeholders, by focusing on the quality of human relationships. This explains why a great deal of value creation was perceived by the SP stakeholders involved in this study.

Reference to the wider academic literature has offered two different perspectives on ways to further align SP stakeholder and SE practitioner value propositions, for greater translation of intent into perception. The first perspective favours allowing the SP stakeholder to influence the value agenda more via meaningful participation. The second suggests that SE practitioners may need to own and be more explicit about their particular visions of the good, if they aim to persuade others (including SP stakeholders) of the value of that good.

At the moment, both of these approaches can be found to some extent in SEs. The proposition from this thesis is that in claiming neutrality, 'obviousness' and common sense convergence of outcome values for their SE, SE practitioners may be unwittingly

limiting the extent to which they can use either technique to support greater value translation.

In implicitly denying the pluralism and potential tensions between fostering different conceptions of the good they may discount the worth of meaningful SP stakeholder participation in determining their value agenda. Genuinely offering the SP stakeholders power to influence could help to promote value proposition alignment to the benefit of both parties. It could also (according to Pestoff and Hulgård, 2016) act as a beacon example showing the possibilities of democratic organisation to the benefit of a wider audience of services and firms.

Equally, limiting the visibility of more idealistic and radical intentions within SEs could also have implications for value creation for SP stakeholders. For fear of seeming too political (and therefore for fear of suffering repercussions from funders and other stakeholders), the SE practitioners may be limiting their ability to act as vehicles for more pronounced social change via educative persuasion. For that persuasion to take place, the benefits of the vision in question need to be openly discussed and visibly role-modelled within the SE and in its interactions with others. Working in this way clearly presents challenges, not least that it raises the SE's head (metaphorically speaking) above the parapet and makes it open to greater criticism. This uncomfortable situation is known and has been repeatedly described (e.g. Lerner, 2015; Wheeler, 2017). Yet, recognising the 'hidden radical' as a phenomenon happening within SEs may also be an emancipatory act if it raises consciousness of the ways in which fear of the political appears to shape opportunities to create different types of value for SP stakeholders and beyond.

8.6 Summary

The influence of values on value creation in SEs has been explored during this study. The model of value creation offered – encompassing atmosphere, approach, accommodation, agreement and aspiration – sheds light on two interlinked ways in which that influence may manifest. Shared values may be thought of as instrumental in influencing the design and emphasis of activities carried out on behalf of the SE in the pursuit of value creation. Values communication may also influence the extent to which those activities can be expected to translate into value perceptions in the SP stakeholders.

The conclusions chapter will summarise what these contributions mean in the context of the on-going impetus across the private, public and third sectors towards creating and assessing (social) value.

9 Conclusions

9.1 Thesis overview

This mixed methods study was initially prompted by the ubiquity of debates surrounding so-called ‘social’ value across three sectors of the economy: mainstream business, the public sector and the VCS. These debates raised questions around which stakeholders could or should benefit from business operations, about the nature of the type of ‘good’ acts or outcomes from organisations that could be considered ‘socially’ valuable, and about whether the creation of holistic use value by different organisations could be meaningfully evaluated and compared. The impetus provided by these broad debates was translated into a focused exploratory research study, responding to gaps in the existing literature on the creation of use value in SEs, on the influence of SE activities on the lived experiences of SP stakeholders and on the role of organisational values in both of these contexts.

The study explored how organisational values in SEs appeared to influence the nature of value creation processes for SP stakeholders. It drew on quantitative and qualitative data on organisational values, decision-making and value creation, gathered from multiple perspectives.

Responding to the first sub-question involved exploring organisational values in SEs and attempting to understand similarities and differences in reported values across different organisations and types of respondent. The purpose of this exploration was to discern whether values orientations were consistent enough within SE organisations, but differentiated enough between them, to allow comparative research into the role of different organisational values in different SEs. The study found common process values (e.g. particularly around authenticity, appreciating individuality and promoting connection), across and within many of the SE cases, despite the diversity of the SE sample. Somewhat overshadowed in practice by this consensus, cases could however also be differentiated by varied orientations towards preferred outcomes. While many SE practitioners described their choices as common sense or obviously ‘good’, outcomes preferences differed on the basis of objectivist / subjectivist ethics and negative / positive conceptions of freedom as well as preferences for addressing individual or collective interests. This belied the idea of political neutrality set forward in the social value discourse of many of the SE practitioners.

In answer to the second sub-question on the extent that organisational values appeared to guide decisions about SE operations, organisational values did appear to guide many decisions about how SEs operate, both explicitly (via the voiced consideration of dilemmas caused by the clash of ideal process values and pragmatic external realities) and implicitly (via assumptions framed into the organisation by management design and staff selection). Process values seemed to be far more central to explicit decision-making processes than outcomes values.

The third sub-question asked about the outcomes SP stakeholders experienced and how important these experiences were, with the aim of understanding perceptions of value creation in SEs. Reports from both SE practitioners and SP stakeholders suggested that valuable change was being created for SP stakeholders in capabilities such as being able to: feel self-respect, form and keep good relationships, try new things, enjoy their lives and feel healthy, although of course emphasis on each of these varied by case. Process values such as authenticity and appreciating individuality appeared to translate directly into SP stakeholder perceptions of value, with some going so far as to stress the importance of the 'family' atmosphere within their organisations. Outcomes values did not appear to translate as easily or directly into perceptions of value, although broadly speaking important changes were reported in intuitively related capabilities areas: opportunity (for an access orientation), pleasure and self-direction (for a growth orientation) and safety (for both guardianship and self-determination).

Although overall a great deal of value was claimed from the activities of SEs, some of the mismatches between apparent intentions and perceived value creation were informative in further detailing the role of values in value creation for SP stakeholders. Investigating these examples showed that values perceptions did not just rely on outcome delivery, but also on alignment between SP stakeholder value expectations and the SE offer.

A five point conceptual model was developed from these findings in order to fulfil the overarching aim of the study: to provide empirically-grounded propositions on how organisational values influence processes and perceptions of value creation for SP stakeholders in SEs. The model highlighted both the role of different types of organisational values in influencing the design and emphasis of SE value creation activities and also that values communication by SE organisations played a part in determining whether values propositions (particularly transformative and aspirational ones) translated into SP stakeholder value perceptions.

The discussion of these findings highlighted how the process values reported within SEs resembled Kantian business ethics. Highlighting this showed how the central values that contributed to organisational identity within SEs - such as integrity, respect and a preference for open non-hierarchical communication - could be seen as stemming from a particular stand-point on fostering personal rational autonomy, but also on hands-on intervention as a means of arriving at this. This shared ideal allowed, rather than precluded, differences in outcomes preferences to exist at organisational level without being considered conflicting, precisely because it provided a boundary within which different expressions of outcomes preference could still be seen as moral. This meant that varying combinations of orientations towards politically-charged concepts such as freedom, equality and order, as well as a focus on individual and / or collective interests, could all be pursued under the auspices of single organisations. In this way, the pluralism of SE values and the potential political implications of choices within this pluralism were foregrounded in a way previously suggested by conceptual work on social value creation, but now integrated into theoretical understanding via an account grounded in substantial fieldwork.

The final element of the discussion revolved around the recognition that if SP stakeholder value creation perceptions relied not just on SEs to deliver outcomes, but also on SP stakeholders to 'see' those outcomes and believe them to be of value, then mechanisms for the alignment of value expectations could be understood to play a vital role in value creation. While SEs were already supporting values alignment through the development of quality relationships (on the basis of their process values), the discussion suggested two additional mechanisms that could be used for greater alignment - participation and persuasion. Yet, it was recognised that both approaches would require stronger articulation and transparency of SE values preferences than was currently the norm within many SEs, if they were to succeed in improving the alignment of expectations with the SE's offer.

9.2 Contributions to scholarship

Critical scholarship on SE, social entrepreneurship and the wider social value discourse suggested the need to problematize assumptions underlying claims about the 'good' made in these contexts (Cho, 2006; Lautermann, 2013; Barinaga, 2014; Chell, Spence and Perrini, 2016). This study incorporated such an approach, whilst moving

the debate beyond the conceptual level, via exploratory mixed methods research. In doing so, it offered suggestive evidence of the pluralism of values underlying social value creation intentions in different SEs and also foregrounded the ways in which the intentions driving values-led organisations could not always be expected to translate directly into perceptions of value.

The methodology adopted for this study was designed to avoid major pitfalls identified in previous organisational values research, which had failed to distinguish between different levels of organisational consensus as well as ignoring existing values theory (Agle and Caldwell, 1999; Bourne and Jenkins, 2013). The research design allowed for contextualised and informed contributions to knowledge, transparently linked in to broader bodies of academic work on values, capabilities and value creation.

The 5 A's model proposed a detailed and interlinked understanding of the processes and perceptions involved in translating the intention to create holistic use value into perceptions of value for the targets of that intention. This responded to calls for greater understanding of how values influence value-creating activities in businesses (Parmar et al., 2010) and non-profits (Chen, Lune and Queen, 2013). It specifically addressed some of the unresolved issues raised in a recent review of value creation in the context of social entrepreneurship, around the need for research exploring the use value experienced by SP stakeholders (Hlady-Rispal and Servantie, 2016). By exploring and including reference to SP stakeholder expectations and ways of reaching 'frame alignment' between SP stakeholder and SE offer, it also responded to the need for research to address the "cultural dynamics of the demand-side of value creation" (Ravasi, Rindova and Dalpiaz, 2012, p.237).

The 'accommodation' element of the model, developed from findings on SE operations and relationships, complemented recently published research on SE governance which suggested that beliefs about moral legitimacy within SEs play a key role in mitigating organising paradoxes arising from SE hybridity (Mason and Doherty, 2016). By focusing on the differences to be found within the varied content of the normative 'social' side of SEs, rather than tensions between the hybrid institutional elements, this study covered different ground but arrived at a complementary understanding of the centrality of shared moral values in ensuring SE manageability.

9.3 Future research directions

Potential future research directions can be identified in the limitations of the scope and size of the study, in the small-scale exploratory quantitative findings on SE characteristics and values associations, and in the potential for philosophical choices to inform alternative research approaches.

Firstly, this study sampled SEs exclusively from England, in order to examine diverse cases against a steady background of national institutional and cultural context. An extension of this project would be cross-national comparison to judge whether SEs in other national contexts are also led by process values which resemble a Kantian ethical ideal, whilst down-playing outcomes pluralism. One of the suggestions from the English cases was that the process values seemed to largely translate into strong SP stakeholder value perceptions of being respected as persons. This stands in contrast to the findings of Garrow and Hasenfeld in the US on the commodification of SP stakeholders (2014). Bassi's findings (2011; 2012) from an Italian context might also suggest a contrast: a less liberal frame for SEs in a mainland European context, where co-operation and solidarity are more commonly mentioned. A cross-national study would address these potential differences.

This study took an explicitly mixed methods approach aimed at providing multiple perspectives to address the research aim. This allowed for a combination of extensive and intensive research approaches (Hurrell, 2010), which it can be suggested strongly contributed to the detail and nuance of the set of propositions offered by the study. However, it also meant that the second-stage comparative element of the study was limited in size by the researcher's capacity with regard to the qualitative data collection and analysis. A large-scale, multi-level quantitative project, with data from more cases and more stakeholders within them, would provide an interesting complement to this study, via robust statistical insight into associations between values and value creation.

The idea that SE sectoral origins and size may play a role in helping to differentiate some SE relative values priorities, such as orientations towards power and conformity (5.2.2), could be tested. Another area of future enquiry might be the extent to which staff and leader organisational values differ and whether in a larger sample they still exhibit different affinities for values relating to prevention of loss or promotion of gain (5.3.1). Each of these would provide insight into how tensions might arise and / or be resolved in SEs over the normative content of their value propositions,

not just their social / business conflicts, as in existing research. Additionally, the aspirational and shared values (Bourne and Jenkins, 2013) within SEs might also prove interesting additions to the portrait of SE organisational values offered here.

One of the main critiques of critical realist research challenges whether such projects can identify and / or explain causal mechanisms underlying surface phenomena (Edwards, Vincent and Mahoney, 2014). While the use of comparative case-based research, careful attention to context and the transparent development of a model via generalisation to theory are all ways of countering this challenge (ibid.), it should be acknowledged that the research presented here posits, rather than evidences, causality between values orientations and value creation. However, the nature and findings of the qualitative research should also make it clear that a more positivist approach in the form of a randomised controlled trial linking interventions to outcomes would simply not have been able to capture the complex interplay of processes and meanings in the formulation of value perceptions. Instead, it is suggested that if quantitative work of the type suggested at the start of this section is carried out, it is done so only with the caveat that it offers a step on the iterative and dynamic process of developing 'practically adequate' (Sayer, 1992) understandings of the mechanisms underpinning social value creation.

Purely qualitative work could also extend knowledge on organisational values and value creation as individual fields of enquiry. Ravasi and Canato (2013) suggested that a gap in organisational identity research existed around uncovering deeply-held, but unarticulated fundamental beliefs during conventional interviewing. In this study, this was tackled by drawing on 'universal' values theory and prompting respondents from the angle of each values dimension to reach beyond the usual narratives offered about change. Ravasi and Canato (2013) suggested an alternative in the 'laddering technique', commonly used within marketing to discover core preferences. Laddering suggests unarticulated value judgements may be excavated via the persistent re-questioning of the initial answers given by respondents to simple questions of preference (Grunert and Grunert, 1995). A further in-depth study of the thought processes behind perceptions of organisational identity or the formation of value judgements on SE outcomes, might find this alternative approach useful.

By adopting multiple data gathering techniques and listening to diverse perspectives, this study reflected an intentionally applied critical realist philosophy. However, it is acknowledged that the integral emancipatory intent of adopting this

philosophy has not yet been carried to its conclusion in practice, due to the nature of thesis examination. After examination, the intention is to share the approved findings and conclusions of this study with the participating SEs in the same manner as adopted with the preliminary study (Fitzhugh, 2013). For that study, a plain English four-page summary was developed to explain the practical relevance of the research. It was disseminated to all SE respondents, with the option of discussing the relevance of the findings via e-mail or telephone with the researcher. While this type of engagement is low-key, even e-mail responses to the preliminary research summary suggested that SE practitioners could see the means of improving their operations from the findings, which they would potentially not have done if the findings had only been published in academic journals. Members of the infrastructure organisations who supported the project will also be briefed on the findings and implications, forging continuing links between academic research and practice.

Future research could build further on the emancipatory intent of the study via participative action research projects with the aim of supporting the exploration of mechanisms for values frame alignment within SEs – such as delivering on promises of open communication, developing forums for stakeholder participation and / or actively engaging in inspirational vision communication with persuasive intent. Any future research, particularly in a more applied setting, should take into consideration the four implications for policy and practice offered in the next section.

9.4 Policy and practice implications

Finally, this section presents four implications for policy and practice arising from the study. These relate to the need for a) broader recognition of the plurality of possible values that could influence practices of social value creation, b) awareness that the translation of value propositions into value perceptions requires alignment between stakeholder understandings of value and the social value offer, c) reflection within SEs over the power implications inherent in their particular approaches to offering participation or enacting persuasion, and d) greater acknowledgement within social value assessment practices of the normative effects of individualistic outcome reporting.

The findings exposed fundamental difficulties for the measurement of social value, not least the need to fully incorporate the implications of a contingency

perspective on stakeholder value rather than assume that aggregate individual value equals social value (Lepak, Smith and Taylor, 2007; Bassi, 2012). The understanding of value chains and varied perceptions offered by this study exposes the possibility that those reporting value creation - either practitioners or SP stakeholders – might interpret the same outcomes as important for different ends at different times. One example of this is how, within organisations fundamentally aimed at longer-term societal change, the individualistic or societal emphasis of the different assessment questions used in this multi-method study seemed to direct respondents towards different facets of their own understandings of the value created by their organisations.

The intentional use of these different emphases in the applied realm would make a considerable difference to the types of value reported (and therefore acknowledged) from different SEs. The understanding developed during this study suggests how guidance on social value assessment could easily slip into emphasising more easily discernible individual effects of social outcomes, thus side-lining consideration of the need for, and impacts of, more complex radical programmes for structural change. Antadze and Westley (2012) suggest that this may already be happening when social investors look for individualised indicators of operational efficiency over a more nuanced understanding of how organisations navigate their influence on complex environmental and cultural systems. Sharing insights into the complexity of social value assessment with practitioners, particularly around recognising stakeholder agency in social value creation situations, could help start to mitigate against the effects of an individualistic, reformist hegemony over assessment techniques.

The study has suggested that organisational values are instrumental in influencing the design and emphasis of activities carried out by SEs. Yet in practice a feeling of ‘obviousness’ often obscures the potential implications of this plurality. Critical scholarship has already identified that there are political implications of adopting different outcomes values and it is hoped this empirical evidence of plurality could help move the debate beyond the conceptual arena. By participating in activities aimed at creating change within society, SEs are inevitably part of a wider debate on what constitutes ‘the good life’ and how it could or should be brought about. Acknowledging their role in furthering key tenets of political philosophy such as freedom, equality and / or order could offer those who lead SEs an alternative understanding of the ways in which their organisations fit within broader movements for change. This could open up

possibilities for partnerships and alliances across organisational types, as well as potentially addressing the issue of ‘the hidden radical’ elements in current SE practice.

Moreover, SEs should be aware that for the full translation of their intentions into perceptions of value creation, their activities must align with stakeholder expectations. In highlighting this element as key in the value creation process, SEs could benefit from considering whether more participation and / or persuasion would improve their effectiveness in bringing valued experiences to their SP stakeholders. Of course, both participation and persuasion should be recognised as also carrying with them implications for power balances and consequently for relationship-building within SEs. The findings suggest that respectful and responsive interpersonal relationships would need to be fostered to act as a foundation for both educative persuasion and genuinely open participative communication, both of which could support greater perceptions of social value creation in the future.

Appendices

Appendix 1: Online questionnaire

The following is a plain text version of the original Qualtrics online survey.

Questions (* denotes an answer is required)

1. * What is the name of your social enterprise? [TEXT]
2. Please state your role in the organisation. [TEXT]
3. * Is your organisation based in England? [1 = Yes / 2 = No]
4. Social enterprises earn money through selling goods and / or services, but they exist to be socially or environmentally beneficial. Different social enterprises have different ideas about what is beneficial, but they most commonly engage in improving the lives of individuals, groups or communities, impacting positively on places or ecosystems and / or challenging the status quo.

* Please describe your social enterprise's social and / or environmental aims. Please be specific and concise about what you aim to improve, where and for who.

[TEXT]

Note: For all of the following questions, when asked about 'your organisation', please answer with reference to your social enterprise only. While you may operate as a subsidiary of, or within the framework of, a larger organisation or organisations, this survey focuses on the way your social enterprise operates.

5. Does your organisation have any of the following?
 - A. Official written aims and objectives? [1 = Yes / 2 =No]
 - B. A values statement? [1 = Yes / 2 =No]
 - C. A vision statement? [1 = Yes / 2 =No]
 - D. A mission statement? [1 = Yes / 2 =No]
6. Were you personally involved in writing your organisation's aims/vision/mission document or influencing its content? [1 = Yes / 2 =No]
7. Are you happy for me to read copies of any of the documents mentioned above? [1 = Yes / 2 =No]

This survey is interested in the type of organisation your governing body and managers want and expect your social enterprise to be. While there may be different opinions within your organisation, for the next two sets of questions please try to keep in mind what could be considered the 'official' account of the aims, objectives and values that guide you. There will be a chance later in the survey to comment on how easy or hard it is to answer in line with this account.

8. Below are ten questions that people in some organisations ask themselves when making difficult decisions.

Please read each question and rate to what extent it is something your organisation routinely expects you to consider when making decisions.

[Answer scale is: 1 = Never a consideration, 2 = Almost never a consideration, 3 = An occasional consideration, 4 = Often a consideration, 5 = An important consideration, 6 = A very important consideration]

	Questions
A	How can we achieve the best overall outcome for all parties involved?
B	What will make us influential and respected within our field?
C	How can we avoid putting our organisation at risk?
D	Are we doing what we are supposed to be doing, according to the appropriate regulations, standards and expectations of an organisation in this field?
E	Are we acting with integrity, in a way that can be considered moral?
F	How will our actions impact on the welfare and relationships of the people we come into contact with?
G	Are we considering the diverse needs and perspectives of all involved and trying to come to an equitable solution?
H	Will this course of action allow us to maintain our independence and determine our future course?
I	Is there something new or innovative we could do to approach this in a different way?
J	Will we enjoy this course of action?

more questions overleaf...

9. This question is about what your organisation considers when you determine ways of working which could affect individuals (such as staff, volunteers, customers and / or beneficiaries).

Please read each statement and a) indicate whether it is ever a consideration for your organisation [**1 = Never / 2 = Yes**] and b) if it is, how important it is in guiding your work [**1 = A little, 2 = Quite, 3 = Very**]

The statements below complete the sentence which starts: *We think that it is important for people to...*

		Never / Yes?	A little / Quite / Very?
A	... gain skills and knowledge so that they can do what they do well.		
B	... earn money and move up in the world		
C	... feel safe and live in stable surroundings		
D	... understand how to fit in with what society generally expects		
E	... respect the traditions and beliefs of their community		
F	... be able to form good relationships and express care and concern for family and friends		
G	... be open and interested in the world, especially trying to understand things from other people's points of view		
H	... be able to plan and make choices about their own lives		
I	... seek out challenges and new experiences		
J	... enjoy life and experience pleasure in what they do		

more questions overleaf...

10. In answering these two sets of questions, do you feel you have been able to respond in a way that corresponds with the official account of the aims, objectives and values of your organisation? Please comment below.

[TEXT]

11. What is the legal structure of your organisation?
- 1) **Registered charity and company limited by guarantee**
 - 2) **Registered charity**
 - 3) **Company limited by guarantee**
 - 4) **Community Interest Company (CIC)**
 - 5) **Industrial and Provident Society**
 - 6) **Company limited by shares (if a single organisation holds the shares, what is the legal structure of that organisation? – please use the box below to describe)**
 - 7) **Other (please use the box below to describe) [TEXT]**
12. Has your organisation always had this structure or has it, at some point, changed in one of the following ways? (choose as many options as apply)
- 1) **Always had this structure**
 - 2) **Set up from the start as a charity or association that became a company (social enterprise)**
 - 3) **Was originally a project within another voluntary or community sector (VCS) organisation and became independent**
 - 4) **Was originally a part of the public sector and became independent**
 - 5) **Was originally a private sector business and became a social enterprise**
 - 6) **Went through multiple changes (public / private / VCS)**
 - 7) **Came about through a merger or consolidation**
 - 8) **Other (Use box below to describe) [TEXT]**
13. How long has your organisation existed in its current form? (Please indicate within which date range your organisation was founded or last experienced a significant change in structure)
- 1) **2013 – present**
 - 2) **2010 – 2012**
 - 3) **2005 – 2009**
 - 4) **1995 – 2004**
 - 5) **Before 1994**
14. How many paid employees do you have overall (Full time equivalent)?
- 1) **0 or less than 1 full time equivalent post**
 - 2) **1-4**
 - 3) **5-14**
 - 4) **15-49**
 - 5) **50-99**
 - 6) **100-249**
 - 7) **250+**

15. Roughly, what is your annual turnover?
- 1) **Between £0 and £10,000**
 - 2) **Between £10,001 and £15,000**
 - 3) **Between £15,001 and £100,000**
 - 4) **Between £100,001 and £250,000**
 - 5) **Between £250,001 and £1 million**
 - 6) **More than £1 million**
16. Roughly, what proportion of your organisation's income last year (April 2013 – March 2014) came from each of the following sources **[please give as approximate percentages that total to 100%, not actual figures]**:
- A. Sales of goods / services to the general public [%]
 - B. Sale of goods / services to other businesses / charities [%]
 - C. Sale of goods / services to the public sector (contractual relationship) [%]
 - D. Contracts with foundations, trusts or other non-publicly funded programmes [%]
 - E. Grants from the public sector [%]
 - F. Grants from grant-making trusts, foundations or other non-public programmes [%]
 - G. Sponsorship or donations from private sector businesses [%]
 - H. Donations, fund-raising efforts involving the general public and / or legacies [%]
 - I. Other [%] **[TEXT]**
17. The second stage of my research will involve visits to social enterprises and interviews with various participants. If you give your contact details below, you indicate that I may contact you in the future to discuss further participation. Giving your contact details does not commit you to a site visit – these will be negotiated individually with selected participants after the survey has closed.
- Name **[TEXT]**
 - Work e-mail address **[TEXT]**
 - Work telephone number **[TEXT]**
 - Address lines 1-4 **[TEXT]**

Appendix 2: SE key contact interview schedule (i)

Section A – Consent:

- Check the participant’s understanding of the nature of the research and the conditions and rights of participation (including the right to stop the interview at any time). Do this by running through the points in the consent form one by one.
- Obtain signed consent (take the form, hand them the information sheet to keep)
- Start the recording apparatus

Section B - Pre-amble and context questions

This interview has two main parts. In the first part, I will ask you a set of questions on what difference your work here at [organisation] makes. This will take around 30 minutes. Then, I’d like to ask you to talk in more detail about the formal decisions and the everyday choices you make within the organisation to create that difference. This will take between 30 and 45 minutes.

If at any point you’d like to pause, stop, correct my understanding or ask a question, please don’t hesitate to let me know. Before we start the two sections, I’d just like to check:

1. What is your job title / role?

<i>Title</i>	✓
*Day to day contact with SP stakeholders?	
CEO / Chief executive	
Founder / co-founder	
Director	
General manager	
Managing director	
Titled manager (marketing / finance)	
Other	

2. How long have you been involved with this social enterprise?

<i>Time period</i>	✓
*Since it was founded	
From within last two years (2013 on)	
From within last five years (2010 on)	
From within last ten years (2005 on)	
From within last twenty years (1995 on)	
Over 20 years (1995 or before)	

Section D – EXPERIENCES AND VALUE

I’m interested in any way [organisation name] has had an influence in the world. When answering the following questions please discuss *actual* change that you perceive have come about from [organisation’s] work, rather than what you aim or hope to achieve.

D1: First I would like to ask you to identify whether your organisation’s influence has largely brought about changes in individual people, groups, or society as a whole, or perhaps on the environment or non-human animals. **[Refer to the cards and discuss]**

Individuals (D2)	Groups, Organisations (D3)	Community, Society, Sector (D4) (<i>norms / discourses / institutions</i>)	Places (D5) (<i>built environment / natural world</i>)	Animals (D6)

[If they picked individuals as most important]. Thank you, we will discuss individuals in more detail shortly. For now, please could you discuss [organisation’s] influence on **[D3-D6]**.

If necessary:

D3) (GROUPS): Used supplement? YES / NO

D4) (SOCIETY): Please tell me a little about the actual difference you perceive [organisation] has made to how things are done / how things are discussed in your community / sector / our society?

D5) (PLACES): Please tell me a little about the actual difference you perceive [organisation] has made to either built environments or the natural world?

D6) (ANIMALS): Please tell me a little about the actual difference you perceive [organisation] has made to animals?

D2 (INDIVIDUALS): Now I’m going to ask you some questions about how your organisation may have influenced individuals that you come into contact with.

I have to ask everyone the same questions, so many of these questions might not seem relevant to what you feel this organisation does. That’s fine and to be expected. Unless you think your organisation has brought about an important change in the area I ask about - just say ‘no change’ and we’ll skip on to the ones which are important.

The questions each have a few parts. I’ll repeat the questions each time, but I’ve also provided a card here to remind you of what you are being asked for each question I pose **[Place prompt card on the table].**

D2.1) Do you think your organisation has made any difference to....?

D2.2) In your view, how important or unimportant is this change?

(Not, a little, quite, very)

D2.3) Why is that?

Many people answer these questions, for example, in the format: “Yes, A little, because...”

	D2.1	D2.2	D2.3
	Yes / No	Not (0), Little (1), Quite (2), Very (3)	(Prompt about why it was important and what the SE did to make it happen)
1. Whether people feel able to try, do or make new things? <i>(Able to initiate / create)</i>			
2. Whether people are able to feel pleasure in the things they do? <i>(Capable of enjoyment)</i>			
3. Whether people are able to gain skills or abilities that <i>other people</i> recognise and value (<i>‘achieve’ – external view</i>)			
4. The level of influence people have over what others do (either within the organisation or in other areas of their lives)? <i>(direct power)</i>			
5. Whether people feel they can take part in campaigning, activism or the political life of the country? <i>(indirect power)</i>			
6. People’s income levels and / or earning potential? (or the ability to get things they need without money) <i>(resource power)</i>			
7. Whether people are able to feel self-esteem and feel respected by others? <i>(face)</i>			
8. Whether people can experience bodily health and mental well-being? <i>(internal security)</i>			

9. Whether people can feel comfortable and safe in their surroundings? (<i>ext. security</i>)			
10. Whether people can adopt or follow any particular framework for living (e.g. a religion or established programme)			
11. Whether people can meet any obligations or expectations placed on them? (<i>conformity – rules</i>)			
12. Whether people are able to feel part of a group and get on with others in group settings? (<i>conformity – interpersonal</i>)			
13. What weight people give their own wishes compared to those of others? (<i>humility – wider picture</i>)			
14. Whether other people can rely on the people you are influencing? (<i>benevolence - dependability</i>)			
15. The attention people are able to pay to caring for their friends, family and others around them? (<i>Benevolence – caring</i>)			
16. The level of concern people have about problems faced by people in this country and abroad? (<i>Universalism – concern</i>)			
17. The level of interest in and / or care for the natural world, the environment and other species people have? (<i>Universalism – nature</i>)			
18. Whether the people you come into contact with feel more able to be broad-minded and tolerant of others? (<i>Universalism – tolerance</i>)			

19. Whether people feel they can develop their own ideas and think for themselves? <i>(independence of mind)</i>			
20. How much people are able to decide for themselves how to live their own lives? <i>(independence of action)</i>			

EVERYONE:

D7) What is the most important difference your organisation delivers – from the ones we have discussed?

D8) What is the second most important?

Any other comments:

Section E – UNDERSTANDING WHAT INFLUENCES DECISIONS

I'd now like to discuss decision-making with you. I've asked a lot of questions about what you think [SP stakeholders] experience as a result of coming into contact with your organisation. **Now I'd like to know more about what goes on to make those experiences happen.** I'd like you to talk through a few scenarios with me, prompted by your earlier answers.

- 1) So, firstly, I note that you said one of the most important things experienced as a result of contact with your organisation is __[answer from QD7]__. What goes into making that happen here?

[Possible prompt questions, depending on interviewee]

- **BARRIERS:** Is it difficult to do this – does anything else get in the way?
- **HISTORY:** What decisions were taken in the past that mean you can do this?
- **CRITICAL POINT:** Is there a critical point where, if you don't do something, this type of experience won't come about?
- **DILEMMA / HARD CHOICE:** Have you ever faced a dilemma where you had to choose between making this happen and something else important?
- **EXAMPLE:** Can you tell me about a real-life situation (anonymised) and how the organisation has worked to make this happen?

- 2) [Repeat question 1 for another important outcome]

- 3) Can you recall a moment in your organisation where you've seen or been part of a real dilemma / hard choice over which way to take your activities in the future? Please could you describe it to me and the choices you faced? [Use prompt questions above]

- 4) We've talked about the experience you create for people and other stakeholders now. Do you have any plans to try to extend or change the type of experiences you deliver? If so, why? What's important about them?

Section F - Closing remarks

Earlier, I asked you specific questions about this organisation's value priorities (that is, what you see as important), but I was wondering if you could **sum up** for me now, **in your own words, what the values of [organisation] are?** (F1)

I've now come to the end of my questions. **Was there anything you wanted to add?** (F2)

Thank you for your time and your comments – they will be very helpful to me for my research study. I have enjoyed speaking with you.

Appendix 3: SE staff interview schedule (ii)

Section A – Consent:

- Check the participant’s understanding of the nature of the research and the conditions and rights of participation (including the right to stop the interview at any time). Do this by running through the points in the consent form one by one.
- Obtain signed consent (take the form, hand them the information sheet to keep)
- Start the recording apparatus

Section B - Pre-amble and context questions

This interview has three main parts. Firstly, I will ask you to answer a brief set of questions on the values you think are most important in this social enterprise. This will be relatively quick as I am looking for answers on a scale, but comments are also welcome. It will take up to 15 minutes. Next, I will ask you a set of questions on what difference your work here at [organisation] makes. This will take around 30 minutes and will involve a little more discussion. Then, I’d like to ask you to talk in more detail about the formal decisions and the everyday choices you make within the organisation to create that difference. This will take around 30 minutes.

If at any point you’d like to pause, stop, correct my understanding or ask a question, please don’t hesitate to let me know. Before we start the three sections, I’d just like to check:

1. What is your job title / role?

<i>Title</i>	✓
*Day to day contact with SP stakeholders?	
CEO / Chief executive	
Founder / co-founder	
Director	
General manager	
Managing director	
Titled manager (marketing / finance)	
Other	

2. How long have you been involved with this social enterprise?

Section C – ORGANISATIONAL VALUES (Attributed) - provide on separate sheet

Section D – EXPERIENCES AND VALUE

I'm interested in any way [organisation name] has had an influence in the world. When answering the following questions please discuss *actual* change that you perceive have come about from [organisation's] work, rather than what you aim or hope to achieve.

D1: First I would like to ask you to identify whether your organisation's influence has largely brought about changes in individual people, groups, or society as a whole, or perhaps on the environment or non-human animals. **[Refer to the cards and discuss]**

Individuals (D2)	Groups, Organisations (D3)	Community, Society, Sector (D4) (<i>norms / discourses / institutions</i>)	Places (D5) (<i>built environment / natural world</i>)	Animals (D6)

[If they picked individuals as most important]. Thank you, we will discuss individuals in more detail shortly. For now, please could you discuss [organisation's] influence on **[D3-D6]**.

If necessary:

D3) (GROUPS): Used supplement? YES / NO

D4) (SOCIETY): Please tell me a little about the actual difference you perceive [organisation] has made to how things are done / how things are discussed in your community / sector / our society?

D5) (PLACES): Please tell me a little about the actual difference you perceive [organisation] has made to either built environments or the natural world?

D6) (ANIMALS): Please tell me a little about the actual difference you perceive [organisation] has made to animals?

D2 (INDIVIDUALS): Now I'm going to ask you some questions about how your organisation may have influenced individuals that you come into contact with.

I have to ask everyone the same questions, so many of these questions might not seem relevant to what you feel this organisation does. That's fine and to be expected. Unless you think your organisation has brought about an important change in the area I ask about - just say 'no change' and we'll skip on to the ones which are important.

The questions each have a few parts. I'll repeat the questions each time, but I've also provided a card here to remind you of what you are being asked for each question I pose **[Place prompt card on the table]**.

D2.1) Do you think your organisation has made any difference to....?

D2.2) In your view, how important or unimportant is this change?

(Not, a little, quite, very)

D2.3) Why is that?

Many people answer these questions, for example, in the format: “Yes, A little, because...”

	D2.1	D2.2	D2.3
	Yes / No	Not (0), Little (1), Quite (2), Very (3)	(Prompt about why it was important and what the SE did to make it happen)
1. Whether people feel able to try, do or make new things? <i>(Able to initiate / create)</i>			
2. Whether people are able to feel pleasure in the things they do? <i>(Capable of enjoyment)</i>			
3. Whether people are able to gain skills or abilities that <i>other people</i> recognise and value (<i>‘achieve’ – external view</i>)			
4. The level of influence people have over what others do (either within the organisation or in other areas of their lives)? <i>(direct power)</i>			
5. Whether people feel they can take part in campaigning, activism or the political life of the country? <i>(indirect power)</i>			
6. People’s income levels and / or earning potential? (or the ability to get things they need without money) <i>(resource power)</i>			
7. Whether people are able to feel self-esteem and feel respected by others? <i>(face)</i>			
8. Whether people can experience bodily health and mental well-being? <i>(internal security)</i>			

9. Whether people can feel comfortable and safe in their surroundings? (<i>ext. security</i>)			
10. Whether people can adopt or follow any particular framework for living (e.g. a religion or established programme)			
11. Whether people can meet any obligations or expectations placed on them? (<i>conformity – rules</i>)			
12. Whether people are able to feel part of a group and get on with others in group settings? (<i>conformity – interpersonal</i>)			
13. What weight people give their own wishes compared to those of others? (<i>humility – wider picture</i>)			
14. Whether other people can rely on the people you are influencing? (<i>benevolence - dependability</i>)			
15. The attention people are able to pay to caring for their friends, family and others around them? (<i>Benevolence – caring</i>)			
16. The level of concern people have about problems faced by people in this country and abroad? (<i>Universalism – concern</i>)			
17. The level of interest in and / or care for the natural world, the environment and other species people have? (<i>Universalism – nature</i>)			
18. Whether the people you come into contact with feel more able to be broad-minded and tolerant of others? (<i>Universalism – tolerance</i>)			

19. Whether people feel they can develop their own ideas and think for themselves? <i>(independence of mind)</i>			
20. How much people are able to decide for themselves how to live their own lives? <i>(independence of action)</i>			

EVERYONE:

D7) What is the most important difference your organisation delivers – from the ones we have discussed?

D8) What is the second most important?

Any other comments:

Section E – UNDERSTANDING WHAT INFLUENCES DECISIONS

I'd now like to discuss decision-making with you. I've asked a lot of questions about what you think [SP stakeholders] experience as a result of coming into contact with your organisation. **Now I'd like to know more about what goes on to make those experiences happen.** I'd like you to talk through a few scenarios with me, prompted by your earlier answers.

- 1) So, firstly, I note that you said one of the most important things experienced as a result of contact with your organisation is ___[answer from QD7]___. What goes into making that happen here?

[Possible prompt questions, depending on interviewee]

- **BARRIERS:** Is it difficult to do this – does anything else get in the way?
- **HISTORY:** What decisions were taken in the past that mean you can do this?
- **CRITICAL POINT:** Is there a critical point where, if you don't do something, this type of experience won't come about?
- **DILEMMA / HARD CHOICE:** Have you ever faced a dilemma where you had to choose between making this happen and something else important?
- **EXAMPLE:** Can you tell me about a real-life situation (anonymised) and how the organisation has worked to make this happen?

- 2) [Skip to keep to time]

- 3) Can you recall a moment in your organisation where you've seen or been part of a real dilemma / hard choice over which way to take your activities in the future? Please could you describe it to me and the choices you faced? [Use prompt questions above]

- 4) We've talked about the experience you create for people and other stakeholders now. Do you have any plans to try to extend or change the type of experiences you deliver? If so, why? What's important about them?

Section F - Closing remarks

Earlier, I asked you specific questions about this organisation's value priorities (that is, what you see as important), but I was wondering if you could **sum up** for me now, **in your own words, what the values of [organisation] are?** (F1)

I've now come to the end of my questions. **Was there anything you wanted to add?** (F2)

Thank you for your time and your comments – they will be very helpful to me for my research study. I have enjoyed speaking with you.

Appendix 4: SP stakeholders interview schedule (iii)

Section A – Consent:

- Check the participant’s understanding of the nature of the research and the conditions and rights of participation (including the right to stop the interview at any time). Do this by running through the points in the consent form one by one.
- Obtain signed consent (take the form, hand them the information sheet to keep)
- Start the recording apparatus

Section B - Pre-ambles and context questions

This interview has two main parts. Firstly, I will ask you to answer a brief set of questions on what you think this social enterprise [organisation name] treats as most important when it makes decisions about how to help people. It will take around 15 minutes. Next, I will ask you a set of questions on what you personally have experienced as a result of coming into contact with [organisation name]. This will take around 30 minutes and will involve a little more discussion.

If at any point you’d like to pause, stop, correct my understanding or ask a question, please don’t hesitate to let me know. Before we start the three sections, I’d just like to check:

1. How are you involved with this social enterprise?

<i>Title</i>	✓
Paid staff	
In-kind staff	
Volunteer	
Service user	
Paying customer	
Other	

2. How long have you been involved with this social enterprise?

Section C – ORGANISATIONAL VALUES (Attributed)

1. [Skip with this set of interviewees]
2. There are lots of different ways in which social enterprises aim to help and support people. I would like to ask you your view on what [organisation name] treats as **most important**.

I'm going to read you some sentences and I'd like you to say for each sentence two things. Firstly, say whether you get the impression that the organisation ever thinks about how they might help people in that way. Secondly, if you believe they do think about it, please give me a rough idea of how important it comes across as being for them. I'll go through these options again for each question as we go along and there are no wrong answers.

Remember to focus on what you think this organisation sees as important. In a later set of questions I'll be asking you what you personally think is important, but for now I'm interested in your opinion of [organisation name]'s priorities.

[For each sentence start...] *They think that it is important for people to...*

		C2a – Ever thinks about?	C2b – How important?
		Never / Yes?	A little / Quite / Very?
A	... gain skills and knowledge so that they can do what they do well.		
B	... earn money and move up in the world		
C	... feel safe and live in stable surroundings		
D	... understand how to fit in with what society generally expects		
E	... respect the traditions and beliefs of their community		
F	... be able to form good relationships and express care and concern for family and friends		
G	... be open and interested in the world, especially trying to understand things from other people's points of view		
H	... be able to plan and make choices about their own lives		
I	... seek out challenges and new experiences		
J	... enjoy life and experience pleasure in what they do		

Comments:

Section D – EXPERIENCES AND VALUE

We’ve talked about what you think [organisation name] treats as important, but now I’m interested in any way you think being involved with [organisation name] has actually had an influence on you and your life. I’m interested in any type of influence, whether it’s for better or worse, in a small way or a large way.

D1 [skip for this interview group]:

D2 (INDIVIDUALS):

I have to ask everyone the same questions, so many of these questions might not seem relevant. That’s fine and to be expected. Unless you feel strongly that your contact with [organisation] has made an important change for you personally in the way I ask - just say ‘no change’ and we’ll skip on to the changes which are important.

The questions each have a few parts. I’ll repeat the questions each time, but I’ve also provided a card here to remind you of what you are being asked for each question I pose **[Place prompt card on the table]**.

D2.1) Do you think this social enterprise has made any difference to....?

D2.2) In your view, how important or unimportant is this change?

(Not, a little, quite, very)

D2.3) Why is that?

Many people answer these questions, for example, in the format: “Yes, A little, because...”

	D2.1	D2.2	D2.3
	Yes / No	Not (0), Little (1), Quite (2), Very (3)	(Prompt about why it was important and what the SE did to make it happen)
1. Whether you feel able to try, do or make new things? <i>(Able to initiate / create)</i>			
2. Whether you are able to feel pleasure in the things you do? <i>(Capable of enjoyment)</i>			
3. Whether you are able to gain skills or abilities that other people recognise and value (<i>‘achieve’ – external view</i>)			

4. The level of influence you have over what others do (either within the organisation or in other areas of your life)? (<i>direct power</i>)			
5. Whether you feel you can take part in campaigning, activism or the political life of the country? (<i>indirect power</i>)			
6. Your income levels and / or earning potential? (or the ability to get things you need without money) (<i>resource power</i>)			
7. Whether you are able to feel self-esteem and feel respected by others? (<i>face</i>)			
8. Whether you can experience bodily health and mental well-being? (<i>int. security</i>)			
9. Whether you can feel comfortable and safe in your surroundings? (<i>ext. security</i>)			
10. Whether you can adopt or follow any particular framework for living (e.g. a religion or established programme)			
11. Whether you can meet any obligations or expectations placed on you? (<i>conformity – rules</i>)			
12. Whether you are able to feel part of a group and get on with others in group settings? (<i>conformity – interpersonal</i>)			
13. What weight you give their own wishes compared to those of others? (<i>humility – wider pic.</i>)			
14. Whether other people can rely on you? (<i>benevolence – dependability</i>)			

15. The attention you are able to pay to caring for their friends, family and others around them? (<i>Benevolence – caring</i>)			
16. Your level of concern about problems faced by people in this country and abroad? (<i>Universalism – concern</i>)			
17. Your level of interest in and / or care for the natural world, the environment and other species? (<i>Universalism – nature</i>)			
18. Whether you feel more able to be broad-minded and tolerant of others? (<i>Universalism – tolerance</i>)			
19. Whether you feel you can develop your own ideas and think for yourself? (<i>independence of mind</i>)			
20. How much you are able to decide for yourself how to live your life? (<i>independence of action</i>)			

[Skip D3-D6 with this interviewee group]

EVERYONE:

D7) What is the most important difference you have experienced – from the ones we have discussed?

D8) What is the second most important?

Any other comments:

Section E – UNDERSTANDING WHAT INFLUENCES DECISIONS

[Skip E1-5 with this stakeholder group]

Section F - Closing remarks

Earlier, I asked you specific questions about this organisation's value priorities (that is, what you thought the staff treated as important), but I was wondering if you could **sum up** for me now, **in your own words, what you think the values of [organisation] are?** (F1)

I've now come to the end of my questions. **Was there anything you wanted to add?** (F2)

Thank you for your time and your comments – they will be very helpful to me for my research study. I have enjoyed speaking with you.

Appendix 5: Capabilities / Values / Outcomes mapping

Please see overleaf ...

TABLE 36: MAPPING CAPABILITIES, VALUES & OUTCOMES TO FORMULATE VALUE QUESTIONS

Schwartz 2012	Nussbaum 2011	Fitzhugh 2013	Questions for / about individual SP stakeholders	Questions for / about collective SP stakeholders	Summarising the underlying capabilities
Self-direction (thought)	Senses, imagination, thought	Motivation and interest to progress	whether you feel you can develop your own ideas and think for yourself?	whether your organisation can develop its own approaches and capabilities?	Being able to think for oneself (independence of mind)
Self-direction (action)	Practical reason	(Autonomy)	how much you are able to decide for yourself how to live your life?	how much you can determine your own objectives and strategies for achieving them?	Being able to decide how to act (independence of action)
Stimulation	Senses, imagination, thought	Sense of possibility	whether you feel able to try, do or make new things?	whether the organisation is able to take up opportunities or work in innovative ways?	Being able to initiate something new / create
Hedonism	Play	(Fun)	whether you are able to feel pleasure in the things you do?	whether you can all enjoy the approaches your org. takes?	Being capable of enjoyment
Achievement (judged successful by others)	-	Transferable skills	whether you have been able to gain skills or abilities that other people recognise and value?	whether you have been able to develop approaches and capabilities that other people recognise and value?	Being recognised as making an able contribution

TABLE 36 CONTINUED

Schwartz 2012	Nussbaum 2011	Fitzhugh 2013	Questions for / about individual SP stakeholders	Questions for / about collective SP stakeholders	Summarising the underlying capabilities
Power (dominance)	-	Ability to influence	the level of influence you have over what other people do (in this organisation or in other areas of your life)?	whether your organisation is influential?	Being able to influence people directly
-	Control over one's environment (A - political)	-	whether you feel you can take part in campaigning, activism or the political life of the area and the country?	whether you feel your organisation can contribute to influencing policy and / or the norms in your sector?	Being able to influence institutions and norms in society
Power (resources)	Control over one's environment (B - material)	Producing / Consuming	your income and / or earning potential - or ability to get the things you need without using money?	your organisation's income and / or earning potential - or your ability to source other non- financial resources?	Being in control of your own resources

TABLE 36 CONTINUED

Schwartz 2012	Nussbaum 2011	Fitzhugh 2013	Questions for / about individual SP stakeholders	Questions for / about collective SP stakeholders	Summarising the underlying capabilities
Face (public image)	Affiliation (B - Social bases of self-respect)	Self-esteem / Being valued as a person	whether you are able to feel self-esteem and that you are respected by others?	whether you are able to feel confidence in the approach your organisation takes and that this is respected by others?	Being able to feel self-respect
Security (health and well-being)	Bodily health / Emotions	(Feel better)	whether you can experience bodily health and mental well-being?	whether your organisation can operate smoothly and function well?	Being healthy / functioning well
Security (societal)	Bodily integrity	(Safe)	whether you can feel comfortable in your surroundings?	whether your organisation is less vulnerable to external threats?	Being safe
Tradition	-	-	whether you can follow any particular framework for living (e.g. a religion / programme)?	whether you can follow any particular framework for operating (e.g. ethos / philosophy)	Being able to access structured guidance
Conformity (rules)	-	-	your ability to meet any obligations placed on you?	your ability to meet any official obligations placed on you?	Being able to fulfil obligations

TABLE 36 CONTINUED

Schwartz 2012	Nussbaum 2011	Fitzhugh 2013	Questions for / about individual SP stakeholders	Questions for / about collective SP stakeholders	Summarising the underlying capabilities
Conformity (interpersonal)	Affiliation (A - live with and towards others)	Interacting with others / feeling part of something	your ability to feel part of a group and get on with others in that group?	your ability to form and keep up good working relationships with a variety of formal and informal contacts?	Being able to form and keep relationships
Humility (not only thinking of self)	-	-	what weight you give your own wishes and those of others?	how much influence you allow stakeholders to have over your organisation's direction?	Being able to look beyond your own needs
Benevolence (dependability)	(Affiliation)	Reconnect with family and friends	whether other people can rely on you?	whether your stakeholders feel your organisation is trustworthy and reliable?	Being dependable and trustworthy
Benevolence (caring)	Emotions (attachments)	Producing (helping others)	the attention you are able to pay to caring for your friends, family and others around you?	the attention you are able to pay to caring for the well-being of your stakeholders?	Being able to care for others
Universalism (concern)	-	-	your level of concern about problems faced by people in this country and abroad?	your organisation's attitudes towards topics such as equality and social justice?	Being a responsible member of the wider world

TABLE 36 CONTINUED

Schwartz 2012	Nussbaum 2011	Fitzhugh 2013	Questions for / about individual SP stakeholders	Questions for / about collective SP stakeholders	Summarising the underlying capabilities
Universalism (nature)	Other species	-	your level of interest in and / or care for the natural world, the environment or other species?	your organisation's level of engagement with environmental issues?	Feeling part of the natural world and capable of engaging with it
Universalism (tolerance)	-	-	whether you feel able to be broad-minded and tolerant of others?	whether you feel able to engage with people and groups who might commonly face discrimination or exclusion?	Being open-minded towards human difference

Appendix 6: Consent forms

Organisational values and value creation in social enterprises

Information sheet about the research study and interview process

About the research:

Thank you for considering being interviewed for my research study.

I am researching how people who work in social enterprises decide what is most important to do to provide good experiences for the people they are trying to help. I am looking into whether the ideas and beliefs they hold as a group (their organisational values) relate to the type of experience the organisation is able to provide. I am not evaluating you or your organisation. I am an independent doctoral researcher, with no links to your organisation or those who fund your organisation.

The full title of the study is: *The role of organisational values in value creation: comparing social enterprise cases.*

I am interested in hearing from different people within each social enterprise I visit, to make sure I hear a variety of perspectives. I would like to interview you for up to 1hr and 15 minutes about your organisation's values, outcomes and decision-making processes. If you have not already completed the online questionnaire, I will ask a quick set of questions about your organisation's values. Then, I would like to discuss in a little more detail the outcomes your social enterprise aims to provide for the people you are trying to benefit. We will finish with a discussion of decision-making and priorities within your organisation.

If you agree to participate, I will ask to record the interview. You may say no and still participate, in which case I will only take written notes. Only I will have access to the recording and notes. When I come to write up the research for my PhD thesis or other academic pieces, I will not use your real name, but I would like permission to quote from your actual words. When I do this I will not include extra information that identifies you personally, but will use generic role descriptions e.g. manager.

If you agree to participate, but then change your mind, you can withdraw from the interview or study at any point up until October 2015 and I will not ask questions about why you do not want to take part. I will leave you my e-mail address. If you have questions, please do not hesitate to contact me.

About the researcher:

My name is Helen Fitzhugh and I am currently a PhD student at the University of East Anglia. Before starting my PhD, I worked for a number of years with social enterprises, charities and the people who support these types of organisation. I am interested in how different types of organisation – particularly businesses - can find ways of helping society.

E-mail address: H.Fitzhugh@uea.ac.uk

Supervisor's e-mail address: Sara.Connolly@uea.ac.uk

Address: Norwich Business School, University of East Anglia, Norwich, NR4 7TJ

If you choose to participate...

Please sign below to say that you have:

- Read and understood the information given in the information sheet:
Organisational values and value creation in social enterprises: Information sheet about the research study and interview process
- Understood that you can withdraw at any time up until October 2015, without having to give a reason

Signing also means you agree to:

- The interview being recorded and accessed only by the researcher, unless agreed otherwise during our initial conversation
- Your words being quoted anonymously in any reports or academic publications relating to this research study

Sign _____ Print name _____ Date __/__/__

Organisational values and value creation in social enterprises

Information sheet about the research study and interview process

About the research:

Thank you for thinking about being interviewed for my research study.

I am researching how people who work in social enterprises decide what is most important to do to provide good experiences for the people they are trying to help. I am looking into whether the ideas and beliefs they hold as a group (their organisational values) relate to the type of experience the organisation is able to provide. I am not evaluating you or your organisation. I am an independent doctoral researcher, with no links to your organisation or those who fund your organisation.

The full title of the study is: *The role of organisational values in value creation: comparing social enterprise cases.*

I am interested in hearing from different people within each social enterprise I visit, to make sure I hear a variety of views. I would like to interview you for around 45 minutes and the interview will be split into two parts. Firstly, I would like to ask a quick set of questions about what you think this organisation's values are. Then, I would like to discuss in a little more detail whether anything has changed in your life as a result of contact with this social enterprise, and if so, what you think of that change. There are no right or wrong answers, I am interested in your views.

If you agree to take part, I will ask to record the interview. You may say no and still take part, in which case I will only take written notes. Only I will have access to the recording and notes. When I come to write up the research for my PhD thesis or other academic papers, I will not use your real name, but I would like permission to quote from your actual words. When I do this I will not include extra information like your age or any other personal details that identify you.

If you agree to take part, but then change your mind, you can stop during the interview or tell me later on that you would like to withdraw. This is fine at any point up until October 2015 and I will not ask questions about why you do not want to take part. I will leave you my e-mail address. If you have questions, please do not hesitate to contact me.

About the researcher:

My name is Helen Fitzhugh and I am currently a PhD student at the University of East Anglia. Before starting my PhD, I worked for a number of years with social enterprises, charities and the people who support these types of organisation. I am interested in how different types of organisation – particularly businesses - can find ways of helping society.

E-mail address: H.Fitzhugh@uea.ac.uk

Supervisor's e-mail address: Sara.Connolly@uea.ac.uk

Address: Norwich Business School, University of East Anglia, Norwich, NR4 7TJ

If you choose to take part...

Please sign below to say that you have:

- Read and understood the information given in the information sheet:
Organisational values and value creation in social enterprises: Information sheet about the research study and interview process
- Understood that you can withdraw at any time up until October 2015, without having to give a reason

Signing also means you agree to:

- The interview being recorded and accessed only by the researcher, unless agreed otherwise during our initial conversation
- Your words being quoted anonymously in any reports or academic publications relating to this research study

Sign _____ Print name _____ Date __/__/__

Appendix 7: Analysis process reference table

Please see overleaf...

TABLE 37: FULL REFERENCE TABLE OF ANALYSIS PROCESSES

No.	Data	Source	Specific data	Process	Purpose
1	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data)	Ranking tables of median values priorities across the whole questionnaire cohort	To ascertain which 'official' inward and stakeholder-facing values were most and least commonly prioritised across the full cohort of SEs.
2	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data)	Calculation of the percentage of organisations ranking particular espoused values in their 'top three'	To check whether any of the inward or stakeholder-facing values could be considered common priorities across the full cohort of SEs.
3	Quant	Questionnaire	C8 / C9 - inward and stakeholder-facing values (standardised data) by full range of SE characteristics data	ANOVA / Kruskal-Wallis (T-test / Mann Whitney U)	To ascertain to what extent the values espoused by key contacts in SEs varied consistently by the characteristics of their SE.
4	Quant	Questionnaire / Interview section C	C8 / C9 - inward and stakeholder-facing values (standardised data) by respondent type	Ranking tables of median values priorities across the different respondent samples within the whole cohort	To ascertain whether the pattern of values prioritisation (and perception of values prioritisation by SP stakeholders) was the same or different across respondent types.

TABLE 37 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
5	Quant	Questionnaire / Interview section C	C8 / C9 - inward and stakeholder-facing values (standardised data) by case (SE practitioner responses only)	Maximum / minimum tables for the values variables, split down by case. These tables were checked for variables with a minimum value of 0 to indicate where all values scores were above average in each person's set of responses.	To ascertain the relative level of consistency of response to the values questions across the key contacts and staff who responded within the context of each site visit.
6	Quant	Interview section D	D2.1.1-20	Basic frequencies of capabilities outcomes reported (e.g. where the respondent did not score the outcomes area 0 or missing)	To understand which capabilities areas were most often reported as areas of change created by the SEs interacting with SP stakeholders, regardless of the level of value assigned to those changes.
7	Quant	Interview section D	D2.1.1-20, D2.2.1-20 By interview schedule (individual / organisational)	Ranking tables for the frequency of responses indicating 'very important' change (i.e. value creation)	To check in which capabilities areas most change was reported and to compare the responses to the individual and organisational question sets, to better understand any differences.

TABLE 37 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
8	Quant	Interview section D	D2.1.1-20, D2.2.1-20 by type of respondent	Ranking tables of relative importance perceptions of the capabilities areas, across the whole cohort / split down by respondent type	To better understand the priorities of the cohort as a whole / the different respondent types.
9	Quant	Interview section D	D2.1.1-20, D2.2.1-20 by type of respondent	Kruskal-Wallis tests to check for significant differences between the combined SE practitioner value creation reports and the SP stakeholder value creation perceptions	To better understand if there were significant differences in value creation reports / perceptions between the different types of respondents, in order to check homogeneity or otherwise of the value creation data.
10	Quant	Interview section D / Characteristics data from questionnaire	D2.1.1-20, D2.2.1-20 / by range of SE characteristics data	ANOVA / Kruskal-Wallis (T-test / Mann Whitney U)	To check whether any particular SE characteristics categories associated with significantly different levels of response to the value creation questions.

TABLE 37 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
11	Qual	Interview (parts of C and F1)	'Intentional values' statements (qualitative comments alongside section C and in response to final values question)	Identification of excerpts containing 'intentional values' statements. Inductive thematic analysis of excerpts in NVivo. Close-coding across the interview sample.	To understand the story people's open-ended comments tell about the values priorities of their organisations and to be able to compare these to their quantitative responses to judge any difference or discrepancy.
12	Qual	Interviews (section D)	'Inferred values' statements (qualitative comments in response to D2.3.1-20 and the following discussion)	Identification of excerpts containing 'inferred values' statements. Template analysis (using the codes developed for intentional values) in NVivo. Close- coding across SE practitioner responses only.	To understand the story people's open-ended comments (within the context of a discussion of value creation) tell about their organisational priorities and to be able to judge any difference or discrepancy with the intentional values statements.
13	Qual	Interview D2.- .7.	Open-ended responses to 'self-esteem' impact question	Separate inductive thematic analysis in NVivo. Close- coding across the interview sample.	To build on the observation that fostering self- esteem had been seen as the change of most importance, by using it as a microcosm for gaining further insights.

TABLE 37 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
14	Qual	Interview D2.3.1-20	Qualitative responses to all capabilities questions (SP stakeholders only)	Review of themes following an immersion / crystallisation analysis technique	To explore and foreground the SP stakeholder perspective on value creation, by attempting to discern any strong tendencies to interpret SE value creation in particular ways.
15	Mixed	Interview transcripts processed in NVivo	Intentional and inferred values statements – coded excerpts from analysis processes 11 and 12	NVivo query: Generated a node matrix of frequencies: rows as intentional / inferred values statements codes and the columns as cases, for each respondent type	To understand the detail of the coding response (particularly regarding outcome values) to the qualitative feedback provided by particular respondent types within the diverse SE cases.
16	Mixed	Matrices formed in analysis process 15 + reference back to NVivo coding	Intentional and inferred values frequencies + reference back to the content of the original values statements	Creation of an overview table setting out the balance of outcome value priorities, looking at coding frequency and incorporating qualitative judgement. Creation of a summary table to distil the most emphasised values.	To discern tendencies in values prioritisation across the case organisations.

TABLE 37 CONTINUED

No.	Data	Source	Specific data	Process	Purpose
17	Qual	Interviews (section E)	Narratives of how a) the organisation brings about the impact claimed and b) what barriers, decisions and dilemmas are involved	Identification of excerpts that described decisions or dilemmas. Abstraction from particulars to a conceptual summary. Excerpts from SE practitioner responses only.	To explore the extent to which values appear to guide decisions about SE activities - including governance, management, everyday activities and interpersonal contact. To identify where decisions are implicit rather than explicit.
18	Quant	Questionnaire / Interview section D	C9 stakeholder-facing values (standardised) D2.1.1-20, D2.2.1-20	Kendall's tau correlation tests	To check whether any priorities in espoused values are associated with any particular areas of reported value creation.
19	Mixed	Analysis process 5	Sets of cases / D2.1.1-20, D2.2.1-20	Kruskal-Wallis tests (and associated pairwise comparisons, carried out within SPSS)	To check whether sets of cases based on the differences in the priorities attributed to SEs by their SE practitioners are associated with any particular areas of reported value creation.
20	Mixed	Analysis process 16	Binary variables for Access, Guardianship, Growth and Self-determination focus / D2.1.1-20, D2.2.1-20	Kruskal-Wallis tests (and associated pairwise comparisons, carried out within SPSS)	To check whether an apparent tendency to focus on particular outcome values within a case associated with any specific areas of reported value creation.

Appendix 8: Online questionnaire - table of variables and tests carried out

Please see overleaf...

TABLE 38: VARIABLES FROM THE ONLINE QUESTIONNAIRE AND TESTS CARRIED OUT

Question	Question provides data on...	Variables used in the analysis	Use of data / Treatment of raw data to arrive at variable data	Type of data	No. of categories	Inward-facing values C8 (A-J)	Stakeholder-facing values C9 (A-J)
Q1	SE name	n/a	Not used as a variable	n/a			
Q2	Respondent's role within the organisation	C2ROLE	Coded into categories such as Chief Executive, General Manager etc. Used only as part of the description of the sample	Categorical	8 including an 'other'		
Q3	Whether the organisation is based in England	n/a	Used solely to exclude inadmissible responses	n/a			
Q4	A description of the SE's social aims and target stakeholders	C4WIROLE	Manually coded variable indicating whether the organisation appeared to focus on work integration or not	Categorical	2	T-Test / Mann-Whitney Test	T-Test / Mann-Whitney Test
Q5	Whether the organisation has a) written aims and objectives, b) a values statement, c) a vision statement or d) a mission statement	Q5(a-d)	Used as gathered	Categorical	2	T-Test / Mann-Whitney Test	T-Test / Mann-Whitney Test
Q6	Whether the respondent was involved in writing the documents above.	Q6	Not used as a variable				

TABLE 38 CONTINUED

Question	Question provides data on...	Variables used in the analysis	Use of data / Treatment of raw data to arrive at variable data	Type of data	No. of categories	Inward-facing values C8 (A-J)	Stakeholder-facing values C9 (A-J)
Q7	Whether the respondent would be happy to send over these documents to be read by the researcher	Q7	Used only to facilitate document-gathering in the early stage research.				
Q8	Inward-facing values	C8(A-J)	For each sub-question (A-J) the responses were standardised by subtracting each respondent's mean response to all the value items from his or her response to each item to provide 'values priorities'.	Continuous	n/a	Correlations (Pearson or Kendall's tau)	Correlations (Pearson or Kendall's tau)
Q9	Stakeholder-facing values	C9(A-J)	For each sub-question (A-J) the responses were standardised by subtracting each respondent's mean response to all the value items from his or her response to each item to provide 'values priorities'.	Continuous	n/a		Correlations (Pearson or Kendall's tau)

TABLE 38 CONTINUED

Question	Question provides data on...	Variables used in the analysis	Use of data / Treatment of raw data to arrive at variable data	Type of data	No. of categories	Inward-facing values C8 (A-J)	Stakeholder-facing values C9 (A-J)
Q10	Whether respondents felt they were able to respond to the values questions in a way consistent with the aims of the question	C10EASE	Hand-coded variable to classify whether respondents felt happy and able to answer the provided questions in a meaningful way, reduced to three categories for the analysis	Categorical	5	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test
Q11	Legal structure	C11rLEGAL	From the 7 original categories and the comments in the 'other box', the categories for this variable were recoded into a reduced set of categories for parsimony and to update the legal structure list in line with the Co-operatives and Community Benefit Societies Act 2014, operative from August 2014.	Categorical	6	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test
Q12	Origins - whether the organisation had always been a social enterprise or had changed in structure or focus at some point previously	C12rCHANGE	From the 8 original categories and the comments in the 'other' box, this variable was recoded into a reduced set of categories	Categorical	4	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test

TABLE 38 CONTINUED

Question	Question provides data on...	Variables used in the analysis	Use of data / Treatment of raw data to arrive at variable data	Type of data	No. of categories	Inward-facing values C8 (A-J)	Stakeholder-facing values C9 (A-J)
Q13	Age of the SE	C13AGE	Used as gathered, except to amalgamate the final two categories as a correction to the two overlapped categories present in the first round of responses to the online survey	Categorical	5	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test
Q14	Number of FTE paid employees	Q14STAFF	Used as gathered	Categorical	7	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test
Q15	Annual turnover Income proportions from different categories of income source	C15TURNOVER	Tested against a) other SE characteristics b) values data	Categorical	5	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test

TABLE 38 CONTINUED

Question	Question provides data on...	Variables used in the analysis	Use of data / Treatment of raw data to arrive at variable data	Type of data	No. of categories	Inward-facing values C8 (A-J)	Stakeholder-facing values C9 (A-J)
Q16	Income proportions from different categories of income source	C16INCOME	Used a formula to code whether each organisation had a dominant income type category (50% or over income from that category) or whether the income sources were spread	Categorical	5 (including one for missing data)	One-way independent ANOVA / Kruskal-Wallis test	One-way independent ANOVA / Kruskal-Wallis test
Q17	Contact details	C17REGION	Hand-coded from the contact details and online location data. Used to describe the sample but not used in further analysis.	Categorical	9		

Appendix 9: Comparing values data by sub-samples

Tables are provided below which show the values priorities in each set (IF / SF) for different sub-samples: online, SE key contacts, SE staff, SP stakeholders. The tables are: a) in the form of the median of the standardised scores and b) in the form of a ranking out of 10. In the rankings 1 indicates the highest median priority for that sub-sample and 10 the lowest priority. The ‘b’ tables are provided for easier comparison of the values priorities across different sub-samples.

TABLE 39: INWARD-FACING VALUES - MEDIAN VALUES PRIORITIES BY SUB-SAMPLE

	Online	SE practitioners	SE key contacts	SE staff
n=	42	49	14	35
C8a	0.45	0.40	0.35	0.40
C8f	0.40	0.50	0.40	0.50
C8e	0.30	0.40	0.45	0.40
C8g	0.20	0.00	0.10	0.00
C8h	0.15	0.05	0.10	0.00
C8c	0.10	0.10	0.05	0.20
C8i	0.10	0.00	0.15	-0.20
C8b	-0.05	-0.20	-0.20	-0.20
C8d	-0.05	0.20	-0.10	0.30
C8j	-0.85	-0.80	-0.70	-0.90

Presented in the order of the values priority hierarchy from the online questionnaire.

TABLE 40: INWARD-FACING VALUES - RANKS OUT OF 10 BY SUB-SAMPLE

	Online	SE practitioners	SE key contacts	SE staff
n=	42	49	14	35
C8a	1	2	3	2
C8f	2	1	2	1
C8e	3	2	1	2
C8g	4	7	5	6
C8h	5	6	5	6
C8c	6	5	7	5
C8i	6	7	4	8
C8b	8	9	9	8
C8d	8	4	8	4
C8j	10	10	10	10

Ranks out of 10 of the median values priorities of different sub-samples. Presented in order of the values priority hierarchy from the online questionnaire. Where figures are the same, ranks are tied.

TABLE 41: STAKEHOLDER-FACING VALUES - MEDIAN VALUES PRIORITIES BY SUB-SAMPLE

	Online	Interview cohort	SE practitioners	SE key contacts	SE staff	SP stakeholders
n=	42	72	49	14	35	23
C9a	0.60	0.40	0.40	0.45	0.40	0.30
C9h	0.50	0.20	0.30	0.25	0.30	0.20
C9c	0.30	0.30	0.30	0.10	0.30	0.30
C9f	0.25	0.20	0.20	0.35	0.10	0.20
C9j	0.25	0.30	0.30	0.25	0.30	0.30
C9g	0.00	0.00	0.10	-0.05	0.10	-0.10
C9i	-0.05	0.10	0.00	0.00	0.00	0.20
C9e	-0.20	0.00	-0.35	-0.40	0.00	0.20
C9b	-0.45	-0.50	-0.50	-0.40	-0.60	-0.57
C9d	-0.50	-0.50	-0.50	-0.60	-0.50	-0.50

Median values priorities of different sub-samples. Presented in order of the values priority hierarchy from the online questionnaire.

TABLE 42: STAKEHOLDER-FACING VALUES - RANKS OUT OF 10 BY SUB-SAMPLE

	Online	Interview cohort	SE practitioners	SE key contacts	SE staff	SP stakeholders
n=	42	72	49	14	35	23
C9a	1	1	1	1	1	1
C9h	2	4	2	3	2	4
C9c	3	2	2	5	2	1
C9f	4	4	5	2	5	4
C9j	4	2	2	3	4	1
C9g	6	7	6	7	5	8
C9i	7	6	7	6	7	4
C9e	8	7	8	8	7	4
C9b	9	9	9	8	10	10
C9d	10	9	9	10	9	9

Ranks out of 10 of the median values priorities of different sub-samples. Presented in order of the values priority hierarchy from the online questionnaire. Where figures are the same, ranks are tied.

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