AN EXPLORATION OF ORGANISATIONAL HYBRIDITY IN SOCIAL ENTERPRISE ORGANISATIONS IN GREATER MANCHESTER, UK

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Contents

Abstract

This study presents research conducted in social enterprise organisations (SEs) across Greater Manchester, UK. It aims to understand how hybridity manifests within SEs and to explore the nature of hybridity within organisations. A review of the literature identified a vibrant intellectual field of

research with ongoing interest in hybridity in SEs. An in-depth qualitative methodology was chosen within the realist paradigm, including two case studies and a set of interviews. Research was undertaken during the Covid-19 pandemic and the thesis includes notes on how the fieldwork was adapted during this period. Research provides an insight into hybridity and the two organisational logics within hybrid organisations. Findings relate to hybridity as part of SEs identity, strategy and dysfunction. This study simultaneously identifies a deficit of readiness to adopt solutions offered in the literature, including low awareness of hybridity, and evidence of potential for SEs to 'get ready' with appropriate preparation, including developing awareness of hybridity and strong hybrid identity. Recommendations are made for further research in the field and practical advice is offered to SEs.

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Definitions

The following terms have specific meaning in this thesis.

Category: used in thematic analysis, describes a group of concepts (see below).

Code: used in thematic analysis, a label given to extracts from an interview transcript.

Concept: used in thematic analysis, describes a group of codes (see above).

Governance: *'systems and processes concerned with ensuring the overall direction, supervision and accountability of an organization.'* (Cornforth, 2004, as cited in Spear *et al*., 2014 p. 133).

Hybrid organisation: an organisation that incorporates the elements of two organisational types, *'[hybrids are] …organizations that incorporate elements from different institutional logics.'* (Battilana & Dorado, 2010, p. 1419)*.* In this thesis *hybrids* is used to refer collectively to hybrid organisations.

Hybrid identity: a sense of organisational self that acknowledges the hybrid nature of the organisation i.e. that the organisation incorporates two internal logics.

Internal logic: a set of socially constructed practices, assumptions, values and beliefs which shape understanding and behaviour within an organisation. This description was adapted from Thornton *et al*. (2012a).

Key informant: somebody who has particular value to the researcher because they have special knowledge of people, processes and events due to their social and professional position and personality (Payne & Payne, 2004).

Organisational culture: the internal culture of an organisation. In this research organisational culture is understood as the accumulated shared learning of a group, a pattern or system of beliefs, values, and behavioural norms that come to be taken for granted as basic and is adapted from Schein & Schein (2017).

Organisational identity: the sense of organisational self that develops over time and exists within those that interact with the organisation.

Social business model: the rationale of how an organisation creates, delivers and captures social and commercial value. This term, and this definition, originated from social business model canvas tools which were adapted for use in social businesses from the original business model canvas tools developed by Osterwalder (Osterwalder, 2010; Social Enterprise Institute, 2022).

Social enterprise: *'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'* (DTI, 2002). Social enterprise definitions are contested and further discussion is provided in this thesis.

Theme: the output of thematic analysis. *'A pattern of shared meaning organised around a central concept.'* (Braun & Clark, 2022, p. 77).

Chapter 1 Introduction

This thesis presents research exploring hybridity in social enterprise organisations (SEs). Specifically, how hybridity manifests in social enterprise organisations and they respond and engage with hybridity. This focus, a response to the critical review of literature in the field presented in Chapter two, led to research across two case studies and a series of interviews in SEs in Greater Manchester, UK, between 2018 and 2020.

This Chapter presents a rationale for this research by presenting it within the wider context of current trends across business and wider society. This is achieved by identifying a need for better knowledge and understanding of hybridity in SEs and introducing the approach to the research in this thesis. This Chapter is structured in four sections. Firstly, Research problem overview, which contextualises the research with respect to global challenges, and current research which lead to the research questions. Secondly, the Aims and Objectives are presented, followed by the research questions, theoretical framework, contributions, and impact. Thirdly, Summary of Methods outlines methods and a research plan. Finally, Structure of Thesis describes how this work is set out within this document.

1.1   Research problem statement

Hybrid organisations have two internal logics, two sets of assumptions shaping the way they operate. Hybridity offers advantages but also creates tensions and presents many organisations with insurmountable problems (Smith & Besharov, 2019). To contribute to explanations to real-world problems in SEs, which are hybrid organisations, this research sets out to learn more about hybridity within SEs. The study's aims and objectives are set out in the following subsection.

1.1.1   Social enterprise

SEs apply commercial business methods to achieve social objectives or embed social objectives into commercial businesses. Integrating a commercial business model with a social mission, organisations can create social value and create profit simultaneously (Doherty, 2009). SEs are different from traditional third sector organisations as they aim not to rely on donations, grants or funding but use market forces to grow earned income and create social value. Furthermore, they are different from traditional businesses because they prioritise a social mission. Organisationally SEs can be described as *hybrid*. Hybrid organisations have two internal logics: in the case of the SE, the social and the

commercial (Battilana & Dorado, 2010). Hybrids are a complex organisational type that give rise to intermittent tensions (Pache & Santos, 2010; Pache & Santos, 2013; Ebrahim, 2014; Battilana & Mair, 2014; Battilana *et al.*, 2015). These tensions can be managed, confronted and overcome with the appropriate organisational response. There are an increasing number of hybrid organisations and this increase reflects the increasingly complex external environment with multiple external institutional logics as well as adding to the justifications for the current and ongoing relevance of this research (Pache & Santos, 2010; Greenwood *et al.*, 2011).

The UK social enterprise sector originates almost 200 years ago in the industrial North West of the UK (Doherty, 2009). Since the late 1990s, the UK SE sector has been undergoing rapid growth and attracting Government interest (Doherty, 2009). Offering a 'third way' for the UK economy to harness market forces and drive social change, it became a key policy of New Labour's centre left politics. SEs are positioned between the third sector and the commercial sector, filling the gaps left by the market, serving sectors found to be unprofitable by traditional business (Pearce, 2003). Policy enthusiasm for SEs outlasted that Government, becoming the 'Big Society' policy suite under the Conservatives (Teasdale, 2012). In 2018 there were estimated to be around 100,000 SEs in the UK, contributing £60 billion to the UK economy (Social Enterprise UK, 2018). These businesses were employing around 2 million people while creating social value for the poorest and most vulnerable sectors of society (Social Enterprise UK, 2018).

SEs are some of the most progressive organisations in our economy; they are resilient, have a diverse workforce and leadership and are more likely to offer fair pay and employment conditions (Social Enterprise UK, 2018). The social value contributed by the SE sector is difficult to estimate, but social value creation within businesses that do not rely on donations or grants and that also provide employment, products and services has unlimited potential (Yunus, 2010). This ability to 'scale up' the social benefits using a business model sparked Nobel Peace Prize winning ideas in the 21st Century (Yunus, 2010).

Despite this growth, innovation and resilience, and according to a critical review of SE literature, SEs' success may be hampered in three ways:

1. SEs are complex organisations and so present additional challenges for those that lead and govern them (Bull & Crompton, 2006; Bull *et al.*, 2008; Smith *et al.*, 2013; Ebrahim *et al.*, 2014; Battilana *et al.*, 2015; Davies & Doherty, 2018).

2. SEs are non-traditional and transcend conventional boundaries and, as a result, experience challenges relating to legitimacy, the regulatory environment and access to investment.

3. Those involved in SE governance may lack the confidence, experience and skills to successfully navigate organisational complexity.

These factors can subvert the social mission or see the business fail to survive alongside competition in the market (Smith *et al.*, 2013; Battilana *et al*., 2015; Bull *et al*., 2008; Bull & Crompton 2006; Ebrahim *et al*., 2014; Ramus & Vaccaro, 2014; Davies & Doherty 2018). This study makes this tendency to struggle a starting point for further research.

1.1.2   Governance

Governance is a secondary focus of this research and a starting point for fieldwork. Governance has an important role to play in any organisation, ensuring the overall direction, supervision and accountability through the board of directors and on behalf of those who own, or in the case of the SE, those who benefit from the organisation (Cornforth, 2004). Effective governance has been identified as a critical factor for SE success (Ebrahim *et al*., 2014; Mair *et al*., 2015; Santos *et al.*, 2015; Bruneel *et al*., 2016). The challenges identified within SEs, and the link made to the role of governance in overcoming those challenges, raise questions about SEs' ability to deliver its social mission.

There have been high profile reports in the UK media linking third sector organisations to unethical practice and serious failures in governance. In 2015 the systematic harassment of vulnerable members of the public by private organisations working on behalf of UK charities was uncovered and reported in the media (House of Commons, 2016). Big UK charities including the NSPCC, British Red Cross, Macmillan Cancer Support, Cancer Research UK and Oxfam were linked with unethical cold calling (House of Commons, 2016). This example of unethical practices highlights dysfunction resulting from the integration of social and commercial logics within an organisation without effective governance.

Without good governance SEs may fail to deliver social benefits, fail to survive, even become unethical. SEs receive status, trust and tangible benefits on the basis of their prioritisation of a social mission. If this is failing, or perceived to be failing, the sector will lose trust and support amongst the public. Research on SE organisations tells us that balancing the dual objectives of an SE is not easy and relates to embedded institutional logics that impact identity, decision making and notions of success (Battilana *et al*., 2012). They find that not only do SEs require specialised approach to governance

because of their hybridity (Santos *et al*., 2015; Bruneel *et al*., 2016) but different governance models for different SEs (Huybrechts, 2010; Yu, 2013; Santos *et al*., 2015).

1.1.3   Wider context

In the context of an increasingly complex and uncertain world subject to global phenomena such as climate change, fast paced technological change and, more recently, the global pandemic, the business community and other organisations are becoming increasingly engaged with social impact (Porter & Kramer, 2011). There is a blurring of the lines between the commercial and the social, with more and more businesses recognising the importance of the social impact they have and more third sector organisations recognising the potential of applying commercial methods to their social missions (Battilana 2018). Lessons learnt in the exploration of hybridity in SEs are transferable to the wider business community in their efforts to integrate social and environmental goals into their business models.

BlackRock's Larry Finks' (2022) 'Letter to CEOs' positions longer-term sustainable business goals alongside capitalist corporate decision making *'We focus on sustainability not because we're environmentalists, but because we are capitalists and fiduciaries to our clients.'* Unilever's journey toward integrated sustainability demonstrates how adding complexity to organisational purpose can lead to internal tensions (Unilever, 2020; Agnew, 2022). Mark Carney's (2020) Reith Lectures focused on the tensions, relationship and future of business and social values, indicating that social value will be part of mainstream businesses' future.

There are clear parallels with the tensions felt across society and the tensions within hybrid organisations. Returning to Friedland & Alford (1991, p.256), these tensions are positive, they precede *'some of the most important struggles between groups, organizations and classes…'*. The insights from this field on how organisations can move on from singular to multiple logics has the potential to inform how our society could do the same.

1.2   Aims and objectives

This study aims to:

Understand how hybridity manifests within SE organisations and to explore the nature of hybridity within SE organisations.

In order to achieve this aim the following objectives were implemented:

1. How does hybridity manifest in SE governance and those involved in governance activities?
2. How is hybridity evident in the identity of individuals, and the shared values of the board and the organisation (Jay, 2012; Battilana, 2018; Smith & Besharov, 2019)?
3. How does variety in SE organisations impact hybridity and effective governance? To date there is research in this area but it needs further application in the field (Battilana *et al.*, 2012; Besharov & Smith, 2014; Ebrahim *et al.*, 2014)
4. What is the role of organisational culture in SE governance (Battilana, 2018)?

1.2.1   Research questions

Existing research on SEs identified that they encounter specific challenges due to their hybridity, that governance is critical to SE success and that SEs often struggle with key governance activities while operating in complex and competitive environments. Research identified that different types of SEs use different models of governance, experience different challenges and require different solutions (Santos *et al.*, 2015). Studies indicated that organisational culture and organisational identity may be important factors (Battilana *et al.*, 2012). Despite this, there is a paucity of research to date on SE governance and hybrid types, particularly in the fields of organisational culture and organisational identity. The purpose of this study is to better understand how hybridity manifests in SE organisations through the exploration of SEs, with governance as a starting point.

The primary and overarching research question was:

RQ 1. How does hybridity manifest within organisations?

This central question was accompanied by related research questions that address information gaps and issues identified in a review of the literature and emerging during the fieldwork. Secondary research questions used in phase one of this research (Case Study one) were:

RQ 2. How do SEs engage with hybridity?

RQ 3. How do SEs respond to hybridity?

RQ 4. What barriers do hybrid organisations experience that may link to hybridity?

In phase two (Case Study two and SE interviews) additional secondary research questions led the fieldwork. These were:

RQ 5. How aware are individuals leading SEs of the hybridity and hybrid nature of their organisation?

RQ 6. Do SEs identify with hybridity?

RQ 7. What is the role of identity in SE hybridity?

1.2.2   Contributions

This research set out to contribute to knowledge in the field of SEs and contribute to increased understanding of hybrid organisations. The contribution will be to the knowledge and understanding of how hybridity manifests in SEs, what role governance has in overcoming challenges and using hybridity to the advantage of the organisation. In addition, this research will contribute to practice in SEs and SE governance, how governance can help SEs achieve social and commercial sustainability, overcoming challenges that result from the balancing of social and commercial aims. Finally, the findings of this research can potentially inform decisions about how best to regulate and support SEs, especially in relation to governance.

A trend in traditional businesses sees social values and social responsibility being more about integration and value alignment than corporate social responsibility projects outside the core business (Porter & Kramer, 2011). The findings of this research into SEs raise questions about businesses outside the SE field. SEs are *'…laboratories to understand hybrid organising.'* (Battilana, 2018, p. 1278), and also hybrids could be laboratories for understanding how other organisations can meet the challenge of expanding their logics. Lessons learnt in the exploration of hybridity in social enterprises can be transferable to the wider business community. What is learnt about the challenges, solutions and opportunities seen in hybrid SEs can inform our understanding of how traditional businesses might incorporate social and environmental values in the future.

The following findings contribute something new:

- Finding one: Social and commercial logics are seen separately in organisational identity across purpose, ideas and motivation.
- Finding two: There may be awareness of hybridity in some hybrid organisations.
- Finding four: Hybrid identity, the combining of social and commercial logics, is visible within the ideas, purpose and motivations of those leading SEs.
- Finding eight: Identification with logics may be inhibited by a range of factors.

The following findings contribute to existing discussion:

- Finding three: Combining of social and commercial logics may be part of organisational identity, - adding to Smith & Besharov (2019) and Smith *et al*. (2013)
- Finding five: Aspects of SE identity, in relation to social and commercial logics, may change over time, – adding to Smith & Besharov, (2019) and Besharov & Mitzinneck (2021).
- Finding six: Internal logics are visible to different degrees within organisational identity, – adding to Besharov & Mitzinneck (2021) and Bruneel *et al*. (2020)
- Finding seven: Internal culture may be founded on only one of the two logics, – adding to Friedland & Alford (1991)
- Finding nine: Organisations' social values may support commercial competitiveness, - adding to Besharov & Mitzinneck (2021)
- Finding ten: Organisations may be proactive in response to hybrid tensions, – adding to Smith & Besharov (2019) and Davies & Doherty (2018)
- Finding eleven: Board membership aligns with the organisation's dominant logic, – adding to Bruneel *et al*. (2016) and Bruneel *et al*. (2020)
- Finding twelve: Hybrid organisations may show signs of dysfunction relating to mission, purpose and identity, – adding to Smith *et al*. (2013)
- Finding thirteen: Hybrid organisations may show signs of dysfunction relating to the social business model, – adding to Davies & Doherty (2018) and Santos *et al*. (2015)
- Finding fourteen: Hybrid organisations may show signs of dysfunction relating to the board and board activities, – adding to Crucke *et al.* (2015), Crucke & Knockaert (2016) and Bruneel *et al*. (2020)

All findings are discussion in detail in the context of the literature in Chapter Six.

1.2.3 Theoretical framework

The theoretical framework presented here was developed to show how explanatory theory from the field has been used to provide a starting point for research seeking further insights in the field. The theoretical framework provides a frame within which to view the problem (see problem statement in Section 1.1). Within both the theoretical framework and the problem statement sits the purpose of the study.
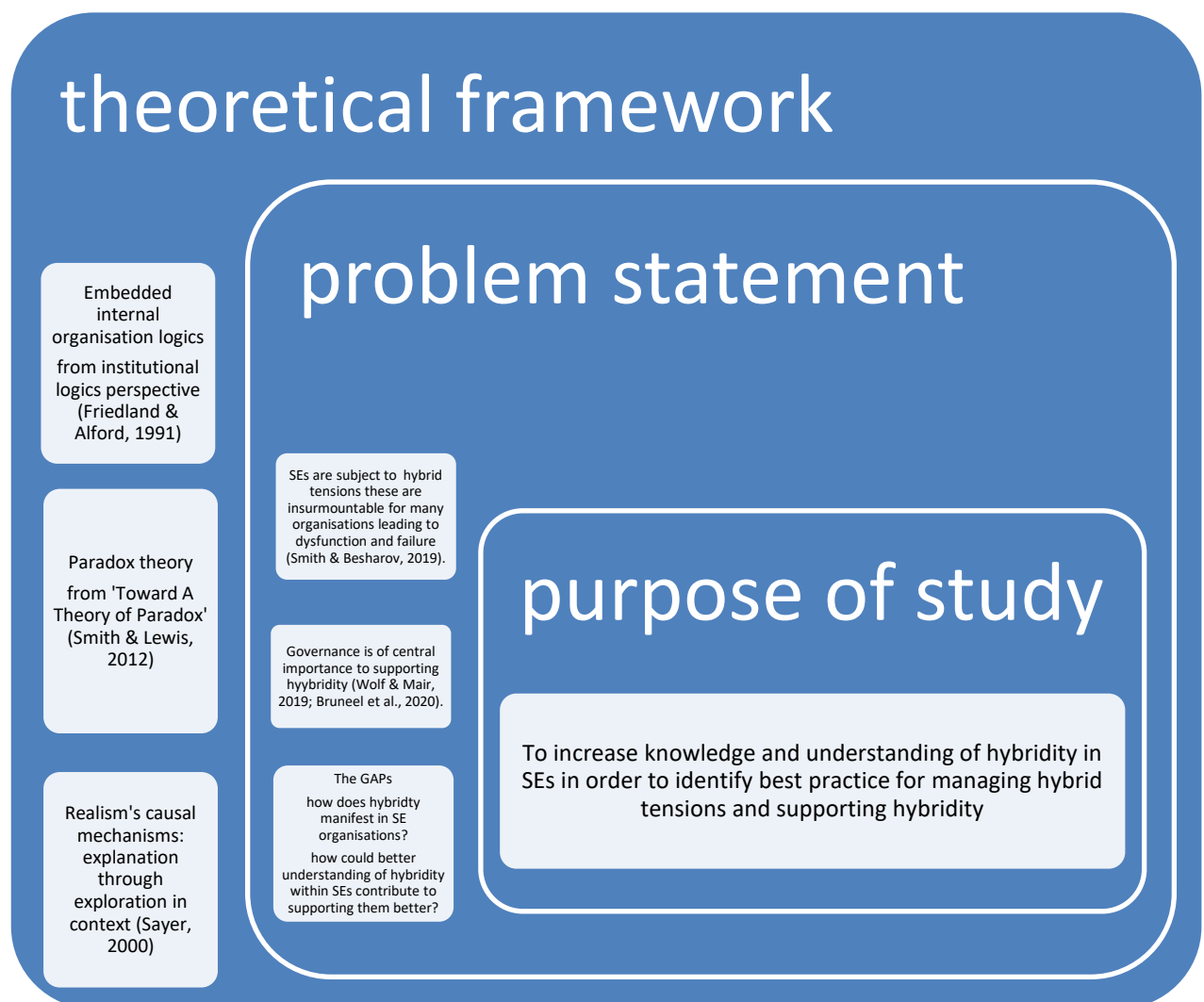
Figure 1 -Theoretical framework

Starting with the theoretical frame, the following theories are incorporated into this study:

Hybrid organisations, as a construct, are part of the theory of internal institutional logics (Friedland and Alford, 1991). This theory proposes that organisations are not only exposed to institutional logics

but internalise those logics. Internal logics become embedded into the values, identity and assumptions of the organisation. Hybrids are organisations with two internal logics.

Smith & Lewis' (2011) paradox theory, applied in the hybrid field, is adopted by this study. Paradox theory, according to Smith & Lewis (2011) presents the existence of paradox as a potential benefit and asks managers to accept and continually attend to paradox within their organisations. Paradox theory is useful in the hybrid field as the tensions arising from internal logics create paradox within the organisation. Paradox can be seen in the identity of the organisation, in decision making and as a cause of dysfunction.

A third theory adopted in this research is causal mechanisms. Rather than looking for patterns across a large sample to find evidence for causation, this research looks for causal mechanisms, identifying how they work and how they are operating in a particular context (Sayer, 2000). In seeking to understand how hybridity manifest in SEs by conducting research within SE organisations. This approach enables the organisation of information generated by research to *explain* phenomenon within the complexity of the real world.

The problem statement is formed on the basis of three ideas. Firstly, that SEs are subject to hybrid tensions and that these are insurmountable for many organisations (Smith & Besharov, 2019). Secondly that governance is of central importance to supporting hybridity (Wolf & Mair, 2019; Bruneel, *et al*., 2020). Thirdly that there is a lack of knowledge around how hybridity manifests within SE organisations.

In their research on navigating logics in hybrid organisations, Mair *et al*. (2015 p. 714) describe governance as *'highly relevant'* and justified their use of governance as *'a focal lens and empirical window through which to examine'*. The research presented in this study adopts a similar approach, the conclusions of the literature review highlighting governance as of high relevance and, therefore, governance, being selected as a starting point for focus in the exploration of hybridity in SEs.

1.2.4   Impact

The potential impact of this research was established by identifying the benefits of the research beyond the academic benefits. For this research an analysis of key stakeholders, their areas of potential interest and their ability to influence the research was undertaken with a view to plan and

prioritise engagement activities to maximise impact. The table below lists the key stakeholders, those that influence and/or benefit from the research, and identifies aspects of interest, influence and benefit, and activities for increasing interest and engagement. Where this has been addressed, a description in *italics* has been added to the final column.

Table 1 - Impact Strategy

	Key aspects of research for this group	Ability to influence and likely benefit	Activities for motivating interest and engagement
Research participants, individuals (board members and management)	Explanation of link between common challenges and governance Common governance challenges Tools/strategies for effective governance	Potential influence on the research and potential benefit from research are both high.	*This was addressed by developing a rapport with the participants. At this time activities with participants did not go beyond taking part in the interviews, further engagement may happen in the future.*
Research participants, organisations	Explanation of link between challenges and governance Common governance challenges Tools/strategies for effective governance	Potential influence on the research and potential benefit from research are both high.	*This was addressed by developing a rapport with the key informant. Successful in Case Study two where the author sits on the board.* *Also introducing all participants to opportunities to link with the Salford Business School in the future. Including support and training for small enterprises, live projects with our students and knowledge transfer partnership. Two organisations have taken up further an opportunity since the research was conducted.*
SE community	Common governance challenges Tools/strategies for effective governance in different SE orgs.	Potential influence on the research is low but potential benefit from research is high.	*This was addressed by:* *- a presentation on Insider Outsider Research at the festival of Research, UoS. 14/6/19* *- a piece in Business Mondays about Covid and SEs https://businessmondays.co.uk/covid-19-social-enterprises-are-leading-business-response/ . 23/04/20* *- a presentation on the initial findings of this research at the Culture Excellence Seminar Campden BRI, 16/12/22* *- conversation with GP around the findings of this research in the lead up to the Big GP Conversations for future directions of the sector. 4/22*
Policy makers	Challenges resulting from regulatory environment Identification of best practice to inform guidance	Potential influence on the research is low but potential benefit from research is medium.	Connections with organisations that directly or indirectly influence regulation, support and guidance for SEs. *-to date this has not been addressed.*

Impact in this research was maximised through the activities outlined in the right-hand column. These activities aimed at increasing interest and engagement with the stakeholders, with the biggest

potential benefit from the research and biggest potential influence on the research being prioritised. In this case, these are the individuals and organisations taking part in the research. The aim is to develop long lasting, two-way trusting relationships. This helps ensure the research can be undertaken and will have impact.

Secondly, marginalised groups, those that have low influence, are prioritised if the potential benefits are high. This helps ensure that those who can benefit but may not have a voice in the research process do benefit. In this case, these are the SE beneficiaries; the aim is to engage this group by activities which reach them.

1.3   Summary of methodology

This research was originally intended to be conducted across four case studies in SEs located in Greater Manchester, UK. In the event of the 2020 Covid-19 pandemic the fieldwork was adapted in response to a series of national lockdowns and major disruption to society and the economy. The four case studies were replaced with one in-depth case study, one immersive case study and four in-depth interviews; see Covid-19 subsection in Chapter four.

Case study research involves analysis of a single unit, or a series of single units, of analysis; in this case the units of analysis are SE organisations. Case study method provided the opportunity to conduct intensive research generating rich and in-depth data. In this research data will be collected through in-depth interviews, documentary analysis and observations. The four SE interviews provided data from a further four organisations, expanding the breadth of the research.
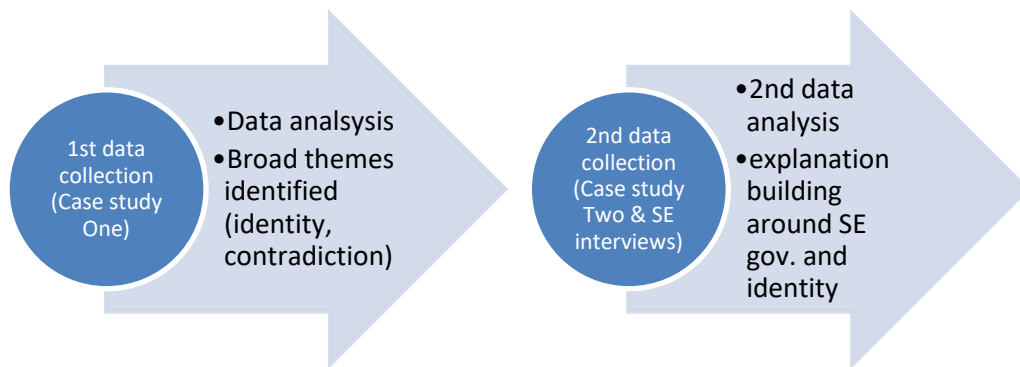
Figure 2 - Fieldwork phases

1.4 Structure of the thesis

This Chapter has set the scene for research on SE hybridity and governance by outlining the wider context and need for greater understanding and knowledge in this area. Three key areas are identified; SEs, hybrid organisations and governance. Here is an outline of the structure of this document, with the aim of assisting the reader in navigating the ideas presented here.

Chapter one – Introduction	Providing context to the research topic and justification for the focus.
Chapter two – Literature Review	Critical review of parts of the hybrid and SE literature
Chapter three – Research Design & Philosophy	Explanation and justification of decision making around the approach to field work
Chapter four – Research Process & the Covid-19 Pandemic	A detailed description and evaluation of data collection
Chapter five – Results & Analysis	Presentation and interpretation of data
Chapter six – Discussion	Presentation of findings in the context of the extant literature in the field
Chapter seven – Conclusions & Recommendations	Summing up contributions made, recommendations for future research and author reflection

Chapter 2 Literature Review

This Chapter critically evaluates current knowledge on SEs and hybridity in SEs in a critical review of the literature. Gaps in current knowledge are then identified, which justify research undertaken in this thesis.

The Chapter is presented under six headings:

1. Definition of key terms
2. Introduction to the literature and scope of the review
3. The hybrid literature
4. The SE literature
5. Identification of gaps in knowledge
6. Chapter summary

2.1 Introduction to the literature and scope of the review

This introduction provides a description of the hybrid and SE literature with the aim of orienting the reader at the outset of the chapter and give a sense of the pace and trajectory of research at the time of writing. It also sets out the scope of the literature review, providing the reader with information about its boundaries and how it contributed to the shape and focus of the fieldwork.

The review identified that publications relevant to the exploration of hybridity in SEs can be found in two streams of research that have now, to some extent, merged. Firstly, research on SE organisations where hybridity may not be explicitly referred to but nevertheless is a component of the organisations being studied, and secondly, research on hybrid organisations, where hybridity is the focus and SEs are the subject through which to learn more about hybridity. These two streams are quite different in character and provide the two main sections of this chapter.

The section on the hybrid literature presents research and discussion from 2010 to date and mostly focuses on SE hybrids rather than hybrid organisations of all types. This decision was made to provide focus and encourage depth as well as breadth. The section on the SE literature presents research and discussion published from 2005 to date. In both sections, a selection of the most relevant pieces of

research and discussion have been included, those judged to be of most value and relevance to this study and this field.

Publications with a focus on social entrepreneurship were not included. Galera & Borzaga (2009) describe social entrepreneurship as an umbrella term describing a set of initiatives and social trends characterised by a focus on the individual. While there were, no doubt, opportunities for shared learning between these two fields, the exploration of hybridity in SEs has a focus, in the first instance, on the organisational rather than the individual.

The hybrid literature adopted SEs as an example through which to explore hybrid organisations and contribution to the wider field of organisational studies (Battilana, 2012; Pache & Santos, 2013; Ebrahim *et al.*, 2014; Battilana *et al.*, 2015; Santos *et al.*, 2015; Mair *et al.*, 2015; York *et al.*, 2016; Mason & Doherty, 2016; Smith & Besharov, 2019). Research in this stream is typically theoretical and published in the top American management journals and emanates from the elite American Universities (Battilana & Dorado, 2010; Jay, 2013; Besharov & Smith, 2014; Lee & Battilana, 2014; Battilana *et al.*, 2015; York *et al.*, 2016; Smith & Besharov, 2019). Research in this stream has produced increased interest in SE organisations as well as hybrid organisations: see Battilana's *'Cracking the organisational challenge of pursuing joint social and financial goals: Social enterprise as a laboratory to understand hybrid organising'* (2018).

The SE stream includes research on SE practices including management and governance and challenges. The critical review of SE literature was undertaken before hybridity emerged as a focus of this study. The findings of the review led to the identification of governance as a key factor in SE success and hybridity as a key characteristic of SE governance. The critical review of SE business practice literature is of ongoing value to this thesis as findings relate to hybridity and are examinations of hybrid organisations, whether this is explicit in the research aims or not. Findings revealing strengths, weaknesses and practices within the field are all findings about hybrid organisations.

Over time, publications in the SE stream have converged with the hybrid stream, acknowledging and using the concept of hybridity and citing publications in the hybrid literature. Doherty *et al.*'s (2014) *'Social Enterprises as Hybrid Organisations: A review and Research Agenda'* identified hybridity as central to SE research, reviewed previous research in view of hybridity and called for future SE research to respond to gaps identified in our knowledge of SEs as hybrids. The SE field of research developed to include hybridity more centrally (Wilson & Post, 2013; Pestoff, 2014; Bruneel *et al.*, 2016)

and builds on its theories (Mason & Doherty, 2016). Most recently in the symposium published in the Journal of Business Ethics four articles were included exploring SEs through the lens of hybridity (Davies & Doherty, 2018; Di Lorenzo & Scarlata, 2018; Litrico & Besharov, 2018; Mitzinneck & Besharov, 2018; Mongelli *et al.*, 2019).

The SE research and hybrid research fields are, at the time of writing, energetic and expanding. Research is published frequently and in a wide range of journal titles including some of the top management publications (Battilana & Dorado, 2010; Jay, 2013; Lee & Battilana, 2014; Besharov & Smith, 2014; Battilana *et al.*, 2015; York *et al.*, 2016; Smith & Besharov, 2019). There is evidence of convergence within the field with contributions published alongside one another (Davies & Doherty, 2018; Litrico & Besharov, 2018) and from one stream to another (Smith *et al.*, 2013; Mitzinneck & Besharov, 2018). Leading contributors are reaching out beyond the SE hybrid field to demonstrate the impact of their findings in the wider business field and make theoretical contributions that demonstrate the value of the hybrid SE (Battilana, 2019) including how business can *'…do well and do good at the same time.'* (Battilana *et al.*, 2019, p. 125).

The subsequent sections of this chapter take each stream in turn and bring together the most relevant ideas emerging from both streams of literature with extended attention to key contributions. The hybrid stream is presented first, as this is the main focus of this research. The SE stream is presented second, with a focus on the relevance to the exploration of hybridity.

2.2 The hybrid literature

In this section the literature is critically evaluated and presented across the following headings: hybridity and logics, hybrid tensions, organising hybrids, mission drift, hybridity offers advantages, organising hybrids, managing tensions, hybrid governance, other challenges and a section summary. Across these sections a critique of existing knowledge in hybrids SEs is provided, moving from the more theoretical areas, logics and resulting tensions that characterise hybrid organisations to the more practical areas of managing tensions, other challenges hybrids experience and governance in hybrids. Overall, the quality of research in the hybrid field is high and characterised by collaboration amongst key contributors; limitations, weaknesses and gaps do, of course, exist and are identified throughout the review and in the section summary.

2.2.1   What is a hybrid?

The term *hybrid* was first used in discussion of institutional and organisational complexity in the field of economics (Williamson, 1985). Williamson (1985) used the term 'hybrid' in his theory of transaction cost economics to describe organisations that operate on the basis of factors other than purely price mechanisms and market hierarchy, part of a move away from a purely rational estimation of organisations. The idea of a *hybrid organisation* that is the subject of this thesis was conceived in the *institutional logics perspective* approach led by Friedland & Alford (1991) in their chapter 'Bringing Society Back In'. Within this perspective was the concept that organisations embed an institutional logic and that this moderates strategic decision making (Thornton *et al*., 2012b). A summary of this research is beyond the scope of this review. In the hybrid field organisations two internal logics are embedded, leading to the complexity (Thornton *et al*., 2012b).

A hybrid is an organisation that incorporates the elements of two organisational types, described as *'organizations that incorporate elements from different institutional logics'* (Battilana & Dorado, 2010, p. 1419). In institutional theory, a hybrid organisation describes complex organisational forms that contain/host multiple institutional logics (Skelcher, 2015). In the hybrid literature, and in this thesis, internal logics are focused on Pache & Santos, (2010) and Besharov & Smith, (2014). A key aspect of the institutional logics perspective is the role of the organisation in selecting and engaging with available logics; this forms part of the focus of this research (Friedland & Alford, 1991).

Friedland & Alford (1991) brought attention to the importance of an organisation's *internal* institutional order. The ideas here are intellectually far reaching, but from the vantage point of this study, what is of significance is that where previously institutions and organisations had been understood on the basis of mostly *external* institutional orders, Friedland & Alford (1991) proposed that this was not adequate, that it was important to recognise the role of multiple logics and, in addition, the role of organisations and individuals within them. An internal (internalised) institutional logic acted from within the organisation (Friedland & Alford, 1991)*.* An internal institution, or internal logic, was created by an external institutional logic, shaping the organisation through its influence on the organisation and its own version of how that organisation should behave. Friedland & Alford (1991) propose that institutional logics become internalised and are visible in items located inside of the organisation: interests, identities, values and assumptions of individuals and the organisation. These ideas provide the theoretical backdrop to this research; exploring internal logics through insights into the organisation via individuals that lead and govern it.

Friedland & Alford's (1991, p. 254) concept of internal institutional logics placed the organisation more actively as the master of its own destiny; *'individuals can manipulate or reinterpret symbols or practices…they are artful in the mobilization of different institutional logics to serve their own purposes.'* Internal institutional logics, or internal logics, attributed power and agency to organisations. Internal logics were part of an argument to challenge rational economics and recognise the role of institutions and individuals, culture and symbols in understanding and predicting organisational behaviour (Friedland & Alford, 1991). Friedland & Alford (1991) argue for the role of institutions alongside economic rationality in our understanding of organisations and society but also the ability of the organisation and the individual to manipulate the institution. Overall, Friedland & Alford's (1991) chapter offers an argument for the power of the individual, along with the values, cultures and institutions it creates alongside the power of the market and rational economics. This is relevant to the hybrid organisation and our framing of hybridity and multiple logics in this study.

There are instances in the literature where the definition of a *hybrid* raises questions. Haigh *et al*. (2015 p. 5) define hybrids as *'… business organizations who design their business models based on the alleviation of a particular social or environmental issue.'.* This understanding of a hybrid organisation is problematic as it assumes that all hybrids are SEs or at least that one of the dual logics relates to a social or environmental mission. This definition fails to recognise that there are several types of hybrid organisation combining several combinations of logics (Pache & Santos, 2013). There are several types of hybrid organisation combining different logics, for example *sustainable businesses,* which combine commercial and sustainable logics; and *social enterprises,* which combine commercial and social logics (Pache & Santos, 2013; Hahn, 2021).

It is also of note that the definition of *hybrids* has expanded over time. A recent definition of *hybrids*, *'organizations with a combination of identities, forms or logics that would conventionally not go together',* goes beyond the presence of multiple *logics* but includes *forms* and *identities* in the definition (Battilana, *et al*., 2017)*.* Battilana *et al*.'s (2017) definition is potentially useful in the context of this study where identity comes into focus during fieldwork. However, definitions of hybrids which focus on the incompatibility of their logics will likely become less helpful. Combinations of social and commercial logics in organisations are increasingly normalised (Glynn, *et al*., 2021).

2.2.2   Hybrid tensions

Hybrid tensions are a regular feature of the SE hybrid literature and characteristic of hybrid organisations' experience (Pache & Santos, 2010; Pache & Santos, 2013; Ebrahim *et al*., 2014; Battilana & Mair, 2014; Battilana *et al*., 2015). Hybrid tensions are widely attributed to the multiple logics within a hybrid organisation (Pache & Santos, 2010; Pache & Santos, 2013; Battilana & Mair, 2014; Ebrahim *et al*., 2014; Battilana, *et al*., 2015). More specifically Smith *et al*. (2013, p. 409) explain that multiple and often conflicting objectives result from an organisation's commitment to both social missions and commercial success; they describe *'…juxtaposed divergent identities, goals, logics, and practices, which creates tensions for leaders and their organizations…'*.

According to the literature, hybrid tensions could emerge from almost any area of the business, for example, tension could arise around the activity of hiring staff (Smith & Besharov, 2019). At Digital Divide Data, the organisation studied in Smith & Besharov's (2019) longitudinal case study, there was an expectation to fulfil the commercial objectives by hiring based on competence and experience and there was a simultaneous and competing expectation to hire on the basis of need, providing those most in need with an opportunity to develop (and cross the digital divide). These conflicting expectations lead to tension (Smith & Besharov, 2019).

Not all research findings agreed that multiple logics are always in competition, contradiction and conflict or that internal tensions are a continuous problem. Jay's (2013, p. 155) in-depth study at Cambridge Energy Alliance found that *'…multiple logics can create latent paradoxes…that only surface at particular moments in time.'*. It is likely in view of subsequent publications explored in later sections of this thesis that the emergence of tensions across the organisation and over time depends also on several factors, including the relationship between the logics (Besharov & Smith, 2014) and the social business model (Santos *et al*., 2015). Jay's (2013) observations have value in that they provide evidence of a varying experiences in the field.

There are some necessary factors to consider when evaluating this apparent disagreement on the impact of multiple logics in the literature. Firstly, the field is still emerging and new studies add to understanding of hybrids and SE hybrids. A large part of the literature presents case study research, these studies provide in-depth and detailed exploration of complex phenomena but, at this point, only show organisations tackling hybridity with greater or lesser success. There are no large-scale longitudinal studies which provide representational findings on hybrid success or failure. What is learnt from across the literature is that the multiple logics seen in hybrid organisations may simultaneously provide benefits and present challenges.

The existence of tensions in hybrid organisations is a key finding of the hybrid literature (Smith *et al*., 2013; Battilana *et al.*, 2015). The exploration of hybrid tensions provides valuable insight into the field; '…*understanding social enterprises depends on insight into the nature and management of these tensions…*' (Smith *et al*., 2013, p. 408)*.* Understanding hybrid tensions is important as it potentially leads to more effective solutions. In addition, understanding hybrid tensions may be increasingly valuable in the future as they can exist in an increasing number of organisations as a result of more complex and contradictory environments (Pache & Santos, 2010; Smith & Lewis, 2011).

More recently, exploration of logics and tensions in SEs addressed the potential effect of their collaboration with other organisations (Gillett *et al*., 2018; Savarese *et al*., 2020). Savarese *et al*. (2020) made a theoretical proposition about the potential for collaboration with organisations where a particular logic or dominant logic may reduce hybrid tensions. They also proposed that, while tensions may be reduced, the balance of social and commercial logics may be lost and threaten the sustainability of the organisation's hybridity (Savarese, 2020). There is also new research looking at the 'tri-brid' organisations with three competing logics (Borquist, 2021).

Smith *et al*. (2013) identify groups of tensions emerging from four areas of divergence; outcomes and measurement, internal dynamics, identities and growth. The table below is adapted from Smith *et al*. (2013) and presents the four groups of hybrid tensions alongside the associated parts of the business venture and social mission. The findings presented emerge from a review of the hybrid literature, and build on ideas developed in previous publications (Smith & Lewis, 2011).

Table 2. Hybrid tensions and causes (adapted from Smith et al., 2013, p. 410)

Type of tension	Dimensions of social missions	Dimensions of business ventures
Performing tensions - *emerging from divergent outcomes e.g. goals and metrics*	Goals address multiple stakeholders Metrics and goals are more subjective, less standardised	Goals address narrow group of shareholders Metrics are more objective, quantitative and easy to compare
Organising tensions – *emerging from divergent internal dynamics e.g. structures, cultures, practices and processes*	Hire for skills that enable social mission Hire disadvantaged individuals Adopt a non-profit legal form	Hire for skills that increase profitability Adopt a for-profit legal structure
Belonging tensions – *emerging from divergent identities among and between subgroups and the organisation*	Employees and stakeholders identify with the social mission	Employees and stakeholders identify with the business venture
Learning tensions – *tensions of growth, scale, and change emerging from divergent time horizons*	Social mission success requires a long time horizon Growth can increase and threaten social mission impact	Business venture success can come from short term gains Social mission can constrain growth

Smith *et al*.'s (2013) review of the literature identifies ten specific challenges, framed as questions, SEs may encounter. These challenges emerge directly from the four groups of tensions identified over time in the literature. Smith *et al*.'s (2013) ten challenges provide useful insight into how to organise tensions, despite it being almost ten years old.

Table 3 - Hybrid tensions and challenges. (Adapted from Smith et al., 2013, p.410)

Type of tension	Challenges for hybrid SE organisations
Performing tensions - *emerging from divergent outcomes e.g. goals and metrics*	How is success defined across divergent goals, where success in one domain can be failure in another? How can organisations sustain support for both social and financial metrics?
Organising tensions – *emerging from divergent internal dynamics e.g. structures, cultures, practices and processes*	Who should organisations hire and how should they socialise employees? How integrated should social and business missions be integrated? What legal form should organisations take?
Belonging tensions – *emerging from divergent identities among and between subgroups and the organisation*	How can organisations manage divergent identities among employees? How can organisations manage divergent identities among stakeholders? How can organisation present their hybrid social-business identity externally?
Learning tensions – *tensions of growth, scale, and change emerging from divergent time horizons*	How can organisations attend both the short term and the long term? How can organisations manage increased short term commercial costs to achieve long term social goals?

Smith *et al*.'s (2013) paper provides a functional basis for a review of tensions in the literature. It highlights the paradoxes embedded with SEs and provides detail about the specific tensions that might emerge in each area, illustrating this with the examples of the different decisions/actions that come from the business and social mission; see below.

Table 4 – Example of table (adapted from Smith, et al., 2013, 410)

Type of tension	Dimensions of social mission	Dimensions of business venture	Emergent tensions…
Organising…	Organisations hire for skills that enable the social mission or disadvantaged employees as a means of achieving mission.	Organisations hire for skills that enable efficiency and profitability	Who should organisations hire and how should they socialise?

Battilana (2018) also grouped challenges encountered by hybrid SEs but in a different way. Battilana (2018) grouped challenges identified in the literature and into internal and external and created a matrix with challenges identified as linked to identity and resources.

Table 5 - Grouping hybrid challenges (adapted from Battilana, 2018, p. 1284)

	Identity	Resources
Internal	Value clashes, multiple discourses, emotional stress	Conflicted resource allocation
External	Ill-fitting legal status, reduced legitimacy, divergent expectations	Difficulty finding funding, difficulty finding talent

Comparing Smith *et al.* (2013) and Battilana (2018), the former provides more depth, linking the challenge to tensions and with particular activities in the organisation. Battilana's identification that challenges are related to either identification of internal and external challenges was a useful addition to the understanding of the hybrid tensions. Identity features in Smith *et al.*'s (2013) *belonging tensions* category, but resources do not feature, perhaps as a result of focus on internal tensions. Neither identify whether challenges are at the operational or strategic level.

What is not provided by either Smith *et al.* (2013) or Battilana (2018) is an analysis of the business to identify why particular tensions may arise in a particular business, beyond the existence of multiple logics. This was provided in Besharov & Smith's (2014) *'Multiple Institutional Logics in Organizations'* where they provide a framework for categorising organisations and predicting levels of conflict based on the compatibility and centrality of their logics.

This framework goes beyond categorising tensions and begins to inform understanding of where these tensions come from and how hybrids can be differentiated based on the alignment of their logics and, therefore, can start to enable prediction of tensions and potentially inform how SEs might best organise their social business models. This work is limited in that it is conceptual and does not work with examples of organisations to illustrate it in action (Besharov & Smith, 2014).

2.2.3 Organising hybrids

A small number of publications look at the variety amongst hybrids and attempt to organise them into typologies. This research moves on from Besharov *et al.*'s (2014) organisation of hybrids based on their logics to examining business models (Santos *et al.*, 2015; Litrico & Besharov, 2018), governance

structures (Mair *et al.*, 2015) and embeddedness of social mission (Battilana *et al.*, 2012; Ebrahim *et al.*, 2014). This literature contributes to understanding the variety seen in the field, different experience of hybrids, predictions of where tensions might be most likely and targeting possible solutions for particular hybrid types. It is also an ongoing discussion, six of the eight articles presented here are discussion based and need to be tested in the field before they can be evaluated.

Table 6. Publications focused on hybrid types amongst SEs (2010 - to date)

Author and date	Methods	Contribution / findings	Limitations
Besharov & Mitzinneck (2021)	Discussion	Presents a model of framework for organisational hybridity building on previous models.	Application in the field will provide better means to evaluate.
Litrico & Besharov (2018)	Longitudinal documentary analysis (14 years) grant applications	Organise hybrids in four groups; focused, channelled, generalist, and leveraged. Based on two dimensions – 1. Locus of integration, referring to where social mission resides i.e. in employees, customers, products. 2. Scope of logics – i.e. target beneficiaries and customers. More diversity in hybridity over time. Organisations not always dominated by logic from their field, evidence that they actively use logics to gain resources/solve problems.	Data gathered from grant applications likely to be aiming to please the reviewer may not represent actual organisation.
Mair *et al.* (2015)	Survey	Identifies two types of hybrids; those that truly pursue dual objectives (dissenting) and those that do not (conforming). Dissenting hybrids demonstrate a creative response to governance activities.	41% response rate may lead to bias in findings. No longitudinal aspect. Some of the analysis based on crude self-categorisation.
Santos *et al.* (2015)	Discussion	Identifies four typologies of hybrids based on 'value spillovers' and client/beneficiary relationship. Identifies; market hybrids, blending hybrids, bridging hybrids and coupling hybrids.	Purely discussion, no new data presented and ideas not tested in the field.
Skelcher *et al.* (2015)	Discussion	Identifies 4 hybrid types; compartmentalised, assimilated, blended, blocked.	Purely discussion, no new data presented and ideas not tested in the field.
Besharov & Smith (2014)	Discussion	Identifies 4 hybrid types based on balance between two logics and actions	Purely discussion, no new data presented and ideas not tested in the field.

		they require; degree of logic centrality and degree of logic compatibility.	
Ebrahim *et al*. (2014)	Discussion	Expands on previous ideas of integrated and differentiated hybrids.	Purely discussion, no new data presented and ideas not tested in the field.
Battilana *et al*. (2012)	Discussion	Typologies related to the degree of closeness between the social and commercial aims leads to differentiated and integrated hybrids.	Purely discussion, no new data presented and ideas not tested in the field.

To prove useful, the literature around hybrid typologies needs to provide a means of organising which reflects the organisations seen in the field. Battilana *et al*. (2012) proposed that organisations are either differentiated or integrated, referring to the social mission and its centrality to the commercial activities. Battilana *et al*. (2012) and Ebrahim *et al*. (2014) support the finding that the higher the level of integration of the social and commercial objectives the more likely success is. This is supported by other research in the field where a lack of integration is seen to lead to hybrid failure (Bruneel *et al*., 2016). However, organising along only one dimension, they do not address the range of types of hybrid we see in the field or provide in depth discussion.

Besharov & Smith (2014) categorise hybrids on the basis of the degree of logic centrality and the degree of logic compatibility. They identify four types of hybrid; contested, aligned, estranged and dominant hybrids and use these categories to predict the levels of conflict. The four types are based on two variants in respect of the logics; the degree of centrality and the degree of compatibility. The degree of centrality related to how equal the two logics are and proposes there is a higher degree of conflict where they are balanced and moderate conflict where one is dominant. Secondly, there is the degree of compatibility which relates to the action required for the logics. It is proposed that, where logics rely on similar actions there is less conflict, with conflict increasing where actions are different (Besharov & Smith, 2014).

The Besharov & Smith (2014) approach organises across two dimensions; the integration of the activities undertaken, described as *degree of compatibility;* and the relative dominance or balance between logics, described as *the degree of centrality*. The Besharov & Smith (2014) model's *degree of centrality* introduces the consideration of the relative balance or dominance between the logics, proposing that where there is a logic that is more important there will be less conflict than when logics are more balanced. Besharov & Smith's (2014) model provides an approach to understanding hybrid organisations based on interaction of the business model and the logics.
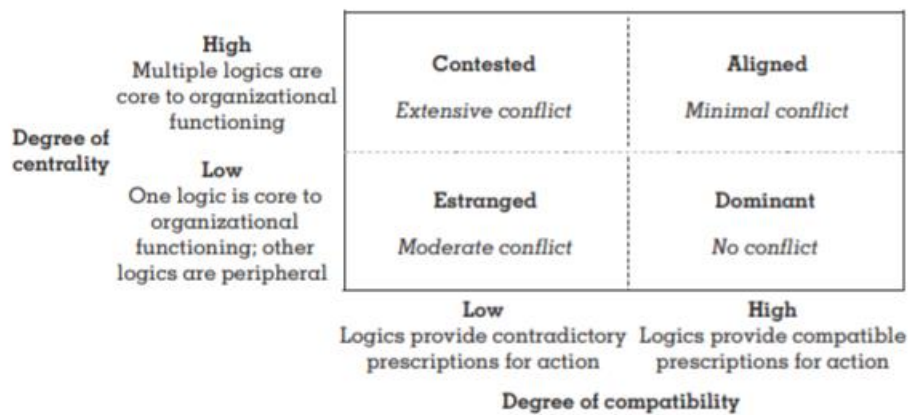
Besharov & Mitzinneck (2021) presented a model which attempts to account for heterogeneity in organisational hybridity and which extends the previous models with an additional two dimensions. The Besharov & Mitzinneck (2021) model incorporates four factors that can change over time and act upon one another, resulting in heterogeneity in the compositions of hybridity; the original *compatibility* and *centrality* and, in addition, *multiplicity* and *structure*. Besharov & Smith's (2021) framework for organisational hybridity attempts to explain diversity in the field in relation to the composition and nature of hybridity within organisations and how composition may change over time. In this way it is different from previous models (Besharov & Smith, 2014; Santos *et al*., 2015).
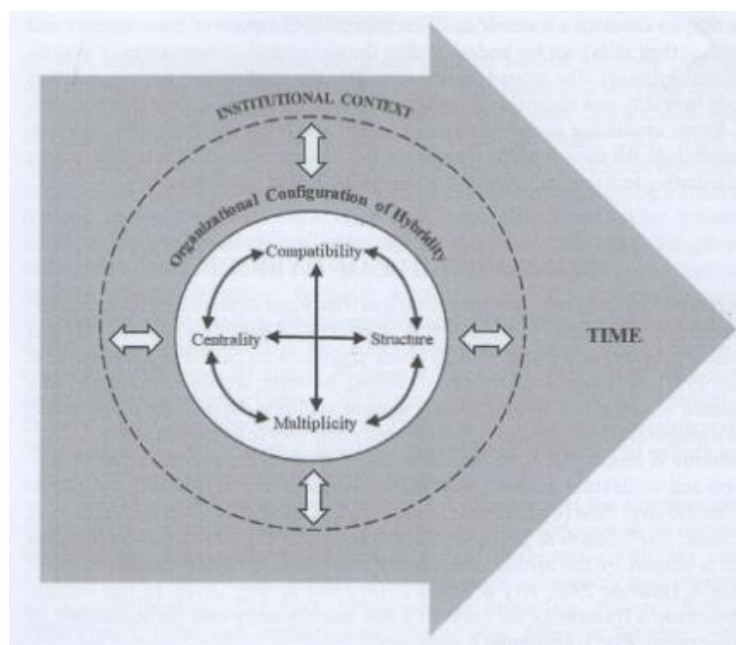
Two of the four dimensions of Besharov and Mitzinneck's (2021) framework refer directly to internal logics and are, therefore, of most relevance to this thesis. Firstly, *centrality*, referring to the extent that logics are regarded equally within an organisation. Centrality is about the balance of logics within a hybrid organisation. As in the Besharov & Smith (2014) model, centrality was linked to influencing the ability of the organisation to be flexible and instigate change. According to Besharov & Mitzinneck (2021), where logics are more equally regarded change is more difficult. A dominant logic acts as a 'guide for action', making rapid strategic decision-making more likely (Besharov & Mitzinneck, 2021). Multiplicity, refers to the number of logics incorporated within a hybrid. The more there are the more complex the organisation, the more difficult to manage and the more instability (Besharov & Mitzinneck, 2021). This model was developed from a review of the research in the field and is theoretical in its construction. Limitations are that it has not been tested in the field.

The concept of *centrality,* the relative balance or dominance between the logics, and proposals that a dominant logic will lead to less conflict within an organisation than when logics are more balanced, supports the assumption that logics cause the tensions but is also problematic (Besharov & Smith 2014; Besharov & Mitzinneck, 2021). A hybrid is an organisation that pursues multiple logics. Therefore, when there is a dominant logic it may no longer be considered a hybrid. Mair *et al*. (2015) found that organisations may claim to be hybrids but are actually following one dominant logic, these are described as conforming organisations, while other hybrid organisations (51% of this sample) actually balance two or more logics. In this study, the 49% of organisations with a dominant logic were excluded from the next phase of research as they were not identified as truly being hybrid. This highlights disagreement in the literature: that a dominant logic is a positive that can reduce conflict (Besharov & Smith 2014; Besharov & Mitzinneck, 2021). Alternatively, that a dominant logic is a negative, indicating an organisation is not hybrid at all (Mair *et al*., 2015).

Santos *et al*. (2015) used different dimensions to organise hybrids: value spillovers and the client/beneficiary combination. Moving away from the internal logics, Santos *et al*. (2015) used the different business models specific to SEs to organise hybrids. Value spillovers are benefits associated with a transaction that are beyond the direct value created for the customer, e.g. the lower use of fossil fuel for sale of a product using solar power. Santos *et al*. (2015) identify that value spillovers are important in SE organisations and that these may occur automatically or be contingent on additional intervention. Secondly, SE business models differ in the way they reach their beneficiaries. According

to the Santos *et al*. (2015) model, beneficiaries could be the employees of the business or the clients, and these different relationships have different implications for associated problems.

The typologies are then used to predict the type of challenges they might encounter and to rate financial sustainability, e.g. there is less risk associated with automatic value spillovers than contingent value spillovers as there is less opportunity for those spillovers to be side-lined. They are aligned and integrated with the objectives of the business. There is also less risk associated where the beneficiaries are the clients, again there is less opportunity for the needs of the beneficiaries to be side-lined. They are aligned and integrated with the objectives of the business. The strength of this typology of hybrids lies in the use of tangible aspects of the business model making the types relatively simple to identify from the outside (Santos, 2015).

Dimensions	Clients = Beneficiaries	Clients ≠ Beneficiaries
Automatic Value Spillovers	**MARKET HYBRID** *Examples: BOP initiatives for access to basic services (energy, health)* **Risk of Mission Drift:** Low **Financial Sustainability:** Easy	**BRIDGING HYBRID** *Examples: integrated business model with job matching for people with disabilities* **Risk of Mission Drift:** Intermediate (lower risk for more integrated models) **Financial Sustainability:** Moderately Difficult
Contingent Value Spillovers	**BLENDING HYBRID** *Examples: Microfinance, integration models that require regular support or change of behavior for value to be created* **Risk of Mission Drift:** Intermediate **Financial Sustainability:** Moderately Difficult	**COUPLING HYBRID** *Example: Work integration social enterprises that require a dual value chain that serves both clients and beneficiaries* **Risk of Mission Drift:** High **Financial Sustainability:** Difficult

Figure 5 - Typology of Social Business Hybrids (Reproduced from Santos et al., 2015, p. 45)

With regard to subsequent application in the field, Davies & Doherty's (2018) Café Direct case study applied Santos *et al*.'s (2015) model to identify potential solutions suitable for their hybrid type. They decided to adjust their business model to reduce risks with success. They comment that the Santos *et al*. (2015) model was more useful than Battilana's (2018).

A challenge for studies with logics at their centre is that logics are intangible, relating to the internal rules of the organisation. Studies relying on identifying logics within the social business model, such as Santos *et al*. (2015), Battilana (2018) and Smith & Besharov (2014) are able to do so with some

success. Those estimating the comparative importance of logics within an organisation, such as Besharov & Mitzinneck (2021), or the level of identification with each logic, such as Mair *et al*. (2015), are more problematic. It is difficult to see how Besharov & Mitzinneck's (2021) *centrality* concept can be of use without a better understanding of how these logics manifest within organisations. Mair *et al*.'s (2015) research captured organisations' identification with logics based on self-categorisation as either a non-profit or for profit or intermediary. This approach seems too crude to capture the potential nuances of dominant and balanced internal logics.

2.2.4   Mission drift

The viability of organisations with multiple logics is questioned both inside and outside the hybrid field (Yunus, 2010; Jay, 2013), with doubts expressed that pursuing both social value and profit is possible (Yunus, 2010) and academics prophesying an inevitable movement over time toward one or other logic (Jay, 2013; Schildt & Perkmann, 2017). The phenomena being described, which may or may not bring failure for the hybrid organisation, is mission drift. Mission drift is a challenge identified across the hybrid literature (Ebrahim *et al*., 2014; Ramus & Vaccaro, 2014; Davies & Doherty, 2018).

Mission drift describes the movement over time toward one or other of a hybrid's internal logics (for SEs either commercial or social) or away from the stated mission. Mission drift is a risk for hybrids as a drift too far towards the commercial logic may see the social value of the organisation suffer, and with it a loss of legitimacy and credibility (Ebrahim *et al*., 2014). If it goes too far, a drift towards the social logic may see the financial stability, competitiveness or quality suffer. Both scenarios, essentially, are a failure to sustain hybridity within the organisation.

Work in the field on managing tensions (see subsequent section), recommendations of continual balancing inform and indirectly challenge ideas around mission drift. Revisiting and reinterpreting identity allow for and encourage a space for leaders to reframe their mission (Jay, 2013). Ideas around structured flexibility describe movement over time between logics in a particular area (Smith & Besharov, 2019). The movement and flexibility proposed requires a bit of *drift*, is beneficial, providing space for organisations to work through tensions caused by multiple logics, so long as it does not go too far. This is discussed in the next subsection.

Causes of mission drift were identified in Wolf & Mair's (2019) review of mission drift, and included multiple logics, resource dependency and organisational development. There is also evidence that

mission drift is different for different hybrid types (Ebrahim & Battilana, 2014). This would make sense given the diversity within the SE organisational field.

2.2.5   Advantages of hybridity

Despite tensions and mission drift, the hybrid literature also presents hybridity as a strength offering organisational advantages. Adopting the institutional logics perspective, organisations internalise institutional logics and make them their own; *'institutions constrain not only the ends to which their behaviour should be directed, but the means by which those ends are achieved. They provide individuals with vocabularies of motives with a sense of self.'* (Friedland & Alford, 1991, p. 251).

This was seen in the field in Pache & Santos' (2013) series of in-depth case studies, which found that hybrid organisations demonstrated opportunism and strategy in their alignment with institutional logics. They called this *selective coupling* and proposed that *'hybrid organizations…are capable of taking advantage of the wide repertoire of organisational elements available to them in pluralistic environments'* (Pache & Santos, 2013, p. 974). Findings are limited by the size of the study and the lack of diversity amongst the selected participant organisations. Nevertheless, the study remains useful in respect of its highlighting the strengths of hybrid organisations' dual logics, providing multiple configurations of institutional logics and, therefore, greater flexibility and access to a wider range of support (Pache & Santos, 2013).

Pache & Santos' (2013) *selective coupling* contradicted earlier research which found hybrids to respond to multiple logics by presenting a logic externally while operationally adhering to another logic (decoupling) or bringing elements of both logics together in order to satisfy both (compromise) (Kraatz & Block, 2008). Both decoupling and compromising describe attempts to superficially sustain hybrid logics. Pache & Santos (2013) offered examples of hybrid success and hybrids taking control of their institutional environment. This finding is supported by Mair *et al*. (2015); *'…they perceive prescriptions from different logics less as a straitjacket to fit into and more as a 'toolkit' from which they can pick and choose…'* (Mair *et al*., 2015, p. 728).

The second advantage is around the benefits of tensions with systems in general. Friedland & Alford (1991) see the multiplicity of institutional logics in society as important and beneficial *'Some of the most important struggles between groups, organizations and classes are over the appropriate relationships between institutions and by which institutional logic different activities should*

regulated…' (pp. 256). The acknowledgment that hybrid logics have a role to play in the 'balance' of the view of tensions, and confronting tensions as being a positive ongoing process, is at the root of the work in this field where these very same principles are applied at the organisational level. The two logics within the organisation, one social and one commercial, create a paradox deep in the heart of the organisation. Tensions result from that, and this leads on to an idea about logics in society, presented by Friedland & Alford (1991), that has been rediscovered at an organisational level in the hybrid literature.

Confronting tensions is seen in prescribed *sensemaking* (Jay, 2013) and *spaces for negotiation* (Battilana, 2015). Evidence of the acceptance and acknowledgement of the benefits of ongoing hybrid tension through flexibility is seen in even just the names of the solutions offered in the hybrid literature; *structured flexibility* (Smith & Besharov, 2019), *elastic hybridity* (Gumusay & Morris, 2020), *dynamic equilibrium,* (Smith & Lewis, 2011) and *harnessing tensions* (Battilana, 2015). This leads on to the hybrid literature on confronting and managing tensions.

The third argument for hybridity being a strength is the proposition that hybrid organisations are at an advantage as a result of their multiple logics. Paradox theory describes the inevitability of paradoxes in all organisations and proposes that paradoxes and resulting tensions are a positive (Smith & Lewis, 2011). Smith and Lewis' (2011) 'Toward a Theory of Paradox' presents a model of *dynamic equilibrium* which prompts organisations to organise paradox by differentiating between dilemmas and paradoxes. This may offer an overly complicated solution to hybrid managers, requiring a categorisation where clear categories do not necessarily exist. However, the proposition that paradox is a useful lens through which to view SEs and other hybrids is a useful one. Smith goes on to work with paradox theory in the hybrid field (Smith *et al.*, 2013; Smith & Besharov, 2019).

Jay's (2013) study of the Cambridge Energy Alliance engaged with paradox in hybrid organisations and developed a process model for navigating paradox in hybrid organisations which presented the navigation of paradox in hybrids as a cyclic and which, although initially challenging, ultimately presented opportunities for innovation. What was different about Jay's (2013) work was the attention given to awareness / unawareness of paradox within an organisation and the potential to improve outcomes by increasing awareness. This is explored in the subsequent section, Identity.

Both Jay (2013) and Smith & Lewis (2011) propose that initial challenges, followed by cyclical confrontation, will lead to potential organisational benefits. However, they do not outline why

hybridity is an advantage, initiating something positive that would not otherwise have happened. Smith & Lewis (2011) propose that hybrids are able to accept the tensions within them and, therefore, are better able to cope with complex and demanding challenges. Jay (2013, p. 154) tentatively identifies *'more complex thinking and innovation.'* This is again supported by more evidence from the field *'…we find that playful engagement with prescriptions from different logics encourages and enables dissenting hybrids to go beyond existing practices and address challenges creatively.'* (Mair *et al.*, 2015, p.729). There is a case for the strength an organisation derives from its hybridity. A recognition that while hybridity may present challenges it ultimately offers benefits is seen in the recent research in the field (Levereque *et al.*, 2019; Mongelli *et al.*, 2019).

However, despite this opportunity to understand SEs and other hybrids there are plenty of examples of multiple institutional logics being treated as something inflicted upon hybrids to their detriment. Language used to describe hybrids, such as 'fragile', reflects a view that the multiple logics cause weakness, cause organisational paralysis and even organisational break ups (Pache & Santos, 2010; Santos *et al.*, 2015). Research proposes that, where the competition between logics is greatest, challenges increase (Besharov & Smith, 2014).

Perhaps it depends on factors such as the story of the individual organisation and also the period of time which is analysed. Where an organisation finds itself in the situation of needing to reposition, to become an SE from being either a charity/publicly funded service or a commercial business, it may be that it is, in one sense, passive in that process. Over time, to survive, it takes charge and opportunities offered by both logics and internalises them. The potential for organisations to have a different experience and response to hybridity is acknowledged early in the literature - *'sometimes rules and symbols are internalized resulting in almost universal conformity, and sometimes they are resources manipulated by individuals, groups, and organizations.* (Friedland & Alford, 1991, p. 254).

In summary, what is consistent across this literature is the identification of the paradoxes presented by hybrids. The hybrid logics which enable the organisation to survive and find a place with the market to achieve their mission present its biggest challenges, but also opportunities to innovate and evolve. Overall, the arguments for the advantages of hybrids are convincing and another of the key contributions of the hybrid literature to the SE literature and an overall understanding of SEs. Framing hybrids as active and hybridity as an advantage is a positive starting point for SEs navigating the tensions that hybridity creates.

2.2.6 Managing tensions

This review now moves on to critically analyse the research dealing with how organisations manage, or could manage, with the tensions caused by hybridity. This section presents an overview in a table of the literature and provides a means to make generalisations about the literature in this area. This section of the review excludes literature on SEs and governance, which is covered in a subsequent section along with literature not only offering solutions involving governance and tensions but also other relevant insights into hybrid governance.

2.2.6.1   Overview of the managing tensions subfield

The table below presents discussion or research identified and provides a summary of methods, findings and limitations for each. This is provided underneath the table.

Table 7. - Publications focused on hybrid solutions in SEs (2010 - to date)

Author, date, location	Methods / paper type	Contribution / findings	Limitations
Besharov & Mitzinneck (2021)	Discussion	Increased compatibility between logics contributes to decreasing tensions.	Based on the findings of a case study in a young SE – tracks its establishment and therefore identifies a lot of change.
Gumusay *et al*. (2020)	Ethnographic case study	Institutional theory and paradox theory. 1. Polysemy and polymorphy as mechanisms, 2. elastic hybridity as a state and 3. How to sustain hybrids using the above. Focus on how individuals work with conflicting logics.	Organisation is not an SE but included for its relevance and contribution. Follows the 24 months of setting up the business rather than during usual operation.
Matzembacher *et al*. (2020) International	12 multi-method case studies	Integration of logics within social business model will avoid tensions.	Addresses the tensions found in the literature rather than the tensions emerging in the participant organisations. Useful for innovative approaches for this type of organisation in overcoming paradoxes presented in general but does not provide insight into how organisations. deal with the tensions they face.
Ismail & Johnson (2019) MENA region	5 mono-method case studies in small SEs.	Using paradox theory. Identified many strategies used to work through tensions across four categories identified by Smith *et al.* 2013). Offers three areas of focus for SEs; values / embedding values, and an investment in both	Mono-method case study relied on direct questioning leading to focused data but relied on self-reporting – is this the ideal or what really happens?

		consensus building and interpersonal relationships.	
Smith & Besharov (2019) **Cambodia**	Longitudinal case study (10 years)	Ongoing dynamism between structure and flexibility sustains the organisation's hybridity – this is structured flexibility. Logics are fixed and flexible (move on from logics as segregated or integrated).	Single organisation studied. Interviews were conducted in two phases, final interviews in 2010.
Battilana (2018)	Discussion	Identifies four activities that help hybrids: setting goals, structuring activities (hybrid organising), selecting members, socialising members plus an overarching strong organisational culture.	No new data presented.
Davies & Doherty (2018) **Café direct**	Case study	Challenged by balancing objectives. Using Santos' (2015) model to analyse and respond helped.	Limited to one organisation.
Battilana et al. (2015) **France**	Mixed methods	Social imprinting helps social mission but hinders economic productivity. Spaces of negotiation.	Sample limited to particular subtype of SE (WISE).
Santos et al. (2015)	Discussion	Recommends various strategies for governance, recruitment and monitoring depending on the hybrid typology (see subsequent subsection)	No new data provided.
Ebrahim et al. (2014)	Discussion	Recommends different solutions to different hybrid types (integrated or differentiated).	No new research provided.
Mair et al. (2015)	Survey and case study, 41% response rate.	Identifies conforming and dissenting hybrids. Conforming are hybrids in name not in practice. Dissenting continually challenge.	Sample were selected from those affiliated to a particular support organisation (Schwab Foundation); may be associated biases.
Jay (2013) **UK**	Case study Cambridge Energy Alliance	Paradoxical sensemaking – spending time actively considering the paradoxes within the organisation.	Single case study
Pache & Santos (2013) **France**	4 case studies	Selective coupling – actively/strategically choosing combinations of internal and external logics.	Sample limited to particular subtype of SE (WISE).
Smith & Lewis (2011)	Review and theoretical discussion	Dynamic equilibrium model. Acceptance of contradiction is central to good outcomes. Identifies dynamic capabilities improve outcomes at organisational level. Emotional intelligence at individual level.	No new data provided.

Battilana & Dorado (2010) Bolivia	Comparative case study	Need to create common organisational identity balancing two internal logics. Hiring and socialisation are key activities.	Some time ago. Only two organisations.

As with the hybrid field as a whole, research in this area is dominated by case study research, with eight of the fourteen publications included here reporting on single or multiple case study research. There is a variety of depth and scope within this case study research with some describing particular depth, either through technique, (Gumusay, 2020),longevity from Smith & Besharov (2019) and others a comparatively large number of cases (Matzembacher, 2020).

Quantitative research is less common, providing useful confirmation of findings in case studies and proposed theory in discussion (Battilana, 2015; Mair *et al*., 2015). The limitation of the field being in the paucity of quantitative research that could provide some generalisabilty. The diversity of the SE organisation, however, makes generalisations difficult, and reliant on clearly defined SE hybrid types. Overall, there is consistent quality in the research presented. Most limitations relate to the limited number of organisations included in the study. Most studies use interviews and documentary analysis to address research questions. In a couple of cases the type of questions asked (Ismail & Johnson, 2019) or the framing of the research question (Matzembacher *et al*., 2020) limit the value of the study.

2.2.6.2   *Working with logics*

Pache & Santos' (2013) research across four SE hybrids saw evidence of these organisations combining elements of each logic. They saw that this allowed these hybrids to manage the incompatibility the two logics presented and that they selected the combinations of elements of logics on the basis of what best suited them and their needs, using this process to their advantage. They called this combining of logics selective coupling (Pache & Santos, 2013). More recent research continues to explore how hybrids work with logics to manage tensions (Gumusay, *et al*., 2020). Gumusay *et al*.'s (2020) research, undertaken in the setting up of an Islamic bank, proposed that resilience can be improved by building in a less rigid relationship which can be fostered through a particular type of flexibility; this work is considered in more detail in the subsection on continual balancing.

Pache & Santos' (2013) findings were limited by the lack of diversity across their case studies, however subsequent quantitative research has found evidence of selective coupling across the SE field (Mair *et al*., 2015). Mair *et al*. (2015) identified selective coupling as an indicator of successful balance between

commercial and social logics in a study across seventy SEs. It should be noted that the sample in Mair *et al*. (2015) provided a mix of SE types but was limited in its approach to selection which used a single support agency to access suitable participants. This research still represents one of a small number of quantitative studies in the field.

Smith & Besharov's (2019) structured flexibility model was the result of a single in-depth longitudinal case study at Digital Data Divide in Cambodia. This ten yearlong study enabled them to identify ongoing dynamism between logics over time. They identified that it was this dynamism that sustained the organisation's hybridity. The flexibility involved confronting tensions, examining identity and experimenting with practices with which the structure is provided by the respective missions (social and commercial). Logics are both fixed and flexible (Smith & Besharov, 2019). They also describe how dual logics can become part of the process to *'…engage with dualities to institutionalise dualism over time.'* (Smith & Besharov, 2019, p. 31).

Smith & Besharov (2019) found that both flexibility and structure have important roles to play in managing hybrid tensions. This supports and is supported by other research in the field including Gumusay *et al*. (2021), mentioned above. It is identified as a theme in the literature and is discussed in more detail in the subsection 2.2.6.8.
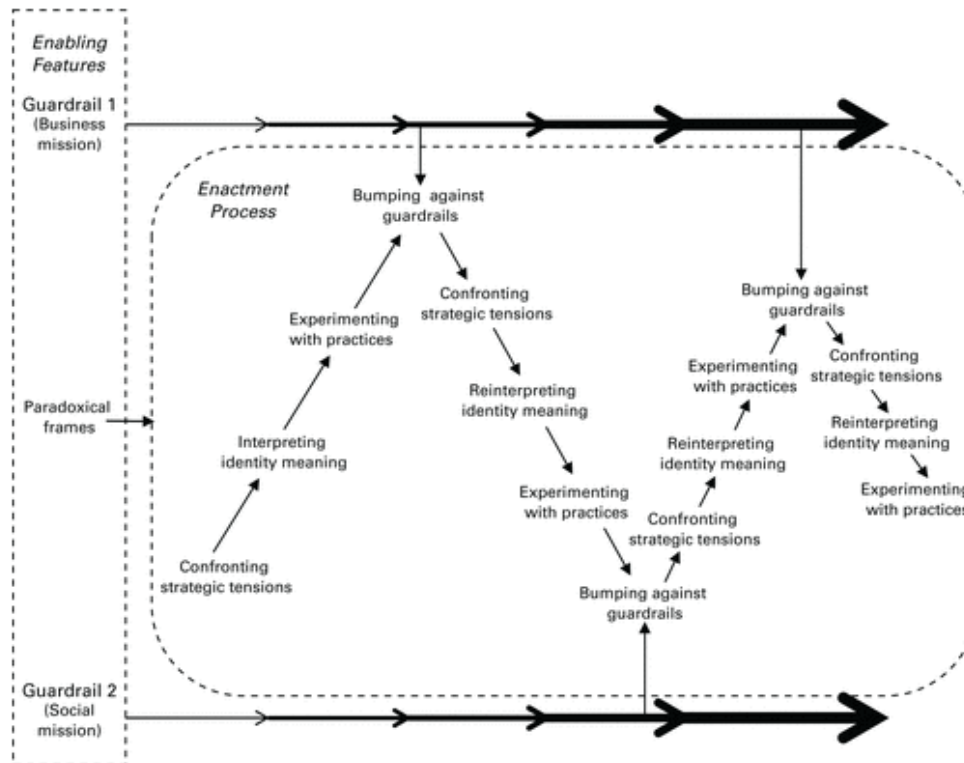
Figure 6 - A model of sustain hybridity through structured flexibility (Reproduced from Smith & Besharov, 2019, p. 26)

The lack of agreement around the benefit of having a dominant logic, discussed in subsection 2.2.3, means it is not clear from the literature how an organisation should use logics to manage tensions. More work is needed in this area to better understand the logics- how they manifest in organisations.

2.2.6.3   Social business model

Following on from the understanding of how logics may be used to manage tensions are ideas around the way the logics are integrated within social business models to manage tension. Santos *et al*. (2015) in, Making Hybrids Work, propose a model which groups SEs on the basis of the way the logics are incorporated in the social business model and makes predictions about the tensions that may occur in managing hybrid tensions is provided by. Santos *et al*.'s (2015) model, see below, responds to the diversity in the SE field, proposing that different hybrid types will be prone to different sets of hybrid tensions and will need to respond to these in different ways. According to their paper, it is the relationship between the clients and the beneficiaries and also the nature of social value creation (automatic or contingent) that determine the hybrid type (Santos *et al.*, 2015).

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Dimensions	Clients = Beneficiaries	Clients ≠ Beneficiaries
Automatic Value Spillovers	***MARKET HYBRID*** *Examples: BOP initiatives for access to basic services (energy, health)* **Risk of Mission Drift:** Low **Financial Sustainability:** Easy	***BRIDGING HYBRID*** *Examples: integrated business model with job matching for people with disabilities* **Risk of Mission Drift:** Intermediate (lower risk for more integrated models) **Financial Sustainability:** Moderately Difficult
Contingent Value Spillovers	***BLENDING HYBRID*** *Examples: Microfinance, integration models that require regular support or change of behavior for value to be created* **Risk of Mission Drift:** Intermediate **Financial Sustainability:** Moderately Difficult	***COUPLING HYBRID*** *Example: Work integration social enterprises that require a dual value chain that serves both clients and beneficiaries* **Risk of Mission Drift:** High **Financial Sustainability:** Difficult

This work on hybrid types also proposed that business models that were able to integrate the social and the commercial would experience the lowest level of tensions (Santos *et al.*, 2015). A highly integrated social business model would have customers/clients who were also the beneficiaries, enabling the business to focus on a single set of needs. In addition, value creation would be automatically created with the sale of the goods/service, enabling a focus on social value creation to simultaneously drive profits (Santos *et al.*, 2015). This shift in focus from logics to the social business provided a more tangible method for understanding and managing tensions in SE hybrids.

Santos *et al.*'s (2015) ideas were supported and added to by Besharov & Mitzinneck (2021), who describe this integration of logics as *compatibility* in a chapter on hybrid heterogeneity. They proposed that, as compatibility between logics increases, tensions decrease, and that in addition the compatibility *'…offers opportunities for synergy.'* (Besharov & Mitzinneck, 2021, p. 7).

Davies & Doherty's (2018) in depth study of Café Direct identified both success and failures that were linked to making changes to the business model, the relationship with producers and the marketing of the product. They recognise the benefits of increasing integration within the social business model and, in particular, the automatic value spillovers at Café Direct, and demonstrate the viability of Santos *et al*.'s. (2015) ideas in practice, albeit within the limited scope of a single case study. Davies & Doherty (2018) also add to the discussion in this area, proposing that contingent value spillovers can potentially

be stable and consistent, but that this depends on the quality of relationship with the partner organisations.

Integration of the social business model has become a widely accepted route to lower risk hybridity (Santos *et al*, 2015; Davies & Doherty, 2018; Matzembacher, 2020). However, feasibility does depend on the social mission the organisation has identified and so it cannot offer a panacea. There are examples in the literature where the integration of this type is presented as an option for tensions management in Matzembacher et al. (2020). In Matzembacher *et al*.'s. (2020) recent research in twelve SEs, strategies for overcoming tensions are through social business model integration. While this work has value, in its international reach as well as the application of integration in the field, its approach does not address the tensions as they arise in the SEs themselves but those identified in the literature. In some instances, opting for an integrated social business model may side-step the challenge of pursing a particular social mission.

2.2.6.4   Identity

Identity appears in findings throughout the managing tensions literature, *'…hybrids proactively and continuously stress that they are different…'* (Mair *et al*., 2015, p. 728) and identity is described as *'…a central feature of the institutional logics' (Skelcher & Smith, 2015, p. 445).* In Jay's (2013) study of Cambridge Energy Alliance it was observed that organisational identity was used as a lens through which organisations could view their dilemmas. Identity is also identified in the literature as a source of tension; Smith & Lewis' (2011) *belonging paradoxes*, later Smith *et al*.'s (2013) *belonging tensions*, and more recently Ismail & Johnson (2019) incorporate hybrid tensions relating to identity in their findings.

Identity is found to be the focus of managing tensions; there is agreement across the literature on revisiting and reframing identity iteratively, using identity as both a starting point and tool for change (Jay, 2013; Skelcher & Smith, 2015; Ismail & Johnson, 2019). Besharov & Smith (2019, p. 21) find that an outcome of this is a stronger organisational identity: '*As they grappled with these strategic tensions, the founders clarified who they were and what they did as an organization'* (Besharov & Smith, 2019, p. 21). There is also disagreement within the literature as to the role of organisational culture and corresponding identities and shared values. Is their role to tether the organisation to it its original mission (Battilana, 2018), protecting the needs of its beneficiaries, or is it transitional, can it be reframed intermittently in response to paradoxical challenges (Jay, 2013)?

As described in Smith *et al*.'s (2013) discussion piece, which draws on the Digital Data Divide case study in its early days, it could be that employees more aligned with one or other of the logics have the potential to create internal tensions. Stakeholders aligned with one or other of the logics may also be the cause of tensions as the organisations seeks to emphasise each of its logics at different times (Smith *et al*. 2013). Where this is the case, Smith *et al*. (2013) identified that tensions arose in areas such as marketing where the two versions of organisational identity were difficult to reconcile. The existence of these internal and external tensions relating from identity were also identified in reviews of the research in the field (Battilana, 2018).

According to Smith *et al*. (2013) the choice between an integrated or hybrid identity is not easy as both may lead to *belonging tensions.* They warn of the potential for a hybrid identity to potentially disengage both stakeholders with both logics (Smith *et al*. 2013). Smith & Besharov's (2019) subsequent paper on the DDD case study moves on from this position proposing the possibility of simultaneous integrated and hybrid identities. Their concept of *paradoxical frames* as *'…cognitive understandings of dual elements as contradictory and interdependent.'* describe the ability for leaders to accept contradictions presented by two logics, to accept that tensions will arise and continue to arise and that that is what an organisation pursuing social and commercial goals is (Smith & Besharov, 2019, p. 26).

Paradoxical frames lends itself to understanding the process individuals and organisations might go through when overcoming hybrid tensions. As a concept it is closely linked to a concept of hybrid identity, which provides a description for recognising themselves as hybrid organisations along with the characteristics of hybrid organisations. They call for further research that explores the combination of integrated and hybrid identities and learn more about hybrid identity, its development and any possible strategic approaches for organisations (Smith & Besharov, 2019).

Elsewhere in the literature there is a more positive perception of hybrid identity, identifying values where organisations actively built an identity that acknowledges hybridity with the result of increased resilience (Jay, 2013; Pache & Santos, 2013). Jay (2013) observed that employees at the Cambridge Energy Alliance relieved tensions by inventing new ways to frame their organisation and that they did this a number of times. He also noted that this reframing was more likely to happen when individuals were aware of hybridity and also when they had the necessary vocabulary to describe it; *'[this] development seemed to occur to a greater degree when people were reflectively aware of latent*

paradoxes and had linguistic hooks,..' (Jay, 2013, p.155). Whereas, *'unaware of the shape of the paradox, people run aground on it and get stuck. Aware of it they can find creative routes.'* (Jay, 2013, p. 147).

A finding of Pache & Santos' (2013) fieldwork was that to sustain hybrids, particularly where conflict across logics is unavoidable (i.e. cannot be integrated) build strong hybrid identity. They advise that a hybrid with conflicting goals *'…may be able to thrive by crafting a strong identity that focuses the attention of their members on convergent means…'* (Pache & Santos, 2013, p. 995). Battilana & Dorado (2010) find that strong organisation identity may have a role to play in developing resilience where there are conflicts on goals and resultant tensions (Battilana & Dorado, 2010).

& Johnson recommend articulating and embedding values, closely linked to identity, as one of three key steps to success for SME SE hybrids (Ismail & Johnson, 2019). In their five case studies from the MENA region, Ismail & Johnson (2019, p. 531) identified that values were an artefact that could be utilised to navigate hybridity *'…one of the most powerful tools to working through tough questions…'.* The process of articulating values was also identified as being important in relation to ensuring broad consent and ownership from their initial design, and also their functionality in terms of their alignment with the mission and objectives.

Despite *identity* and *hybrid identity* featuring in the findings of the literature, they are not the focus of the research in this review. The paucity of research on identity in SE hybrids is surprising as the potential benefits of such research have been identified; *'because identities…are a key categorical element of institutional logic, there is tremendous benefit to be gained by bridging scholars who study institutional logics and identity'* (Thornton *et al.* 2012, p. 180). This is addressed in the research undertaken in this thesis. Kraatz & Block (2012) found that *hybrid* identity can be found within hybrid organisations and this is confirmed in the hybrid SE literature in this section (Kraatz & Block, 2012).

Smith & Besharov's (2019) paper, Bowing Before Dual Gods, identified what they described as *paradoxical framing*, where leaders engage with a version of organisational identity that incorporates the paradox of both internal logics. In the DDD case study, board members were invited to join on the basis that they understood both the social and commercial logics and did not favour one over the other. As part of their structured flexibility model they identified that leaders *'… repeatedly reinterpreted the meaning of their dual missions and experimented with varied operational practices associated with different meanings. Yet leaders also maintained and strengthened their commitment*

to both missions. Our curiosity about the juxtaposition between ongoing adaptation in meanings and practices and stability in commitments led us to focus in more depth on what shifted and what remained stable over time.' (Smith & Besharov, 2019, p. 25).

2.2.6.5   Culture

Culture evolves in the hybrid literature, first as common organisational identity (Battilana & Dorado, 2010), then organisational culture (Battilana *et al.*, 2012) and later *hybrid organisational culture* (Battilana, 2018). Battilana's (2018) research has had a focus on people within hybrids, in strategies of hiring and socialisation. Her work identified culture as an important factor in management hybrid tensions and as the tool needed to unify individuals.

Battilana *et al.* (2012, p. 54). identified the role of organisational culture in the successful management of hybrid tensions, especially when, as the organisation grows in size, *'…direct influence [of the leader] weakens, culture becomes a critical means by which belief and values are communicated and maintained.'* Reflecting on previous research Battilana (2018, p. 1278) identifies culture as a hybrid success factor *'I observed that organizations able to pursue both social and financial goals over time seem to share a commonality: they maintain a hybrid organizational culture that holds and balances tensions between creating social and economic value.'*.

A limitation of Battilana's (2012, 2018) overall contribution on the subject of culture in hybrid organisations is a focus on hiring and socialisation to the exclusion of other potentially valuable aspects of culture, for example the need for leaders to shape culture and the role of values and mission in culture. In her paper *'In Search of the Hybrid Ideal'* organisational culture and talent development are grouped together to form one of four key areas of focus for hybrids (Battilana *et al.*, 2012). The case is made for organisational culture to help them remain focused on their missions and, in addition, the particular challenge hybrids face when forming organisational culture is highlighted. The only advice given is around the communication of values across the organisation before moving on to hiring and socialisation. In addition, in Battilana (2018) the term *hybrid organisational culture* is used but there is little further description of what this is or where this has been found. This points to the need for more research in the area of culture in hybrids and, indeed, hybrid culture and what a hybrid culture that might look like.

A weakness of the literature in this area is the paucity of contributions. This is addressed in this thesis, which includes cultural analysis as a means of understanding hybridity (Friedland & Alford, 1991, p.251).

2.2.6.6   Hiring and socialisation

Battilana is a key contributor to the SE hybrid field and her research focused on people as key to successful hybrid solutions, with two of four core aspects of sustaining hybrids linking directly to hiring and socialisation in a discussion piece on hybrid organisations (Battilana, 2018). Battilana's ideas around hiring and socialisation are presented in research in an in-depth comparative case study, confirmed in later mixed methods research and summarised in a discussion paper bringing all her research together (Battilana & Dorado, 2010; Battilana *et al.*, 2015; Battilana, 2018).

Battilana's research finds employees are key to overcoming hybrid tensions and proposes management through selection and/or socialisation (Battilana & Dorado, 2010). Identifying that there is no readily available workforce with experience working in and managing hybrid organisations as an additional challenge for hybrids, Battilana proposes either employing individuals with few institutional attachments and socialising them, or employing individuals with both a commercial and social background and actively managing the conflicts which arise (Battilana & Dorado, 2010; Battilana *et al*., 2015). A weakness of the literature in this area is the limited number of academics contributing to the discussion.

2.2.6.7   Accepting tensions

Leading on from ideas around the benefits of tensions, accepting tensions is a small but relevant finding within the hybrid literature. The idea is that there is a benefit for organisations if they manage tensions with calm and openness and accept that paradoxes are an opportunity rather than a dilemma (Smith & Lewis, 2011; Jay, 2013; Battilana *et al.*, 2015; Smith & Besharov, 2019). Accepting tensions were among the ideas in Smith & Lewis' (2011) incorporation of paradox theory to the field of hybridity. Smith & Besharov (2019) and Jay (2013) continue to find it useful in their work, also informed by paradox theory. Outside of paradox theory the same conclusion has been found, giving additional strength to this idea (Battilana, 2015). Battilana's (2015) research in the field proposed confronting tensions in a positive way.

Jays' (2013) 'paradoxical sensemaking', 'Spaces of negotiation' proposed by Battilana *et al.* (2015) and later still 'structured flexibility' proposed by Smith & Besharov (2019) all recommend actively negotiating and navigating tensions in designated places at designated times. This may involve regular meetings between groups within an organisation that represent one internal logic more than another (Battilana *et al.*, 2015),or a structured approach to negotiation that recognises internal conflict and builds in elements of flexibility and the ability to reframe identity and goals (Jay, 2013; Smith & Besharov, 2019). They each propose that these are tools able to maintain stability and lead to innovative solutions that help organisations move forward. This provides practical advice for SEs. Each model is looked at in more detail in the next subsection.

While not offering such a comprehensive solution, Ismail & Johnson (2019) also find acceptance of tensions a part of managing hybrid tensions across the five case studies in their research. They recommend a consensus building approach to internal and external decision making. Acknowledging this is more complicated and time intensive in the short term, they point to this providing a better route to achieving social goals (Ismail & Johnson, 2019).

2.2.6.8   Continual sensemaking

Moving on from acceptance of tensions, but continuing with incorporation of paradox theory, the idea that hybrid organisations will need to engage in continual sensemaking is a finding across the literature (Mair, 2015; Smith & Besharov, 2019; Gumusay *et al.*, 2020). Hybrid organisations, having accepted their duality, learn to live with it and embrace its advantages. Smith & Besharov (2019, p. 32) capture this here: *'…duality is a catalyst for adaption and change but also adaptation serves to maintain duality'.* Organisations will not work through tensions until eventually no tensions exist. They will continually work through tensions as they arise and as a result they will be able to sustain their hybridity.

Smith & Lewis (2011) described a *dynamic equilibrium* which organisations should aim to operate in which they are able to accept and work through paradox. Their model, see below, demonstrates how tensions might emerge and be resolved in organisations (Smith & Lewis, 2011). Their work included the idea of latent and emerging tensions, acceptance of tensions and factors promoting or inhibiting virtuous circles when working through tensions. In the field the dynamic equilibrium is seen in the research of Jay (2013) and Smith & Besharov (2019).
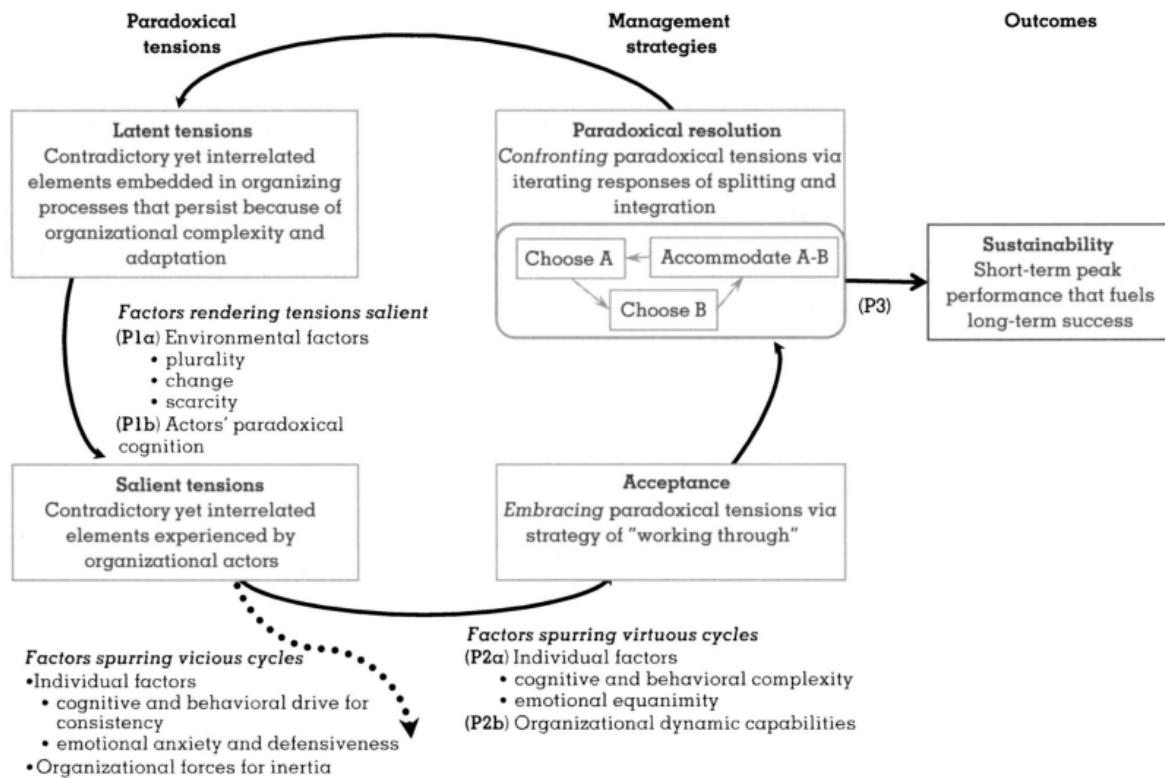
Figure 8 - A dynamic equilibrium model of organizing (Reproduced from Smith & Lewis, 2011, p. 389)

Jay's (2013) process model was based on the Cambridge Energy Alliance case study where tensions were found to exist 'under the surface' for much of the time, emerging around organisational outcomes. At the point tensions arose in the organisation, the organisation actively attended to them through a cycle of sensemaking, revisiting notions of success and organisational identity then either innovation or reframing of identity (Jay, 2013). Here intermittent reframing, described as maintenance and editing, of organisational identity is part of the solution to rising tensions. In this case identity was of source of tension and this case is particularly useful for organisations with similar tensions.
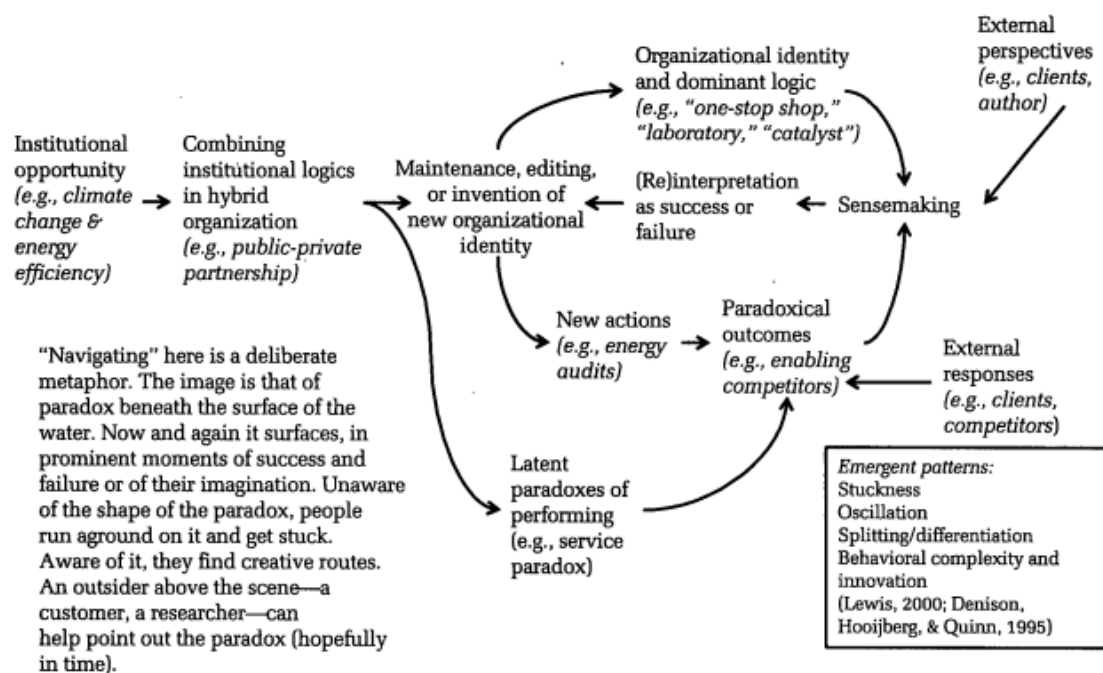
Figure 9 - Navigating paradox in hybrid organization: A process model (Reproduced from Jay, 2013, p. 147)

Structured flexibility, a model for sustaining hybridity (see section 2.2.6.2), was the result of a ten-year long case study at Digital Data Divide in Cambodia and builds on research in the field up to this point (Smith & Besharov, 2019). The model shows an iterative but one way version of addressing tensions, rather than a cycle shown in both Smith & Lewis (2011) and Jay's (2013) models.

Smith & Besharov (2019) mapped the journey of an organisation dealing with a tension as it moves toward one or other logic (social or business mission) and also progresses toward smaller movement as the tension is resolved. This model highlighted the need for structure, found in the business and social missions (guardrails), and equally the need for flexibility between logics through confronting of tensions, interpretation and reinterpretation of identity and experimenting with practices, see Figure 5.

While the analogy of the guardrails and ongoing flexibility is appealing in Smith & Besharov's (2019) work, it does require us to accept that the leaders can simultaneously use the missions as the guardrails, providing structure, and reinterpreting organisational identity, which presumably is strongly linked to these missions. The agreement in the literature around the role of identity in the continual balancing within hybrids is, however, compelling. At Jay's (2013) Cambridge Energy Alliance, tensions arose around organisational identity and reframing of organisational identity became the

solution to tensions. In Smith & Besharov's (2019) Digital Data Divide, tensions arose around hiring decisions but, still, reframing of organisational identity was observed as a critical part of solving or navigating through tensions. Revisiting organisational identity through reference and review of mission statements are clearly a part of sustaining hybridity through continual balancing.

Part of their concept of structured flexibility was an experimental mindset, where leaders could try new practices without needing to commit or worry about 'U-turns' later (Smith & Besharov, 2019). Ongoing innovation is, therefore, potentially part of the continual balance required in a hybrid. Innovation is found to be important in Jay's (2013) case study.

2.2.7   Hybrid governance

Governance in a traditional corporation is a mechanism that enables the separation of ownership and control (Berle & Means, 1932). Where shareholders are the legal owners of the corporate assets and the management executive have control over the use of the assets, it is governance that provides a board of directors to act in the interests of the shareholders and scrutinises the executive (Berle & Means, 1932). The governing body protects and pursues the interests of the shareholders and has a relationship with both the shareholders and the executive (Clarke & Branson, 2012). SE boards are quite different from boards in commercial organisations, in relation to size, membership and skill, but also in relation to the relationship described above (Mair *et al.*, 2015).

Governance is central to the success of hybrid organisations; this was proposed directly in research in the area and implied by the nature of the solutions presented across the hybrid literature (Santos *et al.*, 2014; Ebrahim; 2014; Bruneel, *et al*., 2016, Smith & Besharov, 2019). There was agreement in the literature that hybrid governance can be more complex in SEs, resulting from a changeable external environment, multiple stakeholders and the challenges associated with managing multiple logics (Pache & Santos, 2010; Ebrahim *et al*., 2014; Bruneel *et al*., 2020). In addition, there was consistency in support for a specialist hybrid governance (Ebrahim *et al*., 2014; Santos *et al*., 2015; Bruneel *et al*., 2016; Wolf & Mair, 2019; Bruneel *et al*., 2020).

Research in this area has an emphasis on the need for those involved in governance to go beyond overseeing, and to be active, involved and engaged with strategy and with navigating social and commercial logics (Ebrahim *et al*., 2014; Wolf & Mair, 2019). This section provides a critical review of research and discussion in this area. Discussion is organised into four areas: the first, a brief analysis

including a table summarising the literature included in the section. The following three sections address the role of governance in supporting hybridity, ideas around board composition and, finally, recommendations for best practice in hybrid governance.

2.2.7.1   Overview of the hybrid governance subfield

The table below provides a summary of the articles included in this research. Articles were selected based on relevance to this sub-topic and value of the contribution made. This provides a reference point for the discussion that follows.

Table 8 - Publications focused on hybrid governance in SEs (2010 - to date)

Author, date, location	Methods	Proposals / findings	Limitations
Bruneel *et al.* (2020)	Four case studies	Focus on transition / change in board membership. Recommend more radical approaches to increasing representation in SE boards. Hybrid boards more vulnerable to internal interactional difficulties.	
Wolf & Mair (2019)	Discussion	Purpose and commitment as key to success in governance. Challenges assumption that single mission is effective.	No new data presented. Ideas focus only on integrated hybrids. Assumptions around the purely supportive role of governance in SE organisations are problematic.
Bruneel *et al.* (2016) Belgium	Case study (25 interviews, documentary analysis of company records, media and an analysis of competitors)	Governance is critical to managing internal tensions. Hybrids require a specific governance that 1. Balances representation of social and commercial logics, 2. Includes both insiders and outsiders, 3. Has a hybrid chair.	Data collected 3 years after closure of the business. Limited to one business.
Crucke & Knockaert (2016) Netherlands	Surveys and quantitative analysis (344 surveys from 79 organisations, 44% response rate).	Stakeholder involvement can have negative effects on board cohesion and lead to conflict. This can be mitigated by strengthening organisational goal and vision. Composition is not the only factor, perceptions also act on board dynamics.	Focus on a particular SE type. Response rate may lead to bias in findings. Relies partly on self-reporting.
Crucke *et al.* (2015)	Discussion, literature review	Present the pros and cons of internal representation on the board.	No new data presented.
Santos *et al.* (2015)	Discussion	Identify four types of SE hybrids and propose governance approaches for each type including ideal board membership, focus of governance monitoring.	Does not present data to support discussion. Governance is incorporated into a wider discussion of managing SEs

Mair *et al*. (2015) Germany	Survey of 70 SEs and qualitative content analysis of secondary data.	Identifies two types of hybrids; those that truly pursue dual objectives (dissenting) and those that do not (conforming). Dissenting hybrids demonstrate a creative response to governance activities.	41% response rate may lead to bias in findings. No longitudinal aspect. Some of the analysis based on crude self-categorisation.
Ebrahim *et al*. (2014)	Discussion	SEs have upward and downward accountability. Propose that organisational governance (activities that make sense of multiple logics) is vital for hybrids. Identify that those involved in governance need to be strategic political actors – able to align interests (rather than just oversee organisation). Monitoring social performance is more complex than financial performance.	No new data provided.

Of eight publications reviewed, four were discussion / theoretical type articles, presenting ideas but no new data. A weakness in this sub field is a paucity of research presenting new data. There were two case study methodologies and two surveys methodologies providing a balance of qualitative and quantitative data not seen in other areas of the hybrid literature. Publication dates indicate continued activity and interest in the field and support the finding of this review that governance is central to supporting hybridity in SEs.

The quality of the research in the field is excellent, with studies reviewed here describing robust methodologies. Mair *et al*.'s (2015) survey across seventy organisations was followed up by a second phase of in-depth research in several participating organisations providing a rich data picture. Bruneel *et al*.'s (2016) case study used multiple methods of data collected including in-depth interview, documentary analysis included a media analysis and, in addition, they conducted an analysis of the organisation's competitors.

There is a breadth of theoretical application in the sub field. Paradox, behavioural, and faultline theory all feature in the research reviewed and indicate an active board (Ebrahim *et al*., 2014; Wolf & Mair, 2019; Bruneel *et al*., 2020). This variety indicates an innovative response across the field and could explain unresolved discussion which perpetuates research in this area. There is, however, a coherence in the literature as a whole. This is provided by consensus in several aspects of the topic, as described in the previous section, as well as continued exploration in other aspects. Detail of this is provided in the following subsections which detail discussion within more specific areas of the literature.

2.2.7.2   Role of governance in supporting hybridity

The hybrid literature has a strong focus on managing hybrid tensions (see previous sections). Several of the proposed approaches to managing tensions in the literature rely on the actions, judgements and abilities of those involved in governance. Proposals for strong focus on purpose and mission as key to supporting hybridity would rely on the involvement of the board to articulate and embed these (Pache & Santos, 2013; Battilana, 2018; Ismail & Johnson, 2019). Similarly, proposals to strengthen organisational culture and identity would benefit from the boards' support and engagement (Battilana, 2018). Smith & Besharov's (2019) 'structured flexibility' and 'paradoxical framing', Battilana *et al.*'s (2015) 'spaces of negotiation' and Jay's (2013) 'paradoxical sensemaking' would all require continuous and skilled input from the board.

The detail provided in these examples provides further support for the role of the board in supporting hybridity, despite governance not being part of the aims or key findings of the research. Examining one case in point, Battilana *et al.*'s (2015) proposed creation of 'spaces of negotiation', requires direct involvement of the executive director. In addition, the analysis of the two organisations included in the study reveals that decisions made by the board in both organisations were critical to the success of the organisations. These decisions related to the organisational structure and staffing and appointment of a new executive director. The response to crisis in these organisations documented in the research were governance led, and the respective success and failure of these actions a result of good or less good governance decisions (Battilana, *et al.*, 2015).

The positioning of governance as central to supporting hybridity in SEs is supported by the governance literature. Wolf & Mair's (2019) research proposed that effective hybrid governance depends upon board members being more involved and engaged than those on the board in other organisational types. Ebrahim *et al.*'s (2014) discussion supports this view; it proposed that those involved in SE governance need to engage with the strategic positioning of the organisation as well as simply oversee the organisation. Ebrahim *et al.* (2014) also make the link between the role of governance and the support of hybridity. They proposed that governance in hybrids involves engaging with hybridity and getting involved in *making sense* of the organisation's multiple logics (Ebrahim *et al.*, 2014).

2.2.7.3   Board composition for hybrid organisations

Discussion around board composition has evolved around understanding the value of representing the social and commercial logics and also the challenges that that may bring. Board composition was highlighted in Crucke *et al*.'s (2015, p. 389) finding that conflict could result from increased stakeholder representation within boards; *'Escalations of conflict may result in organizational paralysis or even more permanent organizational breakups.'* Crucke *et al*. (2015) propose that stakeholder representation may not be a good idea for hybrid organisations, and may in fact lead to conflict, slower decision making and could lead to organisational failure. Fieldwork in this area supports these initial ideas. Crucke & Knockaert's (2016) extensive survey of managers and board members of SEs in the Netherlands finds that, as board diversity increases, so does conflict.

Bruneel *et al*.'s (2020, p. 211) discussion conflicts with Crucke & Knockaert (2016), proposing that boards in hybrid organisations have to work together to navigate the organisation path with its dual logics and it is this that makes them *'…vulnerable to interaction difficulties...'*. Bruneel *et al*. (2016) also advocate balancing representation of both logics within the board. Following the rise and fall of Metaclon, they identified a failure within governance to oversee both institutional logics, with dominance in the social logic leading to permanent organisational breakdown (Bruneel *et al*., 2016). They recommend *'…hybrid organisations should have a hybrid governance structure that reflects both institutional logics… in order to maintain the balance between social and commercial market logics.'* (Bruneel *et al*., 2016, p. 281). They propose boards have three key components: 1) balanced representation of social and economic logics, 2) balanced representation of insiders and outsiders, and 3) a chairperson able to represent both social and the commercial logics (Bruneel *et al*. 2016). What, perhaps, can be taken from these studies is that, while balancing logics through board composition may present challenges, it is necessary to avoid dominance on a single logic.

More recently, Bruneel *et al*. (2020) presented research on board composition from the standpoint that representation of both logics is the aim. Research with four SE organisations focuses on membership renewal processes and the factors impacting and compounding dominance of a single logic. Applying behavioural theory, and focusing on board dynamics and behaviour, they propose that 'power' in the context of the board's social structure is as important as composition (Bruneel *et al*., 2020). To make effective change across representation of logics it is necessary to dismantle the dominant groups that have formed over time. Recommendations to achieve this include hiring a 'hybrid' chairperson, limiting tenure of board members and radical solutions such as collective board resignation (Bruneel *et al*., 2020).

Another perspective on board composition was provided by Santos *et al*.'s (2015) work on hybrid types. They propose that different hybrid types would be best served by a particular board membership. They also differentiate between those that have a clear focus on the social mission, those that are champions of the social mission, and representative beneficiary members. This more mindful approach to board composition results in the representation of both social and commercial logic recommended in all four hybrid types, but with the type of individual who may represent the social logic dependent on the way the social and commercial logics are integrated and the way social value is created. The solutions for each hybrid type, then, depend on the associated risks / challenges (Santos *et al*., 2015). Santos *et al*.'s (2015) contribution adds another dimension to the discussion of hybrid governance, the consideration of the interaction of the logics within the social business model.

2.2.7.4   Best practice for hybrid governance

An active and engaged board of directors, able to represent the dual logics of the organisation, are the headline best practices for governance in SEs (Ebrahim *et al*., 2014; Wolf & Mair, 2019). Also, an expectation that there will be tensions, arising because of multiple logics and challenges, may increase with diversity within the board (Pache & Santos, 2010; Crucke & Knockaert, 2016). In addition to these insights from the previous sections, were other specific recommendations regarding best practice in governance in hybrids and SEs.

Ebrahim *et al*. (2014) proposed governance in hybrids involves engaging with hybridity and getting involved in *making sense* of the organisation's multiple logics. Elaborating on this, Ebrahim *et al*. (2014) suggest using *'…activities, structures, processes and meanings…'* to help make sense of hybrid logics (Ebrahim, 2014, p. 94). There is acknowledgement of the additional support required to achieve this, including investment in skills building and time (Ebrahim *et al*., 2014).

The need for space and time allocation for the board to engage with logics is seen elsewhere in the literature, through 'continual sensemaking' and 'paradoxical framing' (Jay, 2013; Smith & Besharov, 2019). These activities require board members to engage with their organisation's purpose and identity individually and collectively. For Besharov & Smith (2019) this involves being able to perceive both the social and commercial logics of the organisation within a single conception of the organisation's identity and then being able to use this concept to address tensions with the organisation as they arise. A potential weakness in Besharov & Smith's (2019) work is a failure to acknowledge the role of governance in these activities.

Wolf & Mair (2019) propose a focus on purpose, commitment and coordination to yield small wins. The 'small wins' aspect of their argument essentially allows the organisation to orientate purpose and commitment toward a short-term goal and then reorientate in the future. This provides flexibility over the longer-term and allows the organisation to progress within the complexity of multiple logics. Wolf & Mair's (2019) ideas here align closely with those of Smith & Besharov (2019) but with a greater acknowledgement of the role of governance in this type of activity

Santos *et al*.'s (2015) ideas around hybrid types predict areas to monitor and rates the level of challenge across types. Four types are identified, and approaches to governance are adapted for each (see below). The value of Santos *et al*.'s (2015) work is the more nuanced application; its weakness is its theoretical basis. It has been applied in the field and some success has been evidenced in its application (Davies & Doherty, 2018).

	Clients are beneficiaries	Clients and beneficiaries
Automatic value creation	MARKET HYBRID **Mission drift risk**: low **Financial sustainability:** easy **Governance**: Board monitoring on client segmentation Regular board level checks of theory of change	BRIDGING HYBRID **Mission drift risk:** intermediate **Financial sustainability:** mod. Difficult **Governance**: Board monitoring on client segmentation Regular board level checks of theory of change Invite beneficiary advocates to board
Contingent value creation	BLENDING HYBRID **Mission drift risk**: intermediate **Financial sustainability:** mod. Difficult **Governance**: Board monitoring on client segmentation Management monitoring of impact activities (board cannot do it)	COUPLING HYBRID **Mission drift risk**: high **Financial sustainability:** difficult **Governance**: Board monitoring on client segmentation Management monitoring of impact activities Invite advocates of beneficiaries at board level

Figure 10. – Organising hybrids (Reproduced from Santos, et al., 2015, p. 45- 51)

Wolf & Mair (2019) propose that governance in hybrids should be *active* rather than *passive* and make distinctions between the two in the central role of governance and its perceived goals. According to their discussion piece, which distinguishes the requirements of governance in traditional business and SEs, a central role of governance in SEs should be around interactions, negotiations and participation rather than structures, rules and decision making. For SEs safeguarding, enabling and supporting the

social mission are more important than controlling self-interest and minimising negative impact of the organisation (Wolf & Mair, 2019). It is likely that Wolf & Mair's (2019) requirement for an *active* board member in a hybrid organisation would be fulfilled by a different type of individual with a particular skills, experience and expectations, suggesting recruitment of board members should be carefully considered. This is supported by Ebrahim *et al*. (2014).

Elsewhere in the literature, examples of innovation are presented. Mair *et al*. (2015) identified that SEs managing to sustain hybridity, that they describe as *dissenting hybrids,* demonstrated a creative response to governance. Able to compare across SEs, non-profits and for-profits in the results of their in-depth survey of organisations, Mair *et al*. (2015) observed that SEs sustaining hybridity approached governance in diverse and novel ways including having two separate boards representing different aspects of the social business model and integrating representatives of the social and the commercial within the board.

2.2.7.5   *Summary of hybrid governance literature*

In relation to hybrid governance, hybrid boards need to represent social and commercial logics but there are a variety of ways this can be done and it is likely that hybrid types benefit from different board composition. There is disagreement in the literature over whether dominance of one logic causes dysfunction or provides direction and decision-making power, and so, conversely, whether working toward equal representation of both logics is an ideal state or whether it leads to conflict and stagnation. The benefits of flexibility versus the stability provided by structure is an area of paradox found across the hybrid literature and seen combined in the solutions it offers.

2.2.8   Other challenges for SEs

After a review of hybrid tensions, an additional section on challenges may seem unnecessary. In fact, SEs encounter a range of challenges that are not linked to tensions but are linked to them being hybrid organisations. Achieving financial sustainability is the fundamental challenge facing all organisations operating to create value in the market. Taking the view that financial sustainability, while frequently mentioned in the literature, is not specific to SEs or to hybridity and, therefore, it is not covered in this section. The literature on other challenges linked to being a hybrid SE are critically review below.

Hybrids are, by their nature, more complex than single logic organisations and SEs often have multiple stakeholders and income streams. The complexity around SEs is recognised as a challenge in the literature (Pache & Santos, 2010). Having multiple stakeholders to please and multiple funding sources to placate is an additional challenge for SEs (Pache & Santos, 2010; Ebrahim *et al*., 2014).

It is recognised that SE hybrid organisations can face additional challenges because they are a newer organisational type and also because they may not fit into the wider business eco system which is adjusted to suit and serve nonhybrid organisations (Battilana, 2019). The challenge for a relatively new organisational type includes having no blueprint to follow and a small pool of experience in the job market (Battilana & Dorado, 2010). Challenges in areas such as financing and legal recognition are also identified (Battilana, 2012), as are the lack of existing systems to define and measure social impact and success (Smith *et al*., 2013). Legitimacy is also found to be more difficult to secure for hybrids, as institutions directly linked to their organisational type have not yet been established. These challenges are predicted to lessen over time as SEs becomes less new and they are more normalised (Glynn *et al*., 2021).

2.2.9   Summary of findings in hybrid literature

Across the hybrid literature the following findings are identified:

- Hybrid organisations experience tensions as a result of their multiple internal logics (Smith *et al*., 2013; Battilana *et al*., 2015)
- Tensions can lead to a mission drift, a dominance of either the social or the commercial logic (Ebrahim *et al*., 2014; Ramus & Vaccaro, 2014; Davies & Doherty, 2018)
- Tensions can be grouped together and can relate to the business model (Smith *et al*., 2013, Battilana *et al.*, 2015)
- Managing hybrid tensions can involve the selection and socialisation of people (Battilana & Dorado, 2010; Battilana *et al*., 2015)
- Identity, shared values and organisational culture are important in effective management of hybrid tensions (Battilana, 2018)
- Hybrid tensions can be a positive (Pache & Santos, 2010)
- There are several types of SE hybrids (Battilana *et al*., 2012; Besharov & Smith, 2014; Ebrahim, Battilana & Mair, 2014; Mair *et al*., 2015; Santos *et al*., 2015; Litrico & Besharov, 2018)

- SE hybrids experience specific challenges generally (Battilana & Dorado, 2010; Pache & Santos, 2010; Battilana *et al.*, 2012; Smith *et al.*, 2013; Ebrahim *et al.*, 2014; Oliver *et al.*, 2018)

- Solutions for overcoming hybrid tensions cluster around a need for flexibility and space for conflict (Smith & Lewis, 2011; Smith & Besharov, 2019) and organisational culture (Battilana & Dorado, 2010; Ebrahim *et al.*, 2014; Battilana, 2018)

- Governance is central to supporting hybridity in SEs (Ebrahim *et al.*, 2014; Mair *et al.*, 2015; Santos *et al.*, 2015; Bruneel *et al.*, 2016)

- SEs encounter specific governance challenges because of their hybridity (Ebrahim *et al.*, 2014)

- SEs require specialised approach to governance because of their hybridity (Santos *et al.*, 2015; Bruneel *et al.*, 2016)

- Different hybrid types require different governance approaches (Santos *et al.*, 2015)

- Board members in SEs need to be more actively engaged in supporting the organisation than board members in traditional businesses (Ebrahim *et al.*, 2014; Wolf & Mair, 2019)

- Those involved in governance need to be actively engaged with strategy and the articulation of purpose and mission (Ebrahim *et al.*, 2014; Wolf & Mair, 2019)

This chapter now moves on to a critical review of the relevant literature in the SE field.

2.3   The SE literature

The SE stream review finds research largely conducted in the UK and Europe and typically publishes in a range of journals including niche journals catering for the third sector. This literature review was part of the review conducted at the outset of this study which informed the direction of study leading into the first phase of the research. At this point, hybridity formed a small part of the literature review and had not emerged as the main focus of this research. The SE literature included in this section was identified as relevant to this thesis based on findings and that SEs are hybrids, whether or not hybridity is the main subject of the research. Literature in the following areas was critically evaluated: definitions of SEs, SE business practices and SE governance.

2.3.1   What is an SE?

Defining the term *social enterprise* presented a challenge as it has been defined broadly and is surrounded by much discussion and debate. This review begins with a discussion of the definition of a *social enterprise* as this was a key feature of the SE literature and the discussion is relevant to this

research. A definition of the term *social enterprise* invariably describes an organisation pursuing a social mission through market-based principles*. Despite this, a single definition for the term *social enterprise* has not emerged and the debate surrounding defining SEs preoccupied the field for several years (Dart, 2004; Peattie & Morley, 2008; Zahra *et al.*, 2008; Doherty *et al.*, 2009; Galera & Borzaga, 2009; Defourny & Nyssens, 2010).

The author joined this discussion at the outset of reading the SE literature providing a review of the literature discussing SE definitions and brought together explanations for the challenges encountered (Rostron, 2015). This review also found the search for a definition in the literature to be labyrinthine and at times disorientating but also that the process of 'untangling' the discussion led to insights into the origins and political context of the SE field (Rostron, 2015). The contribution made by Rostron (2015) has since been cited (Imam, 2020).

In this research the Department of Trade and Industry's (2002) definition of an SE is adopted; *'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'*. This definition was first used by the Department of Trade and Industry (DTI) and has since been used by the UK Government and UK research organisations (IFF Research, 2005; IFF Research, 2008; Ipsos MORI, 2010). This definition was chosen based on its legitimacy as one that has been adopted in other SE research, its usefulness in identifying SEs in the field, as well as its practically aligning with the researcher's sense of the SE construct (Teasdale, 2012). Alternatives included the EMES indicators, which were too specific to be a useful working definition (EMES, 2014) (see Pearce's (2003) early definition of Social Enterprise which, while useful, is outdated in its reference to zero distribution of profits to individuals).

Understanding the lack of agreement in the field about what an SE is has benefits as it contributes to understanding the wider SE context and, perhaps, possible reasons for some challenges SEs encounter. Rostron (2015, p. 88) identified the following contributing factors for the failure to define SEs:

- Diversity of SE organisations
- A diverse conception of SEs internationally
- Absence of a single legal form for SEs
- The variety of ways they seek income including mixing profit and non-profit making activities

- Interchangeable and changing use of terms in literature and in the field e.g. social entrepreneur, social entrepreneurship, community enterprise and social enterprise
- The fast-paced growth of the literature
- Fast pace of growth and evolution of SEs and their environment

'Social enterprise means different things to different people across different contexts. Its meanings are culturally, economically, socially historically and politically variable' (Kerlin, 2010). Politics and policy in the UK played a significant role in the current understanding of what an SE is (EMES, 2015). From the late 1990s SEs were adopted by New Labour and 'reframed' as a vehicle for achieving a range of policy objectives (Teasdale, 2010). Broadening the meaning of the definition of what an SE was played a part in the policy push for the growth in SEs in the UK (Teasdale, 2010), but potentially led to confusion within the sector. Evidence of this includes the significant number of businesses identifying themselves as SEs but not identified as such by the definition applied in government funded research and vice versa (IFF, 2005).

The positioning of SEs within the economy also has potential implications for confusion in its definition. SEs have been positioned in the middle ground, overlapping occupying or between, the profit and non-profit sectors of the economy (Pestoff, 1992; Pearce, 2003; Defourny, 2014). Organisations occupying space in either or neither space are perhaps difficult to define. The discussion around definitions is useful to this research as is contributes to our understanding of the challenges around SE organisational identity.

Since 2015, no work specifically addressing SE definitions was found in literature searches conducted in the two main English language SE publications (Social Business and Social Enterprise Journal). Work on positioning and conceptualising the SE, however, has acknowledged there is still no definitive definition for SE used across the field (Bull, 2018). The field moved on to revisiting how best to conceptualise SEs (Bull, 2018) and identifying SE typologies that could cope with the diversity in the SE field (Defourny *et al*., 2021). This review now moves on to review the SE literature on business practices.

2.3.2   SE business practices

A critical review of the literature on business practices is presented here. Research methodologies, findings and limitations are discussed in this section. This section begins with a table summarising the

literature and is followed by a more detailed discussion of key articles. The table provides short descriptions of the studies including methods, findings and limitations, and enables an analysis of the field as a whole in respect of methods, findings and limitations. Academic and non-academic sources are included across two sections.

Table 9 – Publications focusing on SE business practices (2005 - to date)

Author and year	Paper type / methods	Topic and findings	Limitations
Cornforth (2014)	Conceptual discussion.	Identifies strategies to avoid mission drift. Identifies extensive scope for further empirical research.	Does not present new research on topic.
Moreau (2013) EU	Consultation, group interviews, model development and testing.	Development of competence model. Tensions can be caused by multiple goals. Seven competencies specific to SEs identified.	
Coste & Parente (2013) Portugal	Survey of websites of 89 organisations.	SEs often do not have external communication departments, presence online not strategic, systematic or planned.	Participant's definition vague. Did not identify reasons for lack of planning or provide baseline data from traditional businesses.
Curtis (2013) Ireland	Case study x 1	Hybrid model causes tensions, multiple funders and stakeholders create additional challenges.	A single case study. Conference presentation not published in refereed journal.
Thompson (2012) UK	Community gardening Case study x1	Describes the project and evaluates achievement. No clear findings	Detail about the methodology not provided. Results of interviews/questionnaires become the description. No clear findings
Yunus (2010) Bangladesh	Case studies - 30 interviews	Two lessons for social business models; favour social profit and specify social objectives clearly	Limited applicability as case studies are social businesses and distinct social enterprises, and also cases were large corporations with extensive skills, experience and resources.
Hynes (2009) Ireland	Case study x 4	No businesses had a strategic plan. Adopted informal approach to planning. Assessments of growth primarily address social value.	No detail about the data collection methods used making assessment of quality difficult.

Bull (2008) **UK**	Case study x 3 Semi structured interviews and informal conversations.	Teamwork, creativity, co-operation and participation prevalent across cases. Deliberate aim to devolve responsibility, management relationships are more coaching mentoring than traditional line management. Transition from project to business incorporating more strategy.	Small sample. Minimal comparison with conventional businesses.
Conway (2008) **UK**	Literature review	Developing Grad Cert in SE – identifying needs. Value system (mission/democratic structure) and a wide range of stakeholders are key to SEs.	Not presenting empirical research.
Rotheroe (2008) **UK**	Business models. Case study x 1.	Identifies social values in providing stakeholder involvement – parents of children with ADHD	Single case study only. Focus on the social value and emits discussion of organisations experience.
Bull (2006) **UK**	Managerial skills in SEs Qualitative, grounded, ethnographic – narrative interviews – 15 participants x 2. Data organised using balanced scorecard tool.	SEs adopt varying practices, face multiple issues, making limited progress in measuring social value, felt exploited by funders, value diversity and skills of staff over direct business skills needs, democratic decision making, flexibility and informal communication were valued, some hybridity tension, weak planning due to lack of skills and knowledge, marketing not a priority in early stages.	Limited in scale – would be useful to replicate.
Non-academic sources			
BCG (2013) **Bangladesh**	Lessons from Grameen.	Challenges for SEs in developing countries are 1) understanding needs of customers 2) pricing 3) physically reaching customers 4) generating sufficient demand. Continuously learn and adapt.	Not published in refereed journal. Limited applicability as case studies are social businesses distinct in some ways from most social enterprises.

Social enterprise UK (2013) UK	Quantitative/qualitative; Survey via telephone and email. 878 participants.	Multiple findings. Increasingly measuring social value, 21% SEs cite lack of marketing expertise and 12% cite lack of management skills and experience as a barrier to success.	Reliance on self-reporting. Not published in a refereed journal.

Academic research focused on SEs in a range of countries, largely European; 6 UK, 1 Ireland, 1 Germany, 1 Portugal and 1 pan European. Just three studies were conducted outside Europe; 2 USA, 1 India and 1 Bangladesh. Of the three non-academic studies included, 2 were conducted in the UK and 1 in Bangladesh. It appears that most academic research on business practices of SEs is being conducted in the UK. In the wider SE literature, research is being conducted in many more locations such as central Europe, China, Eastern Asia (Defourny, 2008; Galera & Borzaga, 2009; Defourny & Kim, 2011; Kuan *et al*.,Wang, 2011; Xu, 2011; Lyne *et al*, 2013).

Methods used in these research studies were mostly qualitative and included 6 case study based, 4 in-depth interview and 1 documentary analysis. In addition, one survey (Coste & Parente, 2013), one literature review and a conceptual discussion, neither of which present new data. In the non-academic research two were large quantitative surveys; one conducted by telephone the other by telephone and email. The remaining publication reports on ten SEs and collected data via workshops, interviews, a web survey and data analysis.

Across the literature there are recurring findings on the topic of business practices in SEs. These findings identify that SEs are different to traditional businesses in several ways, that strategy activities are particularly important for social enterprises, that many SEs display a lack of skills in key areas and that SEs experience challenges due to continuous change in the external environment. These broad findings are discussed below.

SEs have different challenges, experiences and needs than traditional businesses. Social enterprises are different; *'a new business model, one which incorporates a moral, ethical and social dimension of 'doing' business in a capitalist society.'* (Bull *et al*, 2008), *'business models do not always fit with the social enterprise model'* (Bull & Crompton, 2006) because they incorporate the creation of social value.

Yunus (2010) identifies the key problems as 1. The executives being confused in dual mission, 2. The orientation of the business environment in favour of profit maximisations, and 3. The comparative complexity and effort around measuring social benefits as compared with financial profits.

The challenge presented by SEs' pursuit of both financial viability and social value, the so called 'double bottom line', were widely acknowledged in the literature (Bull & Crompton, 2006; Pirson, 2012; Curtis, 2013; Moreau, 2013; Cornforth, 2014). Pirson's (2012) case study research in the USA finds that, ultimately, SEs' missions drifted either toward the profit or social value and were not able to maintain both. That pursuing 'a double bottom line' may lead to tensions was identified in the SE literature but understanding tensions and how to manage them is addressed more adequately in the hybrid literature in previous sections of this chapter.

SEs often operate in a complex combination of multiple revenue streams, multiple partners and in consideration of multiple stakeholders (Conway, 2008; Doherty *et al*., 2009; Curtis, 2013; Moreau & Mertens, 2013). In this way they are distinct from many traditional businesses. This level of complexity is identified in the literature presenting as significant challenges, for example Moreau (2013) identifies that managers of social enterprises need to develop specific skills to cope with this. Rotheroe & Miller's (2008) case study documents an SE's attempt to increase stakeholder participation in management of the business.

 SEs experience challenges due to change in their external environment e.g. regulatory, political, competition. Conway's (2008) literature review identifies that SEs navigate complex regulations and make choices between various legal structures. Survival is dependent on an ability to adapt and remain flexible (Bull & Crompton, 2006).

Planning and strategy are of particular importance to SEs (Bull *et al*., 2008; Conway, 2008; Doherty *et al*., 2009; Yunus, 2010). However, a lack of skills in planning and strategy is identified amongst social enterprises (Bull & Crompton, 2006; Bull *et al*., 2008; Doherty *et al*., 2009; Hynes, 2009; Costa & Parente, 2013). Hynes (2009) found that, in all four case studies conducted, none had a conscious strategic approach. Bull *et al*. (2008) identified that, as social enterprises develop, they become increasingly professionalised and begin to address these areas more effectively. Costa and Parente's (2013) analysis of 89 websites identifies a lack of strategy and planning.

2.3.3 SE and governance

Governance emerges as an area of importance from the SE literature. An active research interest in third sector governance has incorporated SEs since their emergence as a distinct organisational type. In addition to this interest in SE governance, articles with a focus on governance are reviewed in this section to establish current knowledge and to identify methodological weaknesses and knowledge gaps.

This review identified four book chapters (Doherty *et al.*, 2009; Spear *et al.*, 2014; Huybrechts *et al.*, 2014; Pestoff, 2014) and nineteen articles published since 2010 (some excluded on basis of relevance and quality). The table below includes research and discussion with a focus on SE governance and provides a starting point for critical analysis and a summary of its findings. This is continued in greater detail in the paragraphs below, ending with an identification of gaps in current knowledge.

Cornforth's review of non-profit governance literature includes 28 articles, only one names social enterprise in the title (Spear *et al.*, 2007). Closer examination of the review and the articles included reveals that many of the samples in these papers do include social enterprises. Cornforth's (2012) review found that i) there is too narrow a focus on conception of governance, ii) there is largely a positivist approach to research and iii) not enough research on the dynamics and internal processes of governance to accompany the research on structure. This section updates Cornforth's findings with the review of publications made since 2010.

Table 10. Publications from SE literature focused on SE governance (2010 - to date)

Author, date, location	Methods	Key findings / contributions	Limitations
Ramus *et al*. (2018) Italy	Survey (139 WISEs)	During instability SEs gravitate toward social mission if social mission is represented in majority of board members, also influenced by external stakeholder pressures.	Low response rate. Focus on SE subtype (WISEs). Relies on self-reporting. Uses quantitative methods to collect data that require more detailed exploration and interpretation i.e. managers' interpretation of impact of various factors on performance. Not clear participants able to provide data accurately.

Crucke & Knockaert (2016) Belgium	Survey of 79 CEO and 266 board chairs across 80 SEs.	Identify negative relationship between multiple stakeholders in the board and board performance. Challenges centred on organisational goals.	44% response rate, may lead to bias in findings. SEs studied are a specific type (WISEs), limited relevance to UK SE field.
Mason & Doherty (2016) UK	Narrative interviews, documentary analysis in three organisations.	Propose a cyclical model of tension management. Focus on mitigating rather than resolving. Propose that this process over time increases board competence.	Small sample size. One subset of SEs (FTSEs).
Crucke *et al.* (2015)	Discussion	Explores stakeholder representation and factionalism within the board.	Does not present data to support discussion. Focuses on only one aspect of governance
Larner & Mason (2014) UK	Semi-structured interviews with board members and senior management	SEs encourage stakeholder involvement in governance in a number of ways; non-executive advisory groups, democratic structure, social accounting, external auditing.	
Ramus &Vaccaro (2014) Italy	Two longitudinal case studies	Stakeholder engagement helps prevent mission drift.	Small sample size
Yu (2013) China	Comparative case study	Identifies three governance approaches in China. Also finds a predominance of performance objectives and little real stakeholder engagement or democracy.	
Cornforth (2012)	Discussion	Recommends research with wider conception of governance, with a focus on change and process and consideration of organisational history and context.	No new data.
Yeoh (2012) UK	Discussion	Legal perspective on SE governance – identifies and critiques the dominant theories in the UK and US.	Governance is one part of wider discussion
Kuan *et al.* (2011) Taiwan and Hong Kong	Survey, interviews in 8 SEs	Identified that when non-profits started SEs mostly did not make structural changes to governance or establish a designated unit to the SE.	Provides limited detail about the methods. Misplaced emphasis on comparison between two countries based on only four organisations in each country.

Mason (2010) UK	Survey	Identifies divergent attitudes within boards around enterprise focus and democracy and propose a recursive model	
Huybrechts (2010) Belgium	Interviews 15 SE managers	Identifies three governance models. Governance structure reflects the vision and priorities.	Small sample size. One subset of SEs (FTSEs).
Ridley-Duff (2010) UK	Action research in one SE	Individuals' capacity is better indicator of governance success than structure or language.	
Smith (2010)	Discussion	Identifies governance challenges; meaningful transparency, professionalisation.	No new data provided. Does not identify governance as its focus. Addresses shared value creation using SEs to do this.

The SE governance literature provides knowledge relating to mission drift, stakeholder involvement, types of SE governance, solutions for SE governance, the competence of board members and the relationship between governance and SEs. Stakeholder representation, the involvement in governance activities (usually on the board) of those that hold an interest in the organisations mission, emerges as the area of most interest in the literature.

Stakeholder engagement is identified as common challenge for SE governance (Spear *et al*,. 2014). In a traditional business the main stakeholders are the shareholders and the board acts to forward their interests. In SEs the situation is more complex; the main stakeholders are the beneficiaries, the board must ensure their interests are forwarded at the same time ensuring the organisations maintain commercial sustainability (Spear *et al*,. 2014). In addition, the board may have multiple stakeholders (sources of funding, partners) that increase the complexity around stakeholders. These findings support the findings of the previous section that SEs have multiple stakeholders and that this can pose challenges.

In relation to stakeholder engagement, findings across several papers conflict with one another. While some research, including survey and case studies, finds stakeholder engagement helps prevent mission drift (Ramus & Vaccaro, 2014; Ramus *et al*., 2018) other survey research and discussion identifies negative outcomes of engaging with multiple stakeholders (Crucke *et al*., 2015; Crucke & Knockaert, 2016). Crucke and Knockaert's (2016) identification of factions and 'faultlines' with SE boards is supported by other research which finds disagreement amongst board level centres around attitudes towards enterprise and democracy (Mason, 2010).

The research undertaken on stakeholder engagement is limited in its usefulness due to weakness in the research design. These studies employ quantitative methods to investigate complex issues beyond the quantification of board composition across a population of SEs to attempt to identify the frequency and strength of disagreements (Crucke & Knockaert, 2016) and managers' interpretation of impact of instability on various aspects of performance (Ramus *et al*., 2018). In addition, these studies have assumed conflict and disagreement is a negative feature of boards. Another weakness of this research is failure to recognise the diversity amongst SEs; the survey does not group the SEs participating but treats them as one single group.

SE governance approaches are explored in three publications in the literature. Yu (2013) examines SE governance in China and identifies three approaches, linked to three available legal statuses. SEs were either government supervised, shareholder controlled or member regulated. The SEs in Yu's study adopted governance structures and practices that would best suit their needs and amount of commercial pressure they experienced, demonstrating an active use of governance to forward the needs of the organisation. The study found all SEs in their study had a primarily commercial focus and that an increasing number of organisations adopted a co-optation model, using the board as a means to create links that supply necessary resources (Yu, 2013). Across the three governance approaches, Yu found that stakeholder engagement was adopted only nominally, real influence and power was retained either by shareholders or government (Yu, 2013).

A second paper examines the changes to governance structure made when non-profits start-up a social enterprise (Kuan *et al*., 2011). In a survey, Kuan *et al*. (2011) identified that, when non-profits started up SEs, most did not make any major structural adjustments, i.e. creating a designated unit and management team or making changes to the board of directors. In Hong Kong there were more frequent changes to the board, most commonly the addition of members with commercial expertise. In Taiwan there was evidence of CEOs dedicated time to gaining knowledge in running a commercial business. This paper, while providing an insight into governance in these countries does not explain, evaluate or critique the governance activities and practices it describes, or attempt to explain the differences between the two countries, although the approaches described demonstrate a lack of recognition for the importance of governance in SE success.

Huybrechts (2010) explores the different approaches amongst Belgian SEs, through qualitative interviews with Belgian FTSEs. This paper finds variance in the approach to governance can be linked

to the organisation's goals and activities. Huybrechts' (2010) research identifies 1. A managerial model where control was retained by the founders of the organisation and role governance was small, 2. A volunteer-based model where governance was highly democratic and participative, and 3. A multi-stakeholder model where governance is an opportunity to bring in expertise, resources and influence; both commercial and social missions are represented.

Huybrechts' (2010) research found that, amongst the businesses participating in the research, the approach to governance was associated with the perceived interests of the SE or of the founders. Entrepreneur start-up maintaining control with the managerial model, the volunteer-based organisations adopting a highly democratic and participative model of governance demonstrate the needs of the founders shaping the governance model. In relation to board member selection, Huybrecht's (2010) found that a range of reasons for board member selection was identified: access to tangible resources (funders), gaining legitimacy (trustees and multi stakeholders), and improving communication (volunteer trustees).

In the SE business practice literature, strategy emerged as something that SEs do badly. Huybrechts found that the SEs in his study used stakeholders in governance to balance their social and commercial objectives. Huybrechts (2010) also found weaknesses in strategy that linked to governance models. The multi-stakeholder model was associated with poor managerial control with the board's role primarily as a resource rather than a decision-maker. Conflict emerged where volunteer members successfully protected the social mission but did not have the expertise to oversee the organisation's finances or make commercial decisions.

An additional finding was that board members with a financial interest may do more than oversee the financial performance. The business using a managerial model with a small board membership, including a director providing finance to the organisation, reported that the financers surprisingly had a strong interest in overseeing the social mission of the business and were active in ensuring profits did not compromise producer benefits (Huybrechts, 2010).

Huybrechts (2010) and Yu (2013) both find a range of approaches to SE governance in both Belgium and China. It is likely, but needs further research to confirm, that a range of governance approaches is common. The groups of SEs described in these two studies are quite different and reveal a more commercial approach in Chinese SEs, but there are similarities in the approaches to governance they

identify. Both identify governance approaches that minimise the role of governance to a 'rubber stamp' exercise and evidence of using boards to co-opt access to resources.

Overall, the research undertaken on approaches to SE governance is of limited value. All the three papers are more than five years old. Of the three publications identifying different approaches to governance, one provides explanation for the approaches (Huybrechts, 2010), only one provides a critique of the approaches (Yu, 2013) and one provides purely description (Kuan *et al.*, 2011). One of the three papers has minimal usefulness due to limitations and an over reliance of limited data (Kuan *et al.*, 2011).

Recommendations for good SE governance in the literature are sparse. Crucke & Knockaert (2016) find that conflict is greater for organisations with low levels of shared organisational goals, and that organisations with strong shared organisational goals can 'neutralise' aspects of conflict. Mason & Doherty (2016) propose a cyclical approach to managing, rather than resolving, tensions within SE governance which involve active engagement and sensemaking activities (see figure below).

Management
(Mitigation)

First Order tension
(Articulation)

Paradox
(Conceptualization)

Governance Issue
(Classification)
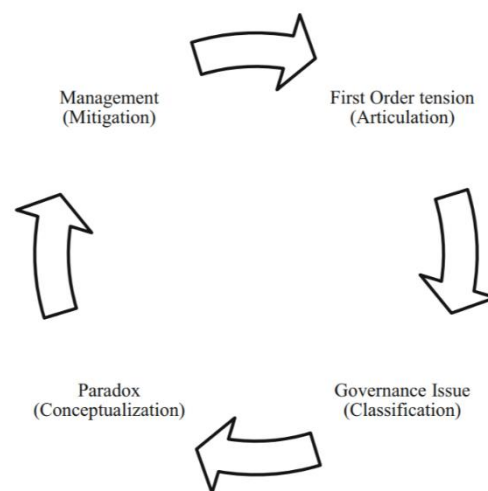
Figure 11 – A recursive model of SE governance tensions, paradox & mitigation (Reproduced from Mason & Doherty, 2016, p. 463)

Board member capabilities emerges as a challenge for SEs (Ridley-Duff, 2008; Huybrechts, 2010). The trustees or directors of SEs are unpaid (to expand). Taken together, the publications focusing on SE governance, or with governance featuring in key findings, provide the following insights into SE governance:

- Stakeholder representation may have both positive and negative implications (Ramus & Vaccaro, 2014; Crucke & Knockaert, 2016)

- Board composition can impact the direction of mission drift (Ramus *et al.*, 2018)

- There are different approaches to SE governance (Huybrechts, 2010)

- Actively engaging with board tensions can be beneficial (Mason & Doherty, 2016)

- Strong organisational goals can improve SE governance (Crucke & Knockaert, 2016)

- Board member capabilities is an important factor in SE governance (Ridley-Duff, 2008; Smith, 2010)

High quality research and discussion has been published across the seventeen articles and four book chapters published since 2010. Since 2010, SE governance studies have addressed the limitations identified in Cornforth's review (Cornforth, 2012). Research has been published from outside Europe and the USA, and several studies go beyond an analysis of board size and composition (Huybrechts, 2010; Yu, 2013; Crucke & Knockaert, 2016; Mason & Doherty, 2016).

The limitations mainly relate to gaps in knowledge which are to be expected in an emerging field. Limitations include:

- A paucity of studies conducted outside the Europe and the US and a paucity of studies identifying solutions/good practice, exploring different governance approaches

- no studies relating to SE governance and strategic decision-making and organisational goals, despite this strongly emerging as a weakness amongst SEs.

- A single conception of an SE used in the SE governance literature limits the usefulness of the findings (Mason, 2010; Ramus & Vaccaro, 2014; Crucke *et al.*, 2015; Mason & Doherty, 2016; Ramus *et al.*, 2018).

- Using quantitative approaches to identify good practice in SE governance that do not recognise the diversity amongst SEs and, therefore, the different approaches to governance are of limited value.

In relation to the methodological limitations, these mainly relate to the small sample sizes associated with case study research, the low response rates associated with surveys and the lack of evidence to support discussion papers. These weaknesses do not equate to an overall lack of quality in the field.

2.3.4   Summary of findings in SE literature

Across the SE literature the following findings are identified:

- SEs are different from traditional businesses and encounter different challenges (Bull & Crompton, 2006; Bull *et al*., 2008)
- SEs often have multiple revenue streams, multiple partners and multiple stakeholders (Conway, 2008; Rotheroe & Miller, 2008; Curtis, 2013; Moreau & Mertens, 2013)
- Planning and strategy are of particular importance to SEs (Bull *et al*., 2008; Conway, 2008; Doherty *et al*., 2009; Yunus *et al*., 2010)
- Lack of capability in planning and strategy identified amongst social enterprises (Bull & Crompton, 2006; Bull *et al*., 2008; Doherty *et al.*, 2009; Hynes, 2009; Costa & Parente, 2013)
- SEs adopt a range of approaches to governance (Huybrechts, 2010; Kuan *et al*., 2011; Yu, 2013)
- SEs experience challenges in governance (Huybrechts, 2010)
- Actively engaging with board tensions can be beneficial (Mason & Doherty, 2016)

2.4   Literature review findings

There is agreement across the literature that SEs are different from other organisations because they are pursuing multiple objectives and experience additional challenges or tensions (Bull & Crompton, 2006; Bull *et al*., 2008; Smith *et al*., 2013; Ebrahim *et al*., 2014; Battilana *et al*., 2015; Davies & Doherty, 2018). Two studies find that different tensions are associated with different types of SE depending on their business model (Smith *et al*., 2013; Battilana *et al*., 2015).

There is also agreement that SEs operate in a complex environment, with multiple stakeholders (Conway, 2008; Rotheroe & Miller, 2008; Curtis, 2013; Moreau & Mertens, 2013) and subject to frequent change (Greenwood, 2011). Furthermore, SEs are a diverse organisational type (Young & Lecy, 2014) and there are different typologies of hybridity within SEs (Battilana *et al*., 2012; Besharov & Smith, 2014; Ebrahim *et al*., 2014; Mair *et al*., 2015; Santos *et al*., 2015; Litrico & Besharov, 2018).

Solutions for overcoming hybrid tensions often focus on people, identity, shared values and organisational culture (Battilana & Dorado, 2010; Ebrahim *et al*., 2014; Battilana, 2018) as well as management tools and strategic decision making. Both SE and hybrid streams of literature identify that actively confronting tensions can be positive, rather than attempting to resolve or avoid them (Pache & Santos, 2010; Mason & Doherty, 2016).

In relation to governance the following findings are supported across the literature:

- Governance is critical to managing hybrid tensions (Ebrahim *et al.*, 2014; Mair *et al.*, 2015; Santos *et al.*, 2015; Bruneel *et al.*, 2016)

- SEs require specialised approach to governance because of their hybridity (Santos *et al.*, 2015; Bruneel *et al.*, 2016)

- SEs adopt a range of approaches to governance (Huybrechts, 2010; Kuan *et al.*, 2011; Yu, 2013; Santos *et al.*, 2015)

- SEs experience challenges in governance (Huybrechts, 2010) particularly linked to internal logics (Ebrahim *et al.*, 2014)

- Actively engaging with board tensions can be beneficial (Mason & Doherty, 2016)

In addition, SEs are found to be poor in governance activities identified as critical to success:

- Planning and strategy are of particular importance to SEs (Bull *et al.*, 2008; Conway, 2008; Doherty *et al.*, 2009; Yunus, 2010)

- Lack of capability in planning and strategy identified amongst social enterprises (Bull & Crompton, 2006; Bull *et al.*, 2008; Doherty *et al.*, 2009; Hynes, 2009; Costa & Parente, 2013)

Comparing the findings of the hybrid literature and the SE literature, there is plenty of agreement. The emergence of these two fields and the agreement amongst findings within them provides validation. The SE literature identifies challenges and practices used in the field. However, research in the area of SE governance remains largely one dimensional. Where the hybrid literature has proposed explanations for the diversity, practices and challenges seen in the field, and typologies of SEs with corresponding recommendations for governance, the SE literature has suffered from a lack of theoretical framework and, therefore, the findings are limited, contradictory and lacking in in-depth high quality qualitative research approaches.

2.4.1 Limitations

In the SE field a range of methodological approaches are adopted: surveys, action research, multiple case study, longitudinal case study, action research and interview. Amongst the qualitative research a commitment to high quality research methods is evident.

Within the SE governance literature there is more agreement amongst findings in the SE governance literature than in the literature defining SEs. The entrenched disagreements about what an SE is, which often centre around governance, do not emerge amongst findings about the practices and challenges within SEs or in the research focusing on governance.

Limitations of the literature include:

- A lack of research on approaches to governance
- A lack of research on solutions and best practice for specific SE types
- No research on strategy and organisation goals in SE governance
- Papers providing limited methodological detail (Hynes, 2009; Thompson, 2012)
- Papers use a sample of social businesses which are a form of SE but with distinct differences, which could impact the relevance of findings

2.4.2 Identifying gaps in the current knowledge

This research builds on the existing knowledge in the field and, specifically, that on SE governance and specific hybrid types (Huybrechts, 2010; Ebrahim *et al.*, 2014; Mair *et al.*, 2015; Santos *et al.*, 2015; Bruneel *et al.*, 2016; Mason & Doherty, 2016; Litrico & Besharov, 2018; Mongelli *et al.*, 2019). Gaps in knowledge are identified and addressed by this research:

1. How does hybridity manifest in SE governance and those involved in governance activities (Ebrahim *et al.*, 2014; Battilana *et al.*, 2015; Mair *et al.*, 2015)?
2. How is hybridity evident in the identity of individuals, and the shared values of the board and the organisation (Jay, 2012; Battilana, 2018; Smith & Besharov, 2019)?
3. How does variety in SE organisations impact hybridity and effective governance? To date there is research in this area but it needs further application in the field (Battilana *et al.*, 2012; Besharov & Smith, 2014; Ebrahim *et al.*, 2014)
4. What is the role of organisational culture in SE governance (Battilana, 2018) ?

Gaps in current knowledge are further evidenced by recommendations for further research taken from the SE and hybrid literature. The table below provides extracts from articles in the literature review that highlight the need for research to address gaps in current knowledge. The final column of the table describes how the research described in this document will address those gaps.

Table 11 – Evidence of gaps in the literature

Gap	Request for further research	Source	Implication for primary data
Gap 2	*'Future research exploring how identities are constructed under the influence of multiple institutional logics could be invaluable.'*	Glynn *et al*. (2021, p. 66)	This research will include exploration of identity in hybrid organisations.
Gap 2	*'challenge scholars to move beyond depicting organisations as either differentiated or integrated and to explore combinations of the two'*	Smith & Besharov (2019, p. 31)	This research will explore the different combinations of social, commercial and hybrid internal logics within SEs organisational identity.
Gap 1	*'Future research will need to examine…aspects of organisational governance.'*	Battilana *et al*. (2015, p. 1680)	This research will explore organisational governance in four SEs.
Gap 1	*Governance is one of four areas that impact the resilience of social enterprises. More research needed.*	Young & Kim (2015)	This research will explore organisational governance in four SEs.
Gaps 1, 3 & 4	*'future research will … need to examine how …social enterprises can sustain a focus on both the accomplishment of their social mission and …of productive operations'*	Battilana *et al*. (2015, p. 1680)	This research aims to build on the existing research on how SEs can maintain balance between social and commercial objectives through governance and with a focus on SE types.
Gap 1 & 4	*Understanding how actors within an organisation react to institutional complexity will require research designs that attend to both field dynamics and organisational identity.*	Thornton (2012b, p. 180)	This research takes a holistic view of three SEs which incorporates analysis across levels of field, organisation and individuals.
Gap 1 & 2	*How do board members, managers, employees and volunteers… respond to the tensions inherent [hybrid organisations]'.*	Doherty *et al*. (2014, p. 430)	This research explores hybridity across some of these groups: board members and managers.
Gap 1	*'we call for enquiry that … sheds light on the opportunity triggered by hybridity'*	Mongelli *et al*. (2014, p. 304)	This research looks for evidence of positive characteristics of hybrid organisations.
Gap 4	*'future research should continue to analyze the organizational cultures present…at multiple levels of analysis.'*	Battilana (2018, p. 1298)	This research explores hybridity (through identity, shared meanings and culture) at individual, board and organisational levels.
Gap 4	*'when direct influence weakens, culture becomes a critical means by which belief and values are communicated and maintained.'*	Battilana *et al*. (2012 p. 54)	This research explores hybridity (through identity, shared meanings and culture) at individual, board and organisational levels.

| Gap 2 | 'we need studies that will help capture the motivations… of entrepreneurs who create hybrid organizations…' | Battilana (2018, p. 1298) | This research captures and explores the motivations of entrepreneurs who create hybrid organisations. |

2.5 Chapter summary

This chapter critically reviewed the relevant literature in the SE and hybrid field. It has brought together research findings from across the field in order to establish knowledge and current gaps in knowledge at the time of writing. The review found a field of research which was energetic and expanding, with high quality research published simultaneously with the write-up of research in this thesis. In summary, SEs are a broad and diverse group of organisations operating in ways that are challenging and, at the same time, rewarding. SEs' hybridity has been the focus of many studies and they offer approaches and frameworks for success. Gaps were found in the understanding of how internal logics manifest within organisations and within the organisational identity of SEs. Chapter 3 moves on to present the research philosophy and research design decisions implemented in this research.

Chapter 3 Research Philosophy & Design

This chapter presents the research philosophy and research design which, together with the response to Covid-19 and the research process, presented in the following chapter, make up the methodology. This chapter aims to present the research philosophy and research design in a way that demonstrates coherence throughout the design and connects the purpose of the research to the choice of paradigm, methods and technique selection.

This chapter is organised across eight sections:

1. Purpose of the research
2. Research philosophy
3. Research design
4. Case study research
5. Interviewing
6. Observation
7. Challenges and risks
8. Chapter summary

3.1   Purpose of the research

Before embarking on the research design, the purpose of this research and the type of contribution it will make was considered. Saunders *et al*. (2016) recommended identifying whether research is exploratory, descriptive, explanatory, evaluative or a combination of these. These categories are linked to particular types of research question, i.e. what, how, when, why and the type of contribution made, see table one.

Table 12 – Developing research questions (adapted from Saunders et al., 2016, p. 174-176)

Type of research	Type of research question	Type of contribution made (purpose)
Exploratory	What, How?	Clarify understanding of an issue, problem, phenomenon
Descriptive	Who, What, When, Where, How?	To gain an accurate profile of events, persons or situations
Explanatory	Why or How?	Establish causal relationships between variables/objects/entities/powers/structures

Evaluative	What, How, Why?	Establish how well something works, compare effectiveness

This research, according to the research questions emerging from the literature and the ideas of Saunders *et al*. (2016) and Stake (1995), is both exploratory and explanatory. Questions posed by the research are largely 'what' and 'how' and aim to clarify 'what is happening' and also explain 'why' it is happening in social enterprise hybrids aiming to increase understanding of complex interaction (mechanisms) within organisations. There is an element of informal evaluation by means of identifying further issues within the field, but this is not the main objective of the research. Social enterprise and hybrid organisations are emerging fields and exploratory studies are identified as being particularly useful where the precise nature of a particular phenomenon is not known (Saunders *et al*., 2015).

3.2   Research philosophy

Research is a formal form of inquiry, described as *'an orderly investigative process for the purpose of creating new knowledge'* (Swanson, 2005)*.* A research philosophy, or a research paradigm, is a set of beliefs and assumptions regarding the development of knowledge (Saunders *et al*., 2016). Research paradigms can be described as a *'set of assumptions or beliefs that guide action [within research]'* (Guba, 1990, p. 17). Paradigm selection for a piece of research was determined by the purpose of the research, the paradigms traditionally used in this field and the researcher's alignment with the various interpretations about the nature of knowledge, reality and methodology, (Saunders *et al*., 2016).

Authors in this area all offer a slightly different description of the factors distinguishing the paradigms but these differences seem to be based on the simplicity or depth offered by the text. In some cases the objective of the author is to offer a simple explanation for the reader in others to reach a greater level of depth (Lincoln & Guba, 2013; Saunders, *et al*., 2016). For the purposes of this chapter, the most useful ideas have been brought together to provide a description of the paradigms and their distinguishing features and their position in relation to ontology, epistemology, methodology and axiology.

Ontology is the nature of reality, beings and things; epistemology the nature of knowledge, systems, thoughts, ideas; methodology how we gain knowledge of the world and, finally, axiology is the way quality is determined (Denzin & Lincoln, 2011; Lincoln & Guba, 2013; Saunders *et al*., 2016; Centre for Critical Realism, 2017). These four aspects of the nature of knowledge and inquiry posed questions for design development:

- Is knowledge 'real'?
- How do we know what we know?
- Is what you 'know' the same as what I 'know'?
- Which type of knowledge is the best?

Business research stems from a mix of disciplines across the sciences, social sciences and humanities and, as a result, displays multiple research philosophies, approaches and methodologies (Saunders *et al.*, 2016). Research in the business and management can be conducted in any paradigm. Four paradigms were considered at the outset of this research: positive and post-positivist, interpretivist and realism (also referred to as critical realism).

Table 13 - A summary of paradigms (adapted from Lincoln *et al.*, 2018, p. 114)

Paradigm	Ontology	Epistemology	Methodology	Axiology	Associated theory development approach
Positivist/post-positivist	Reality is knowable and objective, there are single truths.	Only observable phenomena can provide credible data and facts.	Typically quantitative including experiment. For post-positivist research use of statistical. Information. (Denzin & Lincoln, 2011)	Traditional evaluation criteria i.e. internal and external validity, reliability, objectivity and replicability.	Deductive
Interpretivist	Reality is subjective and constructed, there are multiple truths.	Meaning is transactional and subjective, meaning depends on context.	Typically qualitative. Naturalistic methods i.e. interviewing, observations and analysis of texts.	Evaluation based on credibility, transferability, dependability and confirmability.	Inductive
Critical theory	Dominated by acknowledgement of human nature's continual power struggle, leading	Research driven by study of structures, power and control. Belief that knowledge	Dialogic/dialectical (Lincoln *et al.*, 2018).	Research should have social import, be able to lead to social change,	Inductive

	to interactions of struggle and oppression (Lincoln *et al.*, 2018).	can challenge existing structures. Accepts that meaning is dependent on context (Lincoln *et al.*, 2018).		expanding discussion and perspectives.	
Realism	Rejects universal claims to truth, while accepting that there is an observable reality beyond individual human consciousness (Sayer, 2000).	Observable data provide facts but knowledge is socially constructed and open to interpretation.	Mainly qualitative; case study, convergent interviewing (Healy & Perry, 2000) employing the use of 'retroduction' (Fletcher, 2017).	Traditional evaluation criteria, i.e. internal and external validity, reliability, objectivity and replicability.	Inductive, deductive and retroductive.

The realism paradigm and an inductive approach to theory development were selected for this research. In this research, Sayer's (2000) version of critical realism is adopted as it provides a useable guide to practice and is one of the key proponents of the philosophy. The justification for these choices is provided below and references philosophical assumptions together with the purpose of the research and the approach to theory building. The researcher does not attempt to identify whether one paradigm or approach is better than another and is, instead, concerned with selecting the most appropriate paradigm and approach for the research to be undertaken. This document does not attempt to explore the philosophical arguments associated with the realism paradigm. Instead, the focus is discussion of the value of the paradigm to provide a methodological foundation for research that can provide practical recommendations of use to industry and the academic community.

Realism is described positioned between positivism, originating in empirical research and interpretivism, often used in social sciences. Realism is described as uniting the natural and social science worlds (Denzin & Lincoln, 2011). It was founded by Roy Bhaskar (1978) and later added to by Sayer (1992) and Archer (1998) among others. Bhaskar's (1978) realism made a distinction between the world and our knowledge of the world, i.e. changes in our knowledge of the world do not change the nature of the world. The paradigm rejects universal claims to truth, acknowledging that knowledge is socially constructed and the interpretations of the social world can be studied, but stops short of

interpretivist ontology, accepting that there is an observable reality beyond individual human consciousness (Denzin & Lincoln, 2011).

Using the notion of 'open and 'closed' systems, Bhaskar (2005) acknowledged that natural and social objects cannot be studied in the same way because of the relative simplicity of the laboratory and the infinite complexity of the 'real' world; *'Most of reality is not a closed system, it is what we call an open-system….Reality is complex, temporal, and changing.'* Research in the realism paradigm looks for explanation and causality while recognising the messy complex social world we research in and the many different interpretations of this world. The realism paradigm is concerned with causation, not through making generalisations but by identifying mechanisms within the complexity of real life 'open systems' (Sayer, 2000).

Realism has been taken up in many disciplines including those in the field of business (Easton, 2010), management (Mingers, 2008), accounting (Bisman, 2010), business relationships (Ryan *et al*., 2012) and information systems (Mingers, 2008). Researchers in the business area find critical realism suited to the investigation of complex human issues that are at the heart of business (Ryan *et al*., 2012). Saunders *et al*. (2016) propose that critical realism is suited to business and management research because it seeks to understand and explain phenomena in order to make practical recommendations in a complex and continually changing world.

This research was concerned with aspects of hybridity in social enterprises that were not measurable. The research aimed to explore the interaction and interplay of people and structures within social enterprise organisations to explore their relationship with, and nature of, hybridity. Realism addresses the complexity of the 'real world' in its conception of the 'real' and the 'actual' (Sayer, 2000). The 'real' may be the structures and power of objects, in this research the structures and powers in place in governance of SEs. The 'actual' is what actually happens when the structures and powers are functioning, in this research how the structures and power of governance in SEs operate in practice (Sayer, 2000).

The concept of emergence was a relevant feature of the realism paradigm and one that supports its selection in this research. Realism sees that *'…the world is characterised by emergence, that is situations in which the conjunction of two or more features or aspects gives rise to new phenomena'* (Sayer, 2000, p. 12). Emergence is an ongoing process and realism recognises the role of change in adding to the complexity of social science, *'…social phenomena rarely have the durability of many of*

the objects studied in social science….where they are enduring…it is usually an intentional achievement, a product of making continual changes in order to stay the same…' (Sayer, 2000, p. 13). In the context of this research the concept of emergence is useful, as ongoing change within organisations forms part of the key findings of the literature review.

The third relevant feature of realism is the focus on causation. Rather than looking for patterns across a large sample to find evidence for causation, realisms look for causal mechanisms, identifying how they work and how they are operating in a particular context (Sayer, 2000). Thus, it seeks to explain the relationship between governance structures and their operation and emerging phenomena. *'Understanding the powers of objects and the conditions that generate mechanisms to operate and produce events is key in critical realism'* (Sobh & Perry, 2006). This approach enables the organisation of information generated by research to *explain* phenomena within the complexity of the real world.

In summary, realism was chosen because of the following features:

- Concept of 'open' and 'closed' systems – recognising real world complexity.
- Epistemological distinction between the 'real' and the 'actual' – good for 'real world' complexity.
- Concept of 'emergence' - good for 'real world' complexity.
- Focus on events and people rather than participants' perspectives.
- Focus on causation - seeks explanation as well as exploration and description.
- Links between realism and culture.

Research in the realism paradigm rejects the concept of universal truths, not on the basis that they don't exist, but because it is not possible to capture such truths within the complexity of the social world (Denzin & Lincoln, 2011). Realism research searches for explanation and causality and addresses the complexity of the 'real world' in its conception of the 'real' and the 'actual' (Sayer, 2000). The 'real' may be the structures and power of objects, in this research the organisations' dual logics and organisational identity. The 'actual' is what actually happens when the structures and powers are functioning, in this research this could be the relationship between logics and identity, the response to hybridity, or the dysfunction seen in organisations (Sayer, 2000).

The implication of the choice of paradigm on data collection is as follows. Research that seeks to explain in this way necessitates detailed data collection to help the reader build a picture of the 'real world' it seeks to explain.

3.3   Research design

Having established that the philosophical positioning of this research is in the realism paradigm, the research design comes into focus. Research design can be described as flexible guidelines that connect research paradigms (discussed above), to research methodologies (choices about type of research to conduct, i.e. qualitative, quantitative or mixed methods), or to research strategies (the methods employed in research) (Denzin & Lincoln, 2011). The purpose of the research design is to demonstrate the elements of research design are well justified, are coherent and cohesive (Saunders *et al*., 2016). In this section the methodological choice, research strategy, methods of data collection and sampling are discussed.

3.3.1   Methodological choice

The methodological choices were qualitative, quantitative or mixed methods approach which incorporates both qualitative and quantitative research. Most business and management research design incorporates mixed methods research (Antwi & Hamza, 2015; Saunders *et al*., 2016). A simple distinction between qualitative research and quantitative research is that qualitative research generates and analyses words, images, video clips and other material whereas quantitative research generates and analyses numbers (Davies, 2007).

The chosen methodology for this research was qualitative; the reasons for this choice are set out below:

1. This research purpose was explanatory and the research questions sought to explain the complexities of hybridity in social enterprise – seeking explanations within the context of complex phenomena was better pursued in qualitative research (Stake, 1995).
2. The purpose of this research was not to identify cause and effect by isolating variables or making generalisations to the wider groups of social enterprises– these are usually associated with quantitative research (Denzin & Lincoln, 2011).

3. This research was concerned with phenomena embedded within the context and complexities of the organisation and so exploration of this was better suited to qualitative research (Stake, 1995).

4. This research explored aspects of social enterprise and hybridity that were not covered, or poorly covered, in the existing literature – this justifies an inductive approach where rich data is sought within a small sample (Eisenhardt & Graebner, 2007).

The main implication of this choice on data collection was the requirement to be reflexive. In qualitative research, the researcher plays an important role at the forefront of the data collection, interacting with the subjects of the research, and so must consider the impact she/he is having on data. Reflexive practice was employed throughout the research design, data collection and data analysis. This is discussed in detail in subsection 3.4.2.3.

3.3.2 Research strategy

Research strategy can be described as *'…a bundle of skills, assumptions and practices that researchers employ…and connect the researcher to specific methods of collecting, analysing empirical materials.'* (Denzin & Lincoln, 2011, p. 14). Qualitative research *'…privileges no single methodological practice over another.'* and so there were a range of research strategies to choose from including experiment, survey, case study, ethnography, action research, grounded theory and narrative research (Denzin & Lincoln, 2011, p. 6). Decisions about research strategy were made in the context of the purpose of the research, alongside paradigm and methodology choices. Decisions relating to research strategy also included practical considerations about access, time and other resources.

Research strategies most commonly used in the business and management research include surveys, case studies, ethnographies, action research and narrative research (Saunders *et al.*, 2016). Each of these strategies were considered and case study research was selected based on its suitability in relation to the paradigm and the research questions.

Case study is a flexible research strategy which involves the use of multiple research methods applied to a single unit of analysis, e.g. an event or an organisation. Case study research is characterised by use of the single unit of analysis (although the design may include multiple single units), a high level of detail and depth, analysis over time and situated within the real world context (Flyvberg, 2011). The advantages of case study in the context of this research were identified as:

- suited to inductive qualitative research (Merriam, 2009),

- suited to research in the realism paradigm (Easton, 2010),

- appropriate for the study of complex phenomena (Eisenhardt, 1989),

- facilitates a detailed understanding (Eisenhardt, 1989).

Case study was selected as the most suitable research strategy offering the best opportunity to answer research questions emerging from the literature review. Case studies are able to increase understanding without requiring that phenomena are separated from context (Yin, 2018). The case study offers a framework to study contemporary phenomena in context while being flexible enough to incorporate ideas from other research strategies, such as ethnographic research, narrative inquiry and archival research, to provide a high-quality data collection and analysis. Case study research also has a *'…unique strength is its ability to deal with a full variety of evidence…'* (Merriam, 1998, p. 8).

Particular uses of the case study were identified by Yin (2018) including to explain links within real-life phenomena too complex for survey or experiment research, to describe phenomena in their real-life contexts, to illustrate topics within an evaluation and to enlighten where a phenomenon has no clear set of outcomes. Siggelkow (2007) identified three main uses of case study research that add to or support Yin's (2018), highlighting the appropriateness of an inductive approach paired with a case study research strategy.

The uses identified above support the researcher's selection of case study as the research strategy for research in thesis. The case study is suited to an inductive approach to theory development, where there are not necessarily clear outcomes and where the aim is to increase understanding complexity around the nature of hybridity within social enterprise organisations.

3.4   Case study research

The literature on case study research was broad and incorporated both positivist and post positivist perspectives. It contained consensus, across paradigms, with regard to defining case studies and identifying case studies' characteristics. Yin (2018), Stake (1995) and Merriam (2009) were key contributors to the literature and, although they each differentiated their own view point, and represented both the positivist (Yin, 2018) and the constructionist (Stake, 1995; Merriam, 2009) paradigms, each described case studies as a strategy for conducting research within 'bounded

systems', undertaken in a 'real world context' and providing 'rich' data (Stake, 1995; Merriam, 2009; Yin, 2018).

This study adopted Merriam's (2009, p. 46) definition *'A case study is an intensive, holistic description and analysis of a single entity, phenomenon, or social unit.'* This is a simple and functional definition which focuses on the characteristics of the research output rather than data collection techniques.

Case studies have existed as long as recorded history and have produced much of what we know about the world (Flyvberg, 2011; Ruddin, 2006). One of the earliest methodological descriptions the case study described in the mid-19th century work on the family unit by Frederick Le Play, a French engineer, sociologist and economist (Edward, 1947). The case study developed in the fields of anthropology, sociology and psychology in the 20th century and is now a popular research strategy used across multiple disciplines. It is a commonly used method in business and management studies where there is a *'…desire to understand complex social phenomena.'* (Yin, 2014, p. 4).

As well as achieving some consensus about what a case study is, the case study literature champions the case study research strategy. Merriam (2009) pursued recognition for case study amongst research strategies and focused on the importance of the unit of analysis of a case study's unique factor. Yin (2018) developed a detailed and comprehensive approach to research design and process for case study in order to improve the credibility of case study research. Stake's presented ideas about the superior attributes of knowledge generated from case study research, it being *'more concrete'* and *'more contextual'* (Stake, 1995). Eisenhardt (1989) and Yin (2018) explained and defended use of case study data for analytical and statistical generalisations.

When it comes to case study design and research process, the approaches between key contributors differ. The key differences stem from contributors' approach to research. Yin's tight structure aims to fulfil positivist ideals for research: external validity, internal validity, construct validity and reliability (2018). Stake's emphasis, however, on 'issues' and 'issue as conceptual structure' allows for a more flexible approach where research design can change during data collection (1995). For Stake (1995), outside the positivist paradigm, quality is achieved through an iterative process of identifying issues from within the complexity and context of the case. Quality, according to Stake (1995) relies on the abilities of the researcher to observe, interpret and make assertions. Merriam (2009) sits in between Stake (1995) and Yin (2018), proposing some preplanning and some flexibility. She accepts some of the conventional standards criteria for quality: validity and reliability and ethics. In this thesis,

Merriam's (2009) approach is adopted in relation to planning, with research being largely pre-planned, but the approach to analysis is largely a response to the data and Stake (1995) in regard to criteria for quality, with a strong emphasis on the reflexivity and the abilities of the researcher.

3.4.1 Types of case study

Stake's (1995, p. xii) description of flexibility within case study research captures a sense of freedom which the researcher embraced in this fieldwork; *'Before you is a palette of methods. There are many, many ways to do case studies.'.* The literature defines and presents the case study in various ways and this reflects the many ways case studies can be used. Yin (2018) presents two key case study types; single and multiple, with variations within each group. The multiple case study is where more than one case is studied as part of the research and the cases are compared during the analysis. The single case study is where research includes just one case (Yin, 2018).

Stake's (1995) categorisation is slightly more complex, it presents three types of case study: intrinsic, instrumental and collective. An intrinsic case study is a single case study where the case itself is the primary interest in the research rather than extending theory or generalising across cases (Stake, 1995). The primary purpose of the research is to learn more about the case. An instrumental case study is a single case study where the purpose of the research is to learn more about a particular phenomenon or issue. The case is selected based on its value for gaining knowledge and understanding. Again, the purpose of the study is not to generalise across cases. A collective case study is a series of single instrumental cases, undertaken to explore a particular phenomenon (Stake, 1995).

A fourth type of case study, multiple case studies, refers to a series of single case studies where the purpose of the multiple case study is to generalise across cases whereas the other types of case studies do not. Multiple case studies adopt more positivist assumptions about research philosophy, are more likely to apply positivist measures of quality to research and will incorporate cross case analysis to facilitate generalising beyond the case (Hines, 2017). Collective case studies are a series of single cases, adopt more non-positivist assumptions about research philosophy and do not include a cross case analysis as they do not attempt to generalise beyond the case (Hines, 2017).

Yin's (2014) and Stake's (1995) contributions are useful but limited. Neither reflected the breadth of options for case study research or organised them in a way that helps to link these options with other

aspects of research philosophy and design. In the literature case study, terminology was inconsistent; for example use of the terms 'multiple' and 'collective' interchangeably (Mills *et al*., 2010). Multiple and collective case studies were underpinned by different sets of philosophical assumptions, requiring a different approach to aspects of research process, e.g. sampling, and to the analysis of data within and between cases.

The table below brings together Yin's (2018) and Stake's (1995) contributions to differentiate four types of case study and make sense of the different methodological approaches. Organising case study types in this way highlights important distinctions where the literature does not provide one. This research adopts a collective case study approach.

Table 14 – Types of case study (adapted from Yin (2018), and Stake(1995))

Type	Description	Purpose of the research	Accompanying methodological approach	Sources
Intrinsic	Case selected for its own particular interest, rather than interest in a particular phenomenon or issue.	Learn more about a case.	Interpretivist	Stake (1995)
Instrumental	Case selected for its ability to contribute to knowledge of a particular phenomenon or issue.	Learn more about a phenomenon.	Interpretivist	Stake (1995)
Collective	A series of instrumental case studies.	Learn more about a phenomenon.	Interpretivist	Stake (1995)
Multiple/comparative	A series of instrumental case studies focused on traditional ideals of quality in research. Incorporates cross case analysis.	Statistical generalisation and analytical as well as learn more about a phenomenon and generate, modify theory.	Positivist, quantitative	Eisenhardt (1989), Yin (2018), and Hines (2017).

This research includes two instrumental cases studies, i.e. case studies used to learn more about a phenomenon, in this case hybridity (Stake, 1995). It did not incorporate cross case analysis as the two cases were not intended to support generalisations about the phenomenon in question but to provide insights into two different organisations.

3.4.2   Common criticisms of the case study

Although case study is a commonly used and well defended method, published in the highest of business and management journals, it is still necessary to a present a sturdy methodological defence beyond justification for its selection as an appropriate research strategy (Eisenhardt, 1989). The case study literature repeatedly bemoans the low stature afforded to the case study and case study research (Siggelkow, 2007; Flyvberg, 2011; Yin, 2018). Heeding the situation, this section seeks to justify the choice to use case study by tackling common criticisms of case study head on.

Flyvberg (2011) presented the most comprehensive and in-depth discussion of criticisms of the case study research strategy. Five common misunderstandings of case studies, addressing issues such as value, generalising, generating hypothesis, researcher bias and theory development, were addressed (Flyvberg, 2011). Yin (2018) added lack of rigour, unmanageable level of effort and comparative advantage over other research to the list of common criticisms but does not discuss any with a high level of depth.

A critical review of the methods' literature highlighted further criticisms, all of which are of relevance to the research presented in this thesis:

1. Concrete case knowledge is less valuable than general, theoretical knowledge (epistemological assumptions)(Flyvberg, 2011).
2. Case study research cannot contribute to scientific development because cannot generalise on basis of one case study (Ruddin, 2006; Flyvberg, 2011; Yin, 2018).
3. The case study contains a bias towards verification, a tendency to confirm researchers' preconceived ideas (axiological assumptions) (Flyvberg, 2011).
4. Case study research often lacks rigour (Gibbert & Ruigrok, 2010; Flyvberg, 2011).
5. It is difficult to develop theories on the basis of case studies (Flyvberg, 2011).

It is worth noting all these common criticisms related in some way to paradigm choice and the philosophical assumptions that provide the foundation of the research design. The research concluded that many of the common criticisms of case study research are part of an ongoing methodological debate about research philosophy that Flyvberg (2001) describes as 'Science Wars'. The positivist researcher might identify quality research on the basis of internal and external validity, reliability, objectivity and generalisability, while the interpretivist rejects these in favour of credibility, transferability, dependability and confirmability (Lincoln & Guba, 1985).

Case study research can be conducted within the positivist, interpretivist or realism paradigms, and can include qualitative, quantitative or mixed methods research methods. As a result, the defence of the case study research strategy was found in a wide range of philosophical positions, making it overall a robust one which makes it difficult to ignore its value and many advantages. This research was undertaken within the realism paradigm but the defence of the case study research strategy includes contributions from the positivist paradigm, such as Yin (2018), Eisenhardt (1989) and Campbell (1975) as well as those from the interpretivist paradigm, including Stake (1995) and Flyvberg (2011), as well those promoting research across paradigms, such as Amis & Silk (2007), Siggelkow (2007) and Gibbert & Ruigrok (2010). It is worth noting that methodological common ground was identified between strategies adopted by positivist and interpretivist researchers in the pursuit of high quality case study research and that the case study can comply with the quality ideals of both; this is discussed below (Gibbert & Ruigrok, 2010).

3.4.2.1   *Theoretical knowledge is worthier than case knowledge*

Flyvberg (2011) distinguishes between the two types of knowledge on the basis of their relationship to their context, labelling knowledge derived from case studies 'context dependent knowledge' and knowledge derived from theory 'context independent knowledge'. Context dependent knowledge is gained through experiences of a phenomenon in its natural context. Flyvberg (2011) argues that there should be no hierarchy between theoretical and case knowledge and that there is a need for both types of knowledge.

Flyvberg (2011) provides two arguments in support of context dependent knowledge. Firstly, it is important for researchers to develop *'a nuanced view of reality'* which provides meaningful insights into human affairs. This nuanced knowledge is the result of the proximity of the researcher to the research and the exposure to continual feedback. In contrast, context independent knowledge

achieved *'…at great distance from the object of study…easily lead to a stultified learning process…where the effect and usefulness of research becomes unclear….'* (Flyvberg, 2011, p. 17).

Secondly, Flyvberg (2011, p. 303) proposes that theoretical knowledge is not actually achievable in social sciences and that context dependent knowledge, so suited to a case study research strategy, is the only option; *'…as for predictive theory, universals and scientism, so far social science has failed to deliver. In essence, we have only specific cases and context-dependent knowledge in social science'*.

Forty five years earlier, Campbell (1975), anthropologist and convert to the merits of the case study, drew the same conclusion in an article that grappled with the relationship between the principles of traditional scientific research and the challenges of studying human affairs in the field. Campbell (1975, p. 179) proposed that *'qualitative common sense knowing'* as a result of *'common sense naturalistic observation'* was the best and, in fact, the only path to knowledge and understanding in the social science, stating; *'…it is all that we have. It is the only route to knowledge – noisy, fallible, and biased though it be'*.

Stake (1995) provided an alternative perspective making a distinction between the purpose of quantitative and qualitative research seeking 'explanation' in order to generalise and 'understanding' in order to particularise respectively. Case studies can be either qualitative, quantitative or adopt mixed methods. An evaluation of case study research may question the research design in the first instance but to be of use should also align to the methodological approach taken in that research rather than impose the measures of quality from an alternative approach.

3.4.2.2   Lack of generalisability

Generalisability, also described as external validity, is the extent to which the findings of a research study can be applied in another context (Saunders *et al*., 2016). According to Gibbert & Ruigrok (2010) case study research of high quality does not usually make generalisability a priority and it is not a priority for the editors and reviewers of high ranking European and American journals. Despite this, a lack of generalisability of case study research is still identified as a major criticism of case study research strategy (Flyvberg, 2011).

There are three responses of note in the literature to case studies' lack of generalisability. The first is that case studies need not profess to be generalisable in order to be valued and legitimate (Ruddin,

2006; Gibbert & Ruigrok, 2010; Flyvberg, 2011). The logic of this is that research outside the positivist paradigm does not need to comply with the same measures of research quality. Case study knowledge contributes in a different way, *Knowledge may be transferable even where it is not formally generalisable'*, it can *'…enter the collective process of knowledge accumulation.'* (Flyvberg, 2011, p. 17). Flyvberg (2011) proposes that generalising is *overrated* and *over-valued* as a source of scientific development.

A second is Stake's (1995) distinction between *grand and petite* generalisations, i.e. those relating to grand theory or at a local level within the case. Stake (1995) described how *petite* generalisations are made continuously during the process of observation and inference. Stake (1995, p. 6) also pointed out that *grand* generalisations can be modified by the findings of a case study where they demonstrate deviation from generalised theory, stating that while *'…we do not choose case study design to optimise production of generalisations…valid modifications of generalisations can occur in case study'.*

The positivists argued that case studies can be used to generalise, in specific ways under certain conditions (Eisenhardt, 1989; Yin, 2018). Yin (2018) made a distinction between two types of generalisation arguing that case study research complies with the second. The first, statistical generalisations, are made on the basis of a representative sample and are statistically significant in quantitative research (Yin, 2018). The second type of generalisability is analytical generalisations, made based on observations in relation to theory and result in the expansion and generalisation of theory.

According to Yin (2018) case studies are generalisable to existing theoretical propositions (analytic generalisation) but not to populations or universes (statistical generalisations), i.e. contributing to 'concrete situations' not abstract theory (Yin, 2018). Eisenhardt (1989) proposed that both statistical and analytical generalisations can be applied beyond the research sample and cross analyses of multiple case studies involving four to ten cases may provide a methodologically sound basis for generalisation.

3.4.2.3   Bias and lack of rigour

The criticism that case study research is biased was part of criticism of qualitative research in general, and of research outside the positivist paradigm. The research presented in this thesis used case study research strategy, employing qualitative research methods in the interpretive paradigm, and so a

discussion and defence of bias in this context is appropriate. Bias, in this context, refers to *'…a tendency to confirm the researchers' preconceived notions.'* (Flyvberg, 2011, p. 309).

According to Flyvberg (2011), consideration and treatment of bias in research depends in part on the axiological position taken in the research design. The positivist tradition is characterised by approaches which minimise bias in pursuit of objectivity. Research is conducted at 'arm's length' and researchers are, as far as possible, removed from the process. Case study research can potentially be criticised for allowing the researchers' subjective judgement to impact research process and influence findings (Flyvberg, 2011).

In research in the interpretive paradigm, the relationship between the research and the researcher is completely different. According to Denzin & Lincoln (2011) there is no expectation that the researcher is separate from the research, instead the role and relationship between researcher and the researched are acknowledged. The assumptions of the research philosophy reject the existence and pursuit of value-free inquiry and, instead, develop reflexivity which makes explicit the human-to-human relationships involved in research of human affairs (Denzin & Lincoln, 2011).

Stake (1995) highlighted how rigour is controlled differently in qualitative and quantitative research, also alluding to reflexivity. Stake (1995) described how, in quantitative research, there is a reliance on carefully developed instruments and controlled observations; this most important during preparation for research then executed with a clinical approach. In qualitative research, rigour is concerned with the skill of the researcher, who, while in close contact with the subject of the study, is continually interpreting and adjusting the research process (Stake, 1995).

Reflexivity is part of the critical approach good case study research must adopt (Campbell, 1975). The 'trade-off' between this close relationship and the 'messiness' it may bring is the 'closeness' of the researcher to the phenomenon they are studying (Stake, 1995; Eisenhardt & Graebner, 2007; Denzin & Lincoln, 2011). Eisenhardt & Graebner (2007 p. 25) proposed that case study research was predisposed to be rigorous; *'Although sometimes seen as "subjective", well-done theory building from case is surprisingly "objective", because its close adherence to the data keeps researchers "honest". The data provide the discipline that mathematics does in formal analytic modelling.'*

Bias was part of more general assumptions than case study research, being less rigorous (Flyvberg, 2011). Rigour in the positivist paradigm, and so dominant in research, is concerned with the presence

of internal and external validity, reliability and generalisability. Gibbert & Ruigrok's (2010) research into case study researchers' approach to rigour found that, while procedures for assessing rigour in qualitative research are much less standardised than in quantitative research, there is plenty of potential to conduct rigorous qualitative case study research.

Gibbert & Ruigrok (2010) found that very few case study researchers' test of rigour used the terms of positivist paradigm but identified strategies used in case study researcher to ensure rigour, e.g. researchers included detailed reporting of 'concrete research actions' covering setbacks and deviations, including the decision making process involved. Other strategies were found in the literature: engagement in peer debriefing involving employing a informed colleague, not involved in the research, to explore the researchers biases (Amis & Silk, 2007).

The strategies described above are supported by the advice offered throughout the case study literature on the subject of reflexivity and rigour:

- *'we need a tradition of deliberately fostering an adversary process'* (Campbell, 1975)
- *'it remains vital irrespective of the method to demonstrate methodological rigour and theoretical contribution'*(Eisenhardt, 1989)
- *'The function of the qualitative research during data gathering is clearly to maintain vigorous interpretation'* (Stake, 1995, pg. 8)
- *'Authors should…focus on reporting concrete research actions taken (rather than abstract validity and reliability types), carefully discussing how they were adapted and used in…'* (Gibbert & Ruigrok, 2010)
- *'It is good practice to be proactive about keeping simple quantitative records in order to remain vigilant to the level of certainty/consistency evidenced in results/observations. A critical framework is central'* (Denzin & Lincoln, 2011).

In this research, reflexivity prompted the researcher to be mindful, self-aware and continually questioning decision making. Reflexive practice is evident in the sections which include reflection in Chapters 5, 6 and 7.

3.4.2.4   *Developing theory from case study*

Flyvberg (2011) identified the common criticism that it is difficult to summarise or generate theory from case studies. The data produced by case studies is dense and can be described as 'thick'. This thick, hard to summarise data is seen as problematic by some critics of the case study (Flyvberg, 2011). The discussion here focused on the best format for data to be presented, i.e. to what extent should case study data be summarised. For some, *'…the very value of a case study…is lost when one tries to sum up…'* (Peatie, 2001, in Flyvberg, 2011). Flyvberg (2011) identifies two ways of avoiding this inclination to summarise and theorise: 1. Authors simply tell the story in all its detail and complexity without attempting to resolve conflicts and contradictions and 2. Authors may avoid linking case studies with specific theories in a single field and, instead, they relate the case study to a range of broader philosophical positions in a range of fields. In these approaches *'… readers are not pointed down any one theoretical path…[they] discover their own path and truth inside the case.'* (Flyvberg, 2011, p. 312).

The positivist position in relation to theory development was, as expected, quite different with the theory development part of the design phase of the case study (Eisenhardt, 1989; Eisenhardt & Graebner, 2007; Yin, 2018). Yin (2018) proposed use of simple theoretical propositions that emerged from the literature or practical aspects of the subject being studied to help focus the direction of the research. These propositions are then returned to in the analyses as researchers strive for analytical generalisations or lessons learnt. Yin, however, offers analytical strategies such as 'in case analysis' to achieve analytical generalisations (2018). This research adopts Flyvberg's second piece of advice and avoids a single theoretical explanation for the phenomenon it describes.

Eisenhardt's (1989) article 'Theory Building from Cases: Opportunities and Challenges', set out a *'road map'* of how to build theory from case study research. Building on contributions from Grounded Theory and Yin's work on case study design, Eisenhardt sets out eight steps for researchers wanting to develop theory from their case study research. In later publications, Eisenhardt continues to advocate the use of case studies as a mainstream research strategy. In Eisenhardt & Graebner (2007), the role case studies play as part of theory development is described. Where theory building is a necessary first step, as it often is lesser researched areas of social sciences, case studies doing inductive research to *build* theory (theory building) are complementary to empirical studies doing deductive research in order to test that theory (Eisenhardt & Graebner, 2007). While there is criticism of the casting of the case study to this complementary role from Denzin & Lincoln (2011), the confidence in the case study and identification of its advantages are of use across the paradigm debates.

3.4.2.5   *The criticisms in the context of this research*

Tackling the criticisms of case studies helped to strengthen confidence in its selection as a research strategy and implementation in this thesis. In this research, context dependent knowledge will be generated which is appropriate for social science research and of equal value to context independent knowledge (Flyvberg, 2011) (Campbell, 1975). Generalisation is not a priority for this research. The research findings that have a value in their own right and will enter a collective process of knowledge accumulation in the field will enable better understanding and theory development. The researcher embraced the idea that the insight a case study allows a researcher makes up for any degrees of bias, subjectivity or incomplete knowledge so long as a critical approach to research is adopted (Eisenhardt & Graebner, 2007; Denzin & Lincoln, 2011; Flyvberg, 2011; Campbell, 1975). Finally, there is potential for case study research to contribute to theory development and a well-established process for this to happen (Eisenhardt, 1989).

3.5   Interviewing

Interviews were used in each of the case studies in this research. The initial case study interviews were used to explore the emergent research questions, allowing the interviewee to talk directly and freely and for information to emerge as naturally as possible. The rationale for this was to genuinely explore the topic, minimising assumptions of the interviewer and acknowledging the researcher's lesser knowledge of the phenomenon as compared to the interviewee. Later case study interviews were more structured as the emergent issues become more developed and there was a need to revisit, clarify or expand on topics.

Yin (2018) described interviews as the most important source of data in case study research because they could provide insights into human affairs. Interviews have been widely used in case study research (Stake, 1995; Merriam, 2009; Yin, 2018). This research adopted the definition of the interview as a purposeful conversation between two or more people (Saunders *et al*., 2016), the purpose of interviews in research being to gather data and gain knowledge/insights. In this research an interview will refer to a conversation between two people.

Three types of interviews were described in the literature: structured, semi-structured and unstructured (also known as an 'in-depth' interview). The advice in the literature for case study

research (aiming to generate rich data) was to undertake unstructured interviews. Yin (2018, p. 118) recommended that, in case study research, an unstructured interview is used because it allows responsiveness and flexibility *'…they will resemble guided conversations rather than structured queries…'*. Silverman (2011) recommended unstructured interviews in view of their ability to generate 'rich data' and encourage interviewees to talk freely. As described above, this research conducted semi-structured interviews. This decision was made on the basis of the researcher's experience and the perceived additional level of skill required to conduct a successful unstructured interview.

There is agreement in the literature that interviewers need to be skilled, that they need to be flexible, build a rapport with the interviewee and take part in active listening (Oppenheim, 1992; Silverman, 2011). However, there are differing views on what is good interview practice. In Oppenheim's (1992) *'Questionnaire Design Interviewing and Attitude Measurement',* interviews are described as essentially a *'one way process'.* According to Oppenheim (1992) the interview *only* appears to be an authentic conversation due to the skill of the interviewer. To engage actively in conversation would, according to Oppenheim (1992), introduce bias. Silverman (2011) presents the opposite view, describing the active participation of the interviewer as one of the key attributes of interviewing and the interview as a collaboration between both interviewer and interviewee.

Where Oppenheim (1992) states interviews are *'never conversations',* Silverman (2011) describes interviewing as *'never just a 'conversation'* but a conversation where the interviewer has some control*.* Silverman's (2011 p. 120) perspective stems from an acceptance that you cannot deny the '*interactional nature of interviews'* or, indeed, of qualitative research. The interviews conducted in this research project aligned with the perspective taken by Silverman (2011). This choice was made to allow a less formal and more naturalistic approach which may encourage cooperation by participants and allow interviews to flow.

This research adopted ideas from the literature to maximise the quality of the data and overcome the challenges common to interviewing. The challenges of interviewing were highlighted in the literature and are discussed here in the context of the research undertaken for the purposes of this thesis. Firstly, the act of asking a question causes distortion in the answer (Oppenheim, 1992; Silverman 2017). This can be caused by the dynamics of the interviewee/interviewer, undetected bias entering the process, misinterpretation of the question, cultural differences, a wish to fulfil expectations, a wish to disguise the truth or simply inaccuracies in recalling facts (Oppenheim, 1992; Saunders *et al*., 2016).

Oppenheim's (1992) comment *'Would there not be a way of looking into the minds of our respondents without having to ask any questions at all'* sums up the imperfectness of questioning.

Silverman's (2017) harsh critique of current interview practice was pertinent but targeted research eliciting 'experiences' and 'perceptions'. Interviews undertaken in this research aimed to a) illuminate emerging issues in the field, b) generate accounts of how the organisation operates, c) identify key partners and, d) identify challenges. Although interviewees communicated some of this information via reference to their experiences and perceptions it was not their experience and perceptions that were presented as findings, the validity of which Silverman (2017) questions.

Some of the weaknesses relating to self-reporting do still apply. Conducting interviews which elicit truths rather than a constructed response is likened to catching an 'elusive fish' (Oppenheim, 1992). This research adopted Silverman's (2017) suggestions for quality interviewing: production of complete interview transcripts incorporating words, pauses and other emphasis of all parties and incorporation of positioning (within the conversation) in the analysis and presentation of interview extracts.

Weaknesses of questioning and interviewing can be mitigated, not eliminated, by careful question construction, high quality transcription, reflexivity, and analysis which is mindful of the subjectivity of interview data (Oppenheim, 1992; Silverman 2017). In this research, questions were planned in advance and mapped to the research questions, interviews were professionally transcribed, a reflexive approach was taken which included reflecting on and evaluating interview success and an analysis technique was used which was both reflexive and appropriate for qualitative data.

3.6   Observation

Observation can be defined as; *'the systematic viewing, recording, analysis and description of people's behaviour'* (Saunders *et al*., 2016). Observations could range from formal to incidental data collection, i.e. they may be planned and focused on an observable activity or may be recorded as and when the researcher observes them, e.g. noticing the room layout during a conversation or meeting and making a note of it (Yin, 2018). The approach and level of formality may vary but the principal advantage observations offered was to give the observer a view to what is happening directly, rather than relying on an artifice such as an interview to gain insight into that same phenomenon (Yin, 2018).

This research adopted participant observation, as well as including incidental observations as part of field note taking. Participant observation is a traditional form of observation originating from social anthropology. Participant observation involves learning by directly experiencing a situation, for example getting involved/becoming part of a workgroup, community or organisation. Participant observation is concerned with the discovery of meanings people assign to actions as opposed to a more quantitative approach that might simply count the frequency of actions (Saunders *et al*., 2016). The level of immersion the researcher has in a study will vary from being a member of, or even a key decision maker in, the group being studied, or simply taking part in some activities, e.g. attending meetings, joining discussions (Yin, 2018).

Yin (2018) identified the main challenge associated with observation as the potential biases. Yin's (2014, p. 117) positivist stance finds the immersion of the researcher within a group as *'contrary to good science'*. This is not identified as a problem by researchers outside the positivist paradigm; see discussion of bias in the preceding section. Secondly, potential imbalance between the participant and observer role may occur and, finally, the practical difficulties of attending events and observing across a group over time (Yin, 2018). These challenges can be sufficiently minimised with a combination of critical review, reflectivity and a considered approach to fieldwork, discussed in more detail in the research design section.

3.7   Challenges and risks

All research strategies present some challenges and risks. The table below presents challenges and risks that were found in the case study literature, alongside advice to avoid and mitigate them.

Table 15 – Challenges and risks of case study research

Challenges/risks of case study research	Solution/mitigation
Gatekeepers – those in power may limit access/information.	Be critical about the information you are given by those in power and always look for other opinions (Silverman, 2013).
Ex-post obviousness, i.e. what case study finds is not that interesting/surprising.	Make the contribution applicable to the real world not only to contribute to theory and of interest only within academic discussion – orientate the research to achieve a better understanding of the world (Siggelkow, 2007).
Lack of selectivity and a tendency to be so absorbed in the case that everything appears relevant. This is a particular problem where there is a high level of data (Silverman, 2013).	Make decisions to narrow the data collected based on a focus on the research aims – and do this before collecting data (Silverman, 2011). A conceptual focus will help the researcher identify what is important. It is the conceptual argument that will potentially interest the reader more than the individual case (Siggelkow, 2007).

Lack of access to an organisation and partial data.	Impression management – e.g. non-threatening, non-judgemental, dressing appropriately. Obtain bottom-up access – explaining aims to all levels of group not just decision makers. Offer feedback where wanted, a way to pay back. (Silverman, 2013).
Pure description – unless you are describing something of great interest this is a weakness.	Ensure there is a conceptual focus for the research that will provide interest beyond pure description (Siggelkow, 2007).
There is a high chance that planned research procedures will change once in the field.	Need to expect and remain open to change (Campbell, 1975; Eisenhardt, 1989; Yin, 2018).
Narrative fallacies, i.e. inaccurate creation of a communicable story from a complex set of data is criticism of qualitative research strategies.	Thick descriptions make it more difficult to create neat stories because they include all the 'messy' details and so mitigate this to an extent (Flyvberg, 2011).

3.8   Chapter summary

This chapter first introduced and discussed the purpose of the research, showing that an explorative approach to research had been adopted based on the research aims. It then explained decisions made in relation to paradigm, aspects of research design and strategy along with justifications for these choices. The advantages and limitations within the chosen research design were identified and discussed. Chapter 4 provides detail of the research process and describes the response to the Covid-19 pandemic.

Chapter 4 Research Process & the Covid-19 pandemic

This chapter presents the research process and describes the response to the Covid-19 pandemic. This chapter, together with the previous chapter on research philosophy and design, make up the methodology. Reference to the Covid-19 pandemic provides necessary context for evaluating decision making in the fieldwork and enhances awareness of the pressures on businesses and the researcher. The reflective sections of this chapter use the first person.

This chapter is organised across nine sections:

1. The Covid-19 pandemic and this research
2. Fieldwork timeline
3. Researcher role
4. Researcher ethics
5. Participant selection
6. Interview process and reflection
7. Observation process and reflection
8. Analysis approach and reflection
9. Chapter summary

4.1   The Covid-19 pandemic and this research

The global Covid-19 pandemic began in early 2020 and by the end of March 2020 the UK was in national lockdown (Johnson, 2020). This event has had significant and ongoing impact on society, the economy and on this project. During the first twelve months of the pandemic there was a restriction of movement amongst people in the UK. Nowhere in the risk analysis devised for this project was an event of such magnitude accounted for. The author responded to the ongoing uncertainty and disruption by adapting the original research design.

The pandemic emerged midway through the fieldwork phase, a crucial time in the PhD journey. Case Study one was complete and two further case studies were planned for spring and early summer of 2020. The social distancing rules in place during the national lockdown made a case study involving observation impossible. Spending time physically in a business was not possible at this time. There was minimal flexibility in the timeframe for data collection owing to the professional commitments of

the researcher throughout the calendar year, and the timeframe of the PhD journey meant that delaying data collection would increase the risk of failure to complete.

The author made the decision to continue with the data collection but to make amendments to the research design. The following considerations were part of decision making:

- Businesses were dealing with a crisis that would impact them and their staff in unprecedented ways.
- Organisations were dealing with the possibility of the economic effect of the pandemic on their business and that would be their priority.
- Many people were moving to working at home and were, thus, more difficult to contact.
- Social distancing, lockdown and periods of self-isolation were unpredictable and there was no foreseeable end date.
- Individuals being approached to take part in the study may be impacted personally at any time.
- Individuals were likely to be affected by additional pressures and stress during this time.

In this emerging context there were ethical and practical considerations. The research design was amended in a way that would enable collection of data to address the aims and objectives of the research while minimising the commitment needed from any one organisation or individual. In addition, data collection had to be collected remotely and digitally.

The amended second phase of the research included a mono-method case study in an organisation, known to the researcher as she was one the board of directors; this would become Case Study one. Secondly, a series of semi-structured interviews with directors in a further four SEs, this would become the SE interviews.

Approaching an organisation the researcher already was involved with had not been part of the original research design. However, in the context of 2020 it would be difficult to develop a rapport within an organisation that the researcher had not had contact with before. The risk of the case study failing at some point would be higher. Being an insider provided advantages and challenges but, overall, was successful in providing a second case study and the chance to gain a more holistic picture of hybridity in an organisation.

Case Study two involved interviewing the managing director and three of the four other directors (the fourth being the author). The decision not to include observations in Case Study two was made because the organisation was operating entirely online during national lockdown. Alternative ways of observing the organisation's online activities were judged to be unsuitable and potentially not a representation of normal business behaviour. The implication of not observing in Case Study two was that a cultural analysis was not undertaken. There is a loss of richness in the overall data collection in Case Study two. Mitigating this is the position of the researcher as an insider in the organisation, which meant there was already a strong rapport with the participants which provided access and insider information. For further discussion of the researcher role see Sub-section 4.2.

The decision to conduct a series of interviews with the SE managing directors was decided, in the first instance, by practical factors. A one-off interview allowed for minimal commitment from prospective participants and could also be conducted online. While the insight achieved in a case study could not be achieved in the SE interviews, there was a trade off against the inclusion of additional organisations. At this point the study lost some richness in its data but gained from the breadth of organisations it included.

Collecting data through interview was possible through software such as Microsoft Teams, Zoom and Skype give participants a range of options to complete a real time interview without needing to travel or meet face-to-face with the interviewer. At this time, use of these real time digital meetings was not common and the research had originally planned face to face interviewing. The challenges were considered alongside possible mitigating actions; see table below.

Table 16 - Challenges and mitigation of challenges in online interviewing

Challenge	Mitigation
A virtual interview provides less opportunity for rapport building and this may affect trust and quality of data	a. Including a photograph in email header to increase rapport from the outset of communication. b. Making the email of introduction less formal and more descriptive to increase rapport at the outset of communication. c. To make sure I talked on the phone at least once to each participant. Explaining the consent form and information sheet provided an opportunity to chat to participants before their interview. This was done to increase the rapport with the participant.
A virtual interview requires confidence in using the technology, this will differ from individual to individual and may	a. Give participants a choice as to which software they use and confirm that the interview could be with or without facetime.

impact who agrees to take part and the quality of the data	b. Provide a simple route for user to use the technology if it is unfamiliar, e.g. a hyperlink and simple download.
In previous interviews it has been noted that, after the recording device is turned off, the interviewee goes on to make many very relevant points and often the interview has 'restarted' – this won't be an option when using virtual interviewing	a. Inform the interviewee once I have asked all my questions. At this point I will allow the conversation between myself and the interviewee to continue and hope the effect is the same. b. Prompt further chat e.g. 'is there anything else you want to say?'

Further detail of the interview process is provided in Section 4.5 and an evaluation is provided in Section 4.8.

4.2   Researcher role

The role of the researcher was different in each of the three parts of this research. The sections below detail what the researcher role was in each part of the research and reflect on perceived advantages and disadvantages, perceived implications for this research, what might be done differently in future research. The following section are written in the first person.

4.2.1   Researcher role Case Study one

In Case Study one I was an 'outsider', i.e. not a member of the group (Braun & Clarke, 2022). At the outset of data collection in Case Study one I 'felt' like an outsider. The organisation was strongly community orientated within its locality and toward the people of that community. The organisation provided basic adult education in maths, English and self-care in one of the most deprived areas of Greater Manchester. Coming from the University, to conduct research for a PhD presented a wide social, cultural gap between researcher and participants and researcher and participant organisation.

In the interviews my pre-planned semi-structured questions sounded out of place and did not work in the informal culture, with the humour, the frankness, particularly with the key informant. I had to adapt as well as I could as the interviews progressed. The implications of being an outsider, and the identified social and cultural gaps, were difficult to gauge but are likely to have impacted the interviews in that they create distance and increase the likelihood for misinterpretation. In addition,

the distance perhaps created a subtext for some of the interviews that was around who I was or what I stood for and who they were what they stood for. In future interviews I considered a walking interview could be useful and bring both interviewer and interviewee into a more neutral space. The subject of my research was the organisation, rather than the individuals, and this mitigated the gap to some extent.

In order to conduct observations the researcher volunteered at the Centre for one morning a week for ten weeks. This was intended to deflect attention from a researcher role and toward a contributor role, while at the same time providing the opportunity for the researcher to observe the organisation (this was part of the agreement at the outset). Again, I had underestimated the challenges involved in observations as an outsider.

On reflection, it was not easy to make a genuinely useful contribution to their team. I had offered to provide administrative support and I was placed with the learning team. The manager of that team seemed unsure at times what to do with me; having a volunteer creates a certain amount of time and thought. I was aware of my background, my accent being southern English and my personal tendency to be quite formal, particularly when trying to ingratiate myself in a new group and I certainly never felt like an insider when I was working as a volunteer. In future I would organise the volunteer aspect more carefully, talk through what I could offer and make sure it would be of use to them.

Toward the end of Case Study one, in an informal conversation with the key informant and another volunteer we discussed insider and outsider research. A volunteer at the Centre had undertaken several 'insider' led community research projects with the organisation. This conversation led to useful insights for me as a researcher. There was a view that outsider researchers come into the organisation only to benefit themselves and have no intention of helping the organisation. I described the concept of research impact and its importance in HE research at this time. We discussed the pro and cons of insider and outsider research and myself, the key informant and the volunteer delivered a short presentation together at a research festival at the University of Salford shortly afterwards.

In summary, being an outsider was certainly more of an issue than I had anticipated at the outset. The advantages of being an outsider was that I had few preconceptions about the organisation, was unaware of the politics and the history at the outset. This provided an opportunity to see the organisation in way that an insider cannot. In future I would have a conversation at the outset about

insider and outsider research. This would provide an opportunity for the key informant to talk about his/her perspective, concerns, previous experiences.

4.2.2   Researcher role Case Study two

In Case Study two I was an 'insider'; i.e. a member of the group (Braun & Clarke, 2021). I am a director on the board at Create in OT. This provided a high level of access and familiarity with the organisation, the managing director, and the other directors. I had been a director since the organisation was founded and had helped them, the founders and the board, develop self-awareness as an SE and of their social and commercial aspects.

Being an 'insider' was a more comfortable experience than being an 'outsider'. I felt relaxed in the interviews to a greater extent than I had in other interviews. I enjoyed the interview process and was surprised how insightful the interviews were. However, on reflection, this may not be the case for the interviewees. An implication of being an insider is that it impacts the way the interviewees answer the questions. Again, it is difficult to know how researcher role impacts data collection in each situation, but I would suggest that it is possible that interviewees are aware of a future ongoing relationship with you and this may impact their responses. In addition, there is the issue of anonymity; an insider interview where there is any level of contention is problematic, the interviewee must trust that you are not going to share anything they say with others later. It may well affect the way they answer questions.

In future, if conducting an insider series of interviews, I would have a focus group as well as interviews. This would be of use to the organisation and to my research. I might also invest more time discussing the interviews, the topic focus, the potential to support the organisation through feedback, and the measures taken to ensure anonymity. I did follow all the protocol undertaken in all the interviews, see discussion of ethics in Section 4.3, but perhaps addressing this from the point of view of an insider researcher would be useful.

4.2.3   Researcher role SE interviews

The researcher role in the SE interviews was more straightforward. I was an outsider researcher, and I did not enter the organisations. An interview was undertaken with the managing director of each organisation. I did not encounter the same level of social and cultural gap, as I had in Case Study one,

in any subsequent interview. On reflection, the challenges in these interviews were limited to those associated with interviewing rather than any problem with the researcher role.

4.3 Research ethics

Research ethics was considered in the preparation and implementation of the fieldwork and also reflected on close to the conclusion of the writing process.

4.3.1 Preparation for ethical conduct

Ethical approval was gained in compliance with the University of Salford's ethics policy, see Appendix one. To facilitate informed consent, all participants were provided with the following: an invitation to participate, an information letter and a consent form. See Appendices two, three and four. In addition, interviewees were provided with a copy of the interview transcript and a form titled, 'Verification of Transcripts', which gave them the opportunity to comment, amend, or retract parts or all their interview; see Appendix five. One interviewee did exercise their opportunity to retract some content from their interview, providing some evidence that this system is fit for purpose.

To protect anonymity all participating organisations' names have been changed, as have participants' names. It is possible that organisations could be identified through the details that have been provided within the thesis but all organisations and participants agreed to take part on this basis. A balance needs to be struck between reducing risk of harm to participants and providing rich descriptions to help the reader place the data into a real-life context. The addition of pen portraits provides part of this richness.

According to Schein & Schein (2017) the ethical risks around conducting a cultural analysis depend on the purpose of analysis and are often subtle or unknown. They state that it is desirable to include organisations and people's names as it makes the data more meaningful (Schein & Schein, 2017). In this thesis, names and locations have been changed to minimise the possibility of identification and provide anonymity but other details have been included to provide richness. The researcher made a judgement on risk based on the level of potential harm being low, given the nature of the research, and the likelihood of identification also low, given the likely dissemination of the research.

With regards to data protection concerns, the following actions were taken. Data collection did not include recording unnecessary personal details. When the interview recordings had been transcribed they were deleted. All data relating to the research was stored on a cloud drive and on the hard drive of a laptop. No data was stored on removable drives as this was considered insecure. Transcripts of the Case Study two interviews, along with copies of the verification records, were printed and stored in hard copy in a locked cabinet in the researcher's office. These copies, along with any other hard copies and digital files containing personal information, will be deleted and disposed of in confidential waste, on completion of this PhD.

4.3.2   Reflection on ethical conduct

Ethics was considered in preparation for a research project; this is a procedural requirement of the PhD process. Consideration of ethics during the research and reflection on ethical conduct on completion of a research project was considered by the author to be good practice and an important part of ethical practice.

In Case Study one, ethical issues did arise during volunteering / observation. While volunteering in the learning team staff regularly discussed their personal lives. On one occasion in particular, an intimate conversation occurred in the presence of, although not directly to, the researcher. Although this was not problematic with regards to a volunteer role, in a researcher role this felt troublesome. My observations were for the purpose of conducting a cultural analysis, and a conversation of this type was potentially part of my analysis. The ethical dilemma emerged as a feeling of uneasiness, at the time, at being brought into somebody's confidence when simultaneously observing.

This had not been identified as a possible area of ethical concern in my ethical evaluation before undertaking the research. The ethics of overhearing intimate facts about people had only been considered in the context of the safe and proper use of data. However, issues were raised around the position a researcher takes when embedded in an organisation, developing connections with a professional team and, at the same time, using this time to make observations about the organisation that may include the familiarity employees display or the levels of support provided by the organisation.

This experience led to two positive outcomes:
 1. A revisiting of the ethical implications of qualitative research, and

2. A realisation of the importance of both defining and communicating the parameters of the research being undertaken.

Stake (1995, p. 59) discussed this issue *'…researchers had to put themselves somewhat aggressively into a position to make observations, meaning there was no chance of avoiding a little intrusion, but also that they had to aggressively review their behaviour for indication that they were interfering with the lives of others – a difficult balance.'* On reflection, the employee was aware I was a researcher and in the organisation for a short amount of time, it was her choice to include me in the conversation. What was important ethically was the way the data was used. This conversation did form part of the fieldnotes but names, words, even subject matter were not included. It formed part of the cultural analysis finding that the organisation was family-like and close.

This experience is part of immersive research and observation. As it was a new experience it caused me to feel uncomfortable. I think this is a sign that I was a reflexive researcher, able to be both self-aware and reflexive about methodological practice. It highlighted that it is important to consider all potential ethical issues in a given approach and also that an ethical dilemma can arise unexpectedly during fieldwork and ethical awareness does not end with a successful ethical approval.

The second ethical issue to arise was around the decision to conduct fieldwork during the Covid-19 pandemic. This is described in Section 4.1. In summary, the pandemic placed unprecedented pressure on individuals and organisations. I had to respond to ethical considerations in the adaptations to the research design and approach to data collection. I balanced my need to complete data collection with the potential harm caused to participants by minimising the commitment asked of organisations I was not already part of. I did this by conducting a series of one-off interviews with one member of the organisation rather than multiple interviews or a further case study.

4.4   Participant selection

A purposeful approach to case selection has been used in this research. The decisions around selection were informed by the literature on selection in case study research and align with the realism paradigm in its seeking explanations rather than patterns. This approach has been adapted from ideas around purposeful sampling used in mixed methods research (Palinkas *et al.*, 2015). Purposeful selection is led by the selection of information rich cases which will be effective where there are limited resources (Patton, 2002). In this research, this is combined with criteria identified as

influencing the opportunity to learn (Stake, 1995). This section describes and justifies the approach and criteria used in case selection in this research.

The literature is consistent with regard to case study selection. Case studies do not seek to generalise across a population, and so should not adopt the same sampling strategies of research undertaken in the positivist paradigm, i.e. those seeking to represent a wider population or randomness (Sayer, 2000; Siggelkow, 2007; Flyvberg, 2011; Silverman, 2013; Yin, 2018). In case study research, case selection should be led by an assessment of usefulness, i.e. to provide the best opportunity to learn (Stake, 1995).

The unit of analysis is a single organisation, so each case is a single organisation. The organisations involved in this research are a *means* by which to answer research questions identified through a review of the literature, rather than famous, exemplary or unique organisations which we want to know more about. Thus, both the cases selected in this research are 'instrumental' as opposed to 'intrinsic' (Stake, 1995).

Selection in this research for both case studies and the SE interviews was led by straightforward criteria: providing the opportunity to learn, opportunity for access and situated in Greater Manchester. All organisations were selected on the basis of ability to gain access to data. For the SE interviews, this meant willingness to participate. For the case study organisations, this meant the researcher having confidence that the data could be collected, and that the organisation would be open to hosting a researcher as a volunteer.

This approach is supported by Yin (2018) who cites access as the number one factor in case selection. Yin (2018) states gaining and maintaining access to data is essential to completion of the case study and high-quality findings, that even where an organisation agrees to take part in a case study success depends on careful management of expectations and trust. In practice, access involves gaining the confidence of an individual with some influence in the organisation and an agreement to allow interviews, informal observations and access to documentation and records. In this research this also involves developing a relationship with the organisation that lasts for the duration of the case study to allow access over time.

Participants were identified using a range of methods:

- Snowball technique asking for contacts from first case study and from subsequent participants.
- Online research to locate suitable organisations and approach by phone or email.
- Use of contacts to ask for introduction to anyone who is a board member of an SE and might be willing to be interviewed.

These approaches had various strengths and weaknesses. The limitations of using this approach were that, with an increased number of participants being approached, there was a likelihood of a higher number of individuals being approached but declining to take part. This means there is greater impact on the effect of the potential difference between those choosing to take part and those choosing not to - the respondent effect. However, as this research does not aim or claim to present data that is representative, this is not an issue that impacts its credibility. To mitigate the impact of this approach to selection, efforts were made to gain a positive response from as many individuals that were approached as possible. The table below includes the organisations participating in the research.

Table 17 – Participant organisations and individuals

Business name	Part of research	Business type	Age of business
Henry Price Centre	Case Study one	Adult education provider/ Youth provide / Job club	12 years
Create in OT	Case Study two	Community Art studios	1 year
Digital Now	SE Interviews	Digital Solutions	5 years
Ascend Recycling	SE Interviews	Waste recycling	23 years
Heart Theatre	SE Interviews	Theatre company	10 years
Rebel Studios	SE Interviews	Artists' studios	25 years

4.5 Interview process

In face to face and online interviews, interviewees were given the following information verbally:

- that the purpose of the interview was to learn more about SE organisations,
- that participation was voluntary and that they could ask to stop the interview at any time,
- that the interview was going to be recorded and that the recording would be used to create a transcript,
- that the interviews were going to be anonymised.

Interviewees ranged from being enthusiastic to being initially reluctant. The reluctance appeared to relate to the interview process, it being mostly unfamiliar and individuals being more or less inhibited, rather than a lack of openess. Once the interviews started, even the most inhibited individuals interviewed at length and it was evident that most interviewees enjoyed the process.

All interviews were recorded with a digital recorder. During the interview, notetaking was kept to a minimum in order to maintain active listening. Notes that were taken during the interviews either acted as a prompt for a topic to return to for more information or something for clarification. All recordings were transcribed by a professional transcription service. The transcripts were then read through and listened to and simultaneously proofread before a final copy was saved. During one interview there was a technical error and only half the interview recorded. In this case extensive notes were made immediately after the interview to capture as much of the data as possible.

4.6   Observation process

Observation was used in Case Study one. The researcher took on a volunteering role and spent a morning each week with a team in the organisation for ten weeks. Note making and reflection were completed once the researcher had left the building, often in the car before driving home, or via audio notes while driving. The intention was to capture insights while still fresh but not being seen note making during time in the organisation, unless during an interview or conversation with the key informant.

Note making was reflexive and unstructured. There was not an itinerary or checklist of items to make notes about. The researcher made descriptive notes and, at a later point, analysed them to identify meaning and patterns. Fieldnotes and a log of visits are available in Appendices 6 and 7.

4.7   Analysis

Yin (2018) recommended that data analysis is considered before data collection but this also emerges as you 'play' with data. This study adopted this advice, planning the analytical approach before data collection but finalising it after data collection and during the analysis. This section presents the overall approach to analysis, as well as describing the cultural analysis and thematic analysis applied in this research.

4.7.1 Approach to analysis

Decisions around analysis were supported by the research design and, in turn, the approach to analysis supported and directed the research process. It was acknowledged in the methods literature, and specifically by Yin (2018 pg. 165), that *'[for the case study researcher] there are few fixed formulas or cookbook recipes to use as guides…'*. The researcher adapted existing analytical approaches to suit the nature of the data, the research aims and circumstances of the research.

This research was led by an overarching research question: how does hybridity manifest within SEs? It sought *explanations* for what was observed using and building on existing theory. The analytical approach was led by the choice of paradigm - realist - and the research method - case study in the first instance and, after adaptations during the Covid-19 pandemic, semi-structured interview. The approach can most simply be described as *iterative*, taking from the concept of *retroduction* described in the realist literature (Easton, 2010) and the *explanation building technique* Yin (2018) includes in his chapter on analytical choices for case study; see below.

Iterative nature of explanation building

1. Make an initial tentative theoretical statement or proposition
2. Compare data from your case study against such a statement or proposition
3. Revise the earlier statement or proposition
4. Collect additional data from the study
5. Compare data from case study against new statement or proposition
6. Repeat this process until a 'reasonable' explanation has been found
   Next case study/ies?

Figure 12 – The iterative nature of explanation building (Reproduced from Yin, 2018, p.180)

Both these approaches involve at least two phases of data collection and aim to explain phenomena occurring within the complexity of the real world. The two phases provide an opportunity to refine research questions based on the increased understanding of the phenomena after an initial phase of data collection and also to focus further on the phenomena to gain a better understanding (Easton, 2010; Mason, 2013; Yin, 2018).

Yin (2018) described this technique as 'difficult' as the causal explanation may be complex. Decisions around analysis and, indeed, the quality of data analysis depend on *'a researcher's own style of*

rigorous empirical thinking, along with sufficient presentation of evidence and careful consideration of alternative interpretations.' (Yin, 2018, p. 165). Easton's advice to the researcher is a motivation for continual questioning, *'The cutting edge of this method is to continue to ask the question why?'* (Easton, 2010, p. 124). This advice was considered in the approach to analysis.

In this research there are two phases of research described as phase one (Case Study one) and phase two (Case Study two and SE interviews); see below. The researcher collected an initial set of data in Case Study one. Rather than seeking specific information, the data reflected a broad view of research questions and interviews were participant led. The first iteration of research questions led research in phase one. Initial data analysis themes emerged. The second iteration of research questions were developed in response to Case Study one and led research in phase two. The researcher then returned to the field for Case Study two and a series of single interviews, here referred to as the SE interviews, with specific questions seeking more specific data. The second phase of analysis sought explanations (causal mechanisms) by examining the phenomena again, this time developing explanations using the more focused data.


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┌─────────────────────────────────────────────┐
│  1st data collection allows themes to emerge │
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                      ↓
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│  1st data analysis looks for patterns/themes │
│           and considers causality            │
└─────────────────────────────────────────────┘
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┌─────────────────────────────────────────────┐
│     2nd data collection - seeks more         │
│            specific information              │
└─────────────────────────────────────────────┘
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┌─────────────────────────────────────────────┐
│  2nd data analysis looks for causal          │
│                mechanisms                    │
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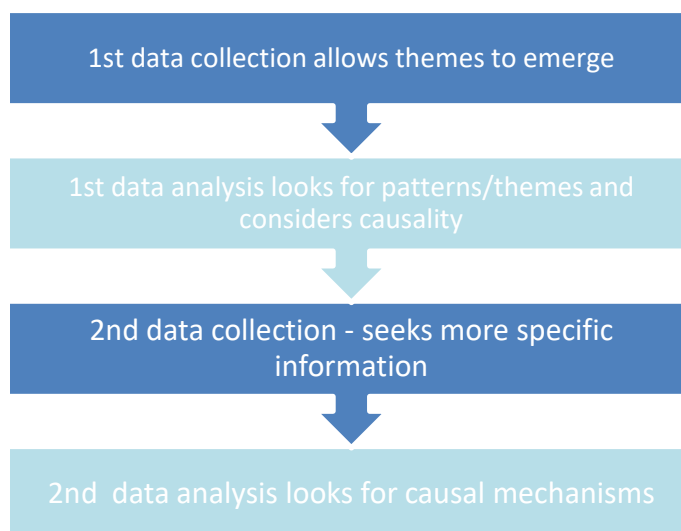
Figure 13 – Data collection and analysis process in this research

In social sciences research there is no *'… readymade sense which the researcher simply needs to record; the researcher must make sense of it.'* (Holliday, 2007). Just as the approaches taken to analysis depend on the researcher's judgement and acumen so does the analysis itself. Adopting structured techniques and engaging with the literature surrounding it adds to the quality of the analysis and, potentially, to the confidence instilled in those reading research outputs.

Two analytical techniques are used in this research: cultural analysis in Case Study one and thematic analysis of the interviews across all the fieldwork. Detail of these techniques is provided below.

4.7.2   Cultural analysis

Internal culture can be described as divided into three layers comprising of artefacts, espoused beliefs and values and underlying beliefs (Schein & Schein, 2016). The cultural analysis undertaken in this research provided an insight into organisational culture via these three layers of culture. Schein & Schein (2016) identified different contexts in which organisational culture might be examined. In this context, organisational culture is being 'deciphered' from the outside.
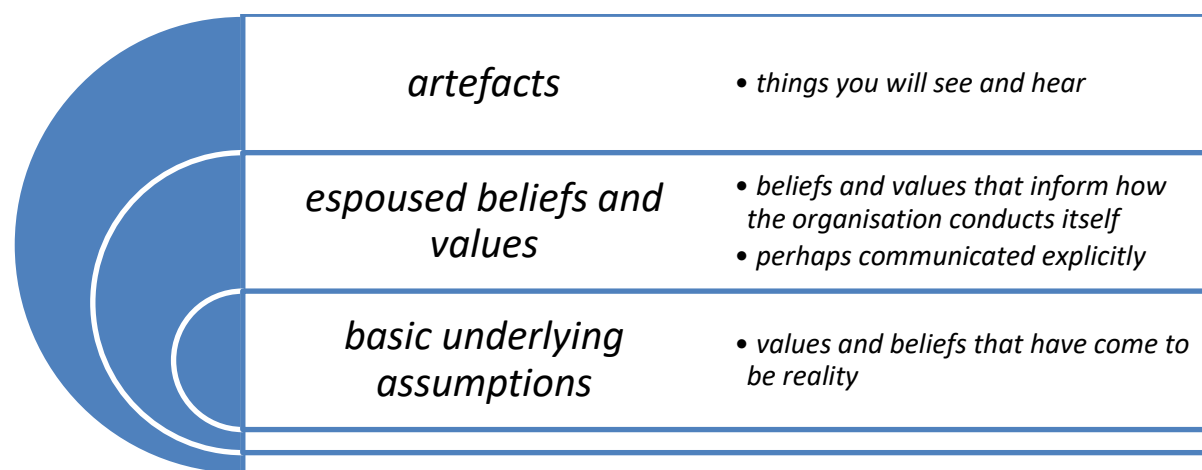
Figure 14 - Layers of culture (adapted from Schein, 2016 p. 18)

The advice provided for cultural analysis, even by leading experts, is vague, *'… deciphering cannot be standardized, because organizations differ greatly in what they allow the outsider to see. Instead, you have to think like the anthropologist, lean heavily on observation, and then follow up with various kinds of inquiry.'* (Schein & Schein, 2016, p. 257). The author developed an approach to cultural analysis using her own expertise in the field of organisational culture, the ideas of those with experience in the field (Stake, 1996; Schein & Schein, 2016) and ideas around reflexive research practice (Clarke & Braun, 2022); see below.
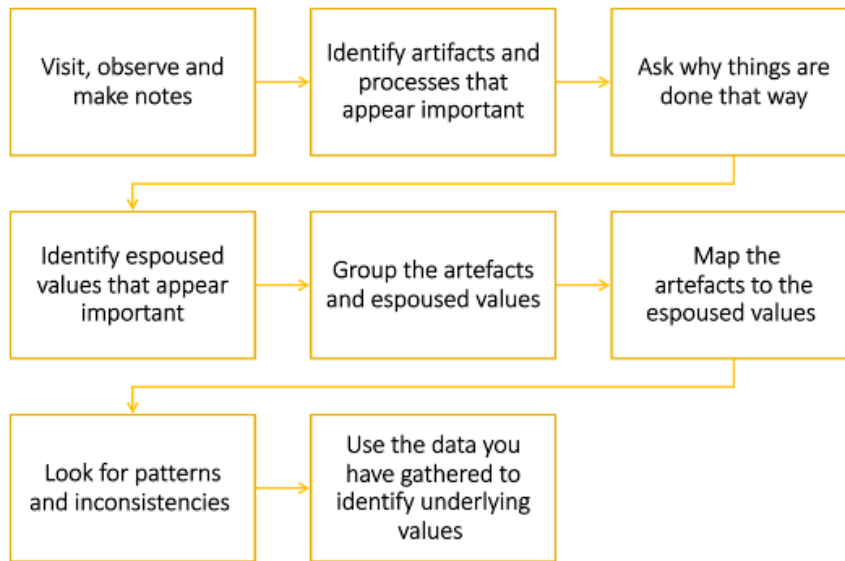
Figure 15 - Approach to cultural analysis

The cultural analysis approach essentially involves gathering data to reorganise, in order to make better sense of the whole. In this case, sensemaking centred around the organisation's core underlying values and beliefs. The approach relies on reflexive practice throughout data collection and subsequent analysis. Here, reflexive practice means a practice that acknowledges and values subjectivity in research, situated in the real world, and continual questioning in relation to all aspects of the research design, process and analysis. The challenge of cultural analysis lies in the intangible nature of organisational culture – it is felt but not seen. The benefit of conducting a cultural analysis is that it uses a process and prompts longer periods of thought and attention to aspects of an organisation usually absorbed subconsciously.

In this research, the author gathered data across approximately thirty hours of observations while volunteering at a participant organisation. The researcher was able to have informal conversations, take photographs and observe routines. Observations were recorded in fieldnotes; see Appendix 6. Content of the fieldnotes were grouped into artefacts and espoused beliefs and values and then grouped. The table below shows the grouping of artefacts.

Table 18 - Grouping of artefacts and espoused beliefs and values

Groups	Artefacts
Entrance and entry	Arriving at the Trust you enter to find a glass reception desk, usually unmanned. There is a sheet to sign in and out. The door to MT's office is open and you make your way down and say 'hi'.

Office space	The teams are in their own offices at different ends of the building and MT's office is half way between the two ends of the building, next to the kitchen. Mikes office is small with a desk facing into the building toward the door with chairs in front. Reminiscent of a surgery. There are three other offices: DC and the admin staff, the youth team and the learning team. I observed that the learning team office is messy, full of papers piled on desks, overflowing shelves etc. By contrast the youth team office is very clear, no mess or paperwork in view, the radio is on playing commercial radio, phones are constantly ringing. The admin office is somewhere in the middle. All staff have their own desk.
Humour	There is a constant banter and humour in the between MT and other employees that seems to demonstrate a fondness for each other and certainly familiarity. Often the humour centres around the work issues. Humour is used to make points – MT joked that I was here to do 'a PhD in bad language' after a member of staff had come in during our first interview swearing. Much of the humour directed to me was about the relative positions and relationship between the Trust and the University. E.g. the university is up the hill, and the Trust is down at the bottom of the hill. I laugh saying there is no hill. But MT pounces, 'there is… it's been built up to ensure the floodwaters go our way and not yours!'. Some of the time MT is speaking on behalf of or as a Salford resident asking what the university has ever done for Salford. There is an element of hostility in the humour
Language / conversation	Issues around work seem to be discussed openly and very frankly with MT. The language is direct and sweary but never truly serious. There seems to be a lot of talk, updates, questions along with the banter. Within the learning team there were frequent chats about personal issues. The team are clearly close. The learning team updated each other on the task they were completing as they did it, so there was constant chat and talk.
Tea making	Tea and teamaking, along with humour, seems to be at the heart of interactions at the trust. Everyone makes tea (maybe not MT) and offers to make tea for others. I had rarely been in the building for more than ten minutes before someone made me a tea. I joined in with this and made tea for others. There was no sense that the less senior staff made tea for the more senior (except MT).
Hierarchy	With the above in view there seemed to be no-one in the organisation given as much status as MT. This is evident in the space planning, the tea making and the continual updates. Aside from MT although there is a structure and hierarchy this is not visible.
Decoration	 The first is on MT's office door. An example of the humour and boldness of the organisation. They don't try to create a professional image or one where everything is running smoothly. The second and third are inspirational quotes on the doors of the learning and youth team. These are expressing the values of the trust. Their position and permanence demonstrates the importance these are given, literally above all else. In the reception area there is a large model made up of twelve 3d globes, these make the sentence *'it's not about where you're from its about where you're going.'*
Openness	MT and the Trust are open to newcomers, they welcomed me into their organisation and allowed me access. They agreed to come and present with me at the University on a research methods topic. They welcomed undergraduate students to visit and learn more about SE organisations and other colleagues with projects that may benefit their community.
Documents and records	The document and record keeping for the governance is highly organised and up to date. Electronic files are organised in a comprehensive filing system (around 50 separate folders); everything appears to be up to date.
Vision	The vision has a strong sense of place – 'To support a City (Salford) that offers equal life chances and expectations to all its residents' – here the emphasis is on equal opportunities for residents and the support of a city.
Stories	The time the university PhD student exploited a local to collect her data for her. The time the Irwell flooded the neighbourhood on Boxing day.

The artefacts were then mapped to the espoused beliefs.
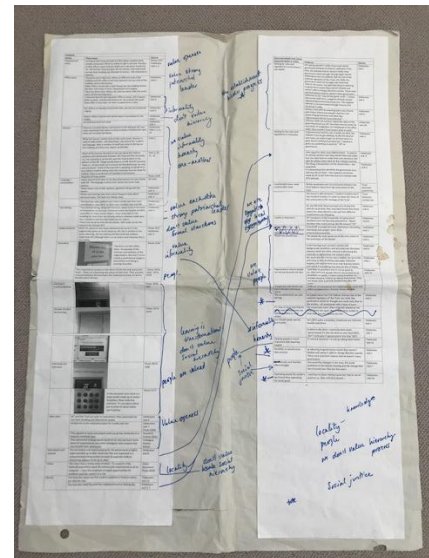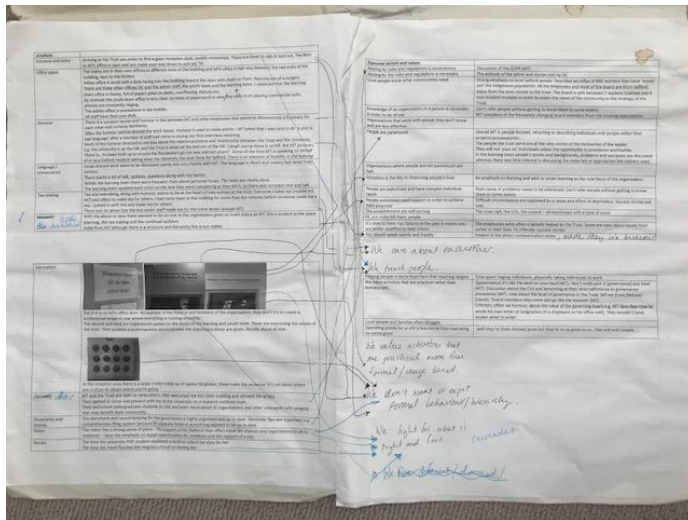
Photos: Mapping of espoused values

Basic assumptions are difficult to change and doing so can cause anxiety. The basic assumptions become the frame for the way the world is seen. Individuals become comfortable within context where these assumptions are shared and less comfortable and more vulnerable where they are not shared. According to Schein & Schein (2016), challenges to basic assumptions may cause anxiety and also defensiveness such as denial, projections and rationalisation. The assumptions about how the world should be in this way bind the group together, and apart from outsiders. Culture provides the individuals in the group with a sense of identity and self-esteem. *'only rarely does the basic paradigm have to change, but if it does the organization faces a multiyear major change process'* (Schein & Schein, 2016, p. 317). There are parallels between organisational culture's basic assumptions and hybrid organisations' internal logics; they both provide a sense of identity and influence values, priorities and how things are done within the organisation.

According to Schein & Schein (2016), group learning starts with a founder or leader's beliefs and values. These beliefs and values influence the approach taken to activities and problem solving. At this point the group are going along with these ideas. Where the approach is successful it becomes validated by the group and accepted as the right way to do things. At this point the belief or value becomes a shared belief or value. The shared values are used consciously and made explicit in order to guide the group's actions and to train new group members. This process is called social validation and sees the emergence of shared beliefs and values; it is the basis of the formation of a group culture or organisational philosophy (Schein & Schein, 2016). If the organisational culture is strong, the

espoused beliefs and values will be widely understood across the individuals working for and with the organisation.

4.7.3   Thematic analysis

Thematic analysis is a term that encompasses a range of approaches to the analysis of qualitative data which have evolved from content analysis (Braun & Clarke, 2022). It is flexible in terms of the theoretical and philosophical framework it sits within and, as such, can be used as a method of analysis in qualitative research both inside and outside the positivist (Braun & Clarke, 2022). Despite this flexibility it is necessary to describe the way in which thematic analysis is used in this research as there are important differences in the analytical process, the concept of what a theme is, how it comes into being and what it represents.

This research adopted the 'organic' perspective of thematic analysis as described by Clarke & Braun (2016), where quality of analysis relies on the 'depth of engagement' rather than coding frames or similar tools (Clarke & Braun 2016). In addition, a multistep structure to coding and theme development was adapted from Vasimoradi *et al*. (2016). Vasimoradi *et al*.'s (2016) structure provided steps between coding and theme development which are not part of the Clarke & Braun (2016) or Braun & Clarke (2022) approach. This provided additional support to a less experienced researcher.

In a holistic view of thematic analysis, themes are conceptualised as constructs that are the product of the efforts of the researcher. They are developed to tell the story of the data set and to bring together recurrent meanings within the context of the research objectives (Clarke & Braun, 2016). Themes are *'…key characters in the story we are telling about the data…'* (Clarke & Braun, 2018, p. 108). The key difference between the organic approach and other approaches is that themes are described as being 'developed' rather than 'identified' (Clarke & Braun, 2016; Braun & Clarke, 2022). Themes across the parts of this research are brought together at the end of Chapter five and refined to fulfil that role of 'telling the story'.

Adopting the 'organic' perspective of thematic analysis means coding and theme development was acknowledged as being subjective and involved active creative and reflexive engagement (Braun & Clarke, 2016). Theme development required the researcher to first undertake rigorous coding and then spend time and mental effort developing themes that bring together the meaning found in the

data that best fit the research question. '…*the way to find a theme involves intuition that is difficult to be described.'* (Vasimoradi *et al.,* 2016, p. 100).

Vasimoradi *et al*.'s (2016) approach was chosen because it provided step-by-step guidance on the analysis, beyond the development of codes and themes. In addition, Vasimoradi *et al*.'s (2016) construction phase has more detail; see below. The construction phase was adapted to remove one layer of grouping between codes and themes.

Stage	Description
Initialising	Notes about initial ideas or thoughts arising are made during and after the interview. During verification of transcripts further notes made of any ideas and thoughts. Coding is undertaken. Summaries are made of interview. Pen portraits written. Business model analysed. Reflective notes written.
Construction	Developing themes from codes: grouping codes into concepts, categorising the concepts and create plausible themes. Involves organisation and reorganisation of codes, concepts and categories.
Verification	Create distance (time) and verify the analysis. Put themes back into the context of the rich data.
Finalising	Developing a story line – choosing, ordering, telling the story of the data finally linking the story to the literature (discussion chapter).

Figure 16 - Theme development steps (adapted from Vasimoradi et al., 2016, one layer of grouping removed)

The first step was *initialising*. At this stage interpretations remained 'close' to the data. Transcripts were produced professionally from the interview recordings. Transcriptions were checked by listening to the audio recordings and reading through the transcripts. Notes were made during and directly after the interviews and sometimes during subsequent readings. Notes sometimes included observations about the interviewee, thoughts about the success of the questions and initial ideas relating to the research objectives. This note making was part of the initial analysis. As well as note taking, verification, coding and pen portraits are completed.

Transcripts were printed out single sided with double space lines. Coding involved reading through the transcript and underlining text according to the topic it relates to. Coloured pens were used to code the text. Sometimes topics overlap and text is underlined by more than one colour. Between 25-30 different codes were used in a single transcript.

For each case study and interview a detailed pen portrait was written. In this research, portraits of organisations in Case Study one and two brought together information from the interview, the company website and an analysis of the business model. Portraits of individuals from case studies one and two were also written and described personal information. Pen portraits for individuals taking part in the SE interviews described the interviewee, their business and the business model.

The purpose of the pen portrait is to provide the reader with background information which helps to provide context and bring to life the analysis that comes later. The process of constructing the pen portrait also provided the researcher with an additional opportunity for reflection and thought. The analysis of the business model enabled the reader and researcher to identify approximately the type of SE the organisation is in relation to the wide range of SEs, paving the way for further analysis and discussion later.

The second step was *construction*. As the themes developed, they became increasingly abstract and moved further away from the data. Concepts, categories and themes were developed as a result of note-making, thought and reflection. Themes are an abstraction of the data and provide the reader with the story of the data. The story being told should align with the research questions and this provides the direction for theme creation. It is not easy to describe the thought process involved in theme development, although it is possible to describe the steps involved.

First the codes were grouped into concepts. The concepts were then arranged within categories and finally themes were constructed; see the table below. In this research, analysis was undertaken manually on paper. The lists of codes were cut up to separate them and then organised and reorganised many times into groups (concepts) and these were organised into categories. This requires thought and judgement and is also led by the research questions. The concepts, categories and finally the themes were constructed. This stage was not linear, this process involved moving back and forth between the codes, concepts, categories and themes and also back to the transcripts to look at and adjust coding decisions.
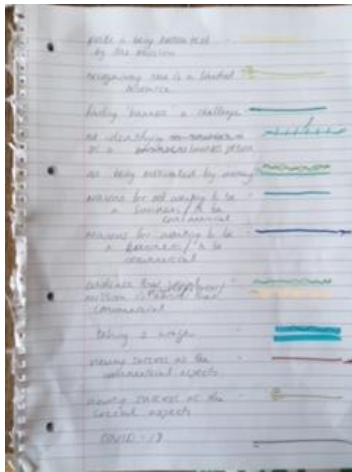
Photos: illustrating coding and grouping process

The process of coding and the development of concepts, categories and, finally, initial themes did not rely on numerical frequency of occurrence. More important was the relevance to the research question and the sense of importance attributed to the statement as identified by the researcher. Some codes were developed on the basis of a single interview extract, but were identified as being of importance. Codes based on single quotes might also be 'backed up' by the data and codes in a subsequent or previous part of the fieldwork. A further justification for not relying on numerical frequency in the analysis was the multiple stages before themes are developed. Adopting a process using codes, concepts and categories meant that the codes were refined and represented specific aspects of the data. In other approaches to thematic analysis, e.g. Braun & Clarke's (2022) approach, coding leads straight into generating initial themes. Perhaps, using this approach, codes are 'thicker' and more likely to have a higher frequency.

The thematic analysis was recorded in tables to allow the codes, concepts, categories and themes to be seen together. Thematic table for Case Study one:

Table 19 – Extract of a thematic table

Code	Concept	Categories	Theme
Purpose is for the community	Being social value led	Identity informed by social logic	Hybridity in identity and organisational identification
Success linked to meeting needs			
Motivated by creating positive change			
Not being commercial			
People as complex individuals			
Being different because of size	Being different		
Being difficult to categorise			
Being different because not for profit			
Being different because employees are loyal			
Other organisations do not know or care about their users			
Idea that there are advantages to a commercial approach			

Idea that there is a trade-off between social and commercial	Ideas around social business models	Bringing social and commercial together	
Idea that social value and commercial success cannot be created together			
Idea that social enterprises cannot achieve earned income			
Actively maintaining the mission	Prioritising people (quality through mission)	Strategies for success	Hybridity in action – both social and commercial logics making it work
Prioritise people over profit / income			
Prioritise responding to users' needs			
Providing additional (unpaid) support to users			
Developing relationship with users			
Knowledge of users and community developed over time			
Users become staff members			
Informal culture			
Unscrupulous attitude to users			

The third stage was *verification*, this involved 'moving away' from the data and the analysis. In this research the analysis was left at this point for one month. The researcher continued to work on other aspects of the project during this time. At this stage, work on the concepts, categories and themes were sent to third parties to get feedback: to two supervisors and two critical friends. Finally, decision making was revisited, coming back to tables, reading feedback, and reviewing whether the organisation of the concepts, categories and themes still made sense.

At this point no more data was collected. The decision that enough data had been collected was based on the judgement that data saturation had been met. This point was determined initially when the researcher developed a sense that codes, concepts and categories were returning. This was confirmed during cross-theme analysis.

The next stage, not included in Vasimoradi *et al*.'s (2016) process, is the cross-theme analysis. There were three distinct parts of the field work and three sets of thematic analysis undertaken on three sets of data. The thematic analysis was then brought together and organised across common themes. A process of 'making sense of the whole' was undertaken and a final set of themes developed.

The final stage was the *finalising of the analysis*. This involved developing a story to link the parts of the analysis together. This stage took place some months later during the write-up phase of this thesis. The write-up phase was used as part of the analysis, as recommended by Braun & Clarke (2022). In the finalising phase, the *initial* themes from all parts of the fieldwork were brought together and refined.

Initial themes from each phase of the fieldwork were brought together. They were combined, defined and named in the context of the full dataset, including the cultural analysis, and the preliminary findings. *Final* themes were named with a view to providing clarity and promoting interest, and ordered to facilitate telling the story of the data.

The advantage of this was a focus on the role of the themes in communicating the story of the research, creating some distance from the analysis phase and making sure the themes, findings and conclusions of the research were considered in the wider context of the research and presented for the benefit of those reading this thesis.

4.8   Reflections & evaluations

As part of the reflexive approach to research, this section provides a reflection for each stage of data collection. Reflecting on the data collection provides evidence that the researcher engaged reflexively throughout data collection.

4.8.1   Reflections on observations

Observation was a new technique to me and was the first part of the data collection in this research. I was both nervous and excited when undertaking the observations. I was keen to gain data that would provide good results but also not quite clear on what this data might be. While it is not always a negative to have an open mind to what is important in an observation, this first experience will provide me with confidence in future observations.

During observations I had ethical concerns; these are described in Section 4.3.2. I also noticed the social / cultural gap had potential impact on data collection and sensemaking. This was an issue around insider / outsider research and is discussed in Section 4.2.1. On reflection, I learnt a lot while navigating these issues and can approach future research with greater awareness.

Reflecting on the observations I conducted I would make the following changes:
- Establish a more defined volunteer role before first visit to the organisation (see previous discussion)
- Discuss insider outsider research at the outset (see previous discussion)

In data collection, specifically, I also noted that I did not always ask insiders why things were done in a particular way. On reflection, this was perhaps because I was lacked confidence in the researcher role. In future I would include more questioning at the observation stage.

4.8.1.1 Key informant

The Chief Officer in Case Study one became the informant. In addition to this 'specialness', Nigel was also willing to talk and was accessible. The author talked to the key informant on almost every visit. These conversations enriched understanding of the Trust and governance in Trust. These conversations were not audio recorded but notes about the conversations are recorded in the fieldwork log.

The advantages of having a key informant were the provision of insights into the organisation, availability to chat on a regular basis and provision of opportunities to interview individuals. This individual made things happen and, with a 'larger than life' personality, stimulated conversations with humour and without reverence or formality. He was the gatekeeper to using the organisation as a case study, to visiting on a weekly basis as a volunteer in the Learning Team and for gaining access to the organisation's documents.

Reflecting on the influence of key informants is important to mitigate excess bias and influence on the shape of the research (Payne & Payne, 2004). This individual emerged as an individual with influence within the organisation perhaps beyond that expected as Chief Officer. During the analysis I had to remain aware of the influence of the key informant and understand possible agendas he may have. I tried to ensure the key informant relationship provided a mechanism for relationship building and access, and better understanding of key issues rather than having an influence on the direction or interpretation of the data.

4.8.2 Reflections on interviewing

Reflection on the interviewees led to observations and actions aimed at continuouly improving the interview process. Firstly, it was observed that, when the recording device was switched off and the interview was technically 'over', interviewees invariably continued to talk. A perceivable altering of the conversation was observed and, at this point, interviewees said some of the most interesting things.One such example is MT's description of governance, *'it's like the Devil on your back, you want*

to get rid of it but when it's gone there's nothing to protect you…' made just after the recording had stopped. This could be explained as a sense of relaxation once the recording of the conversation was over or once the interview itself was over. It is necessary to identify which in order to identify the impact recording conversations and conducting interviews has on data collected. In subsequent interviews the interview was announced to be over before the recording device was switched off in order to observe whether it was the ending of the interview or the switching off of the device that led to these 'end of interview' insights that were so interesting. If the interviewees did not relax, despite the interview having ended, until the recording device was turned off it would be necessary to consider not using the recording device.

Other questions were asked of the interviewees. To what extent were interviewees providing information they thought I wanted to hear? To what extent were interviewees relating what they perceived they should say, they would like to see in their organisation? To what extent does an interview scenario inhibit the interviewee? This seemed to vary across interviewees and was, to an extent, unavoidable.

The intial interviews conducted (interviews 1-6) were semi-structured. Interview schedules were prepared in advance and a copy was used in the interview. The original interivew schedule is in the appendix, however the interview schedule was adapted during each interview in response to the interviewee's answers. The following additional reflections were made about the interviews:

1. In practice the interview schedule was only a guide.
2. Questions needed to be adapted to be less formal (particularly in Case Study one).
3. Maintaining a line of enquiry while formulating questions that do not lead the interviewee and allows conversation to be led by the interviewee is continually challenging.
4. Interviewees mostly seem to enjoy the interview process even if they initially are not keen.
5. Some of the most interesting discussion occurs directly after the interview has ended.

In summary, interviewing is an intense activity which requires forethought, skills in listening and questioning and reflection post interview. It is without doubt that these skills improve with reflective practice.

4.9   Chapter summary

At the outset this chapter outlined the response to the Covid-19 pandemic, describing the changes that were made in the context of practical and ethical considerations. This chapter then provided a detailed description of the research process, including reflections of the implementation of the research design. Chapter five presents the results and analysis of the data collected in this research, the findings and themes, and an evaluation of the results and analysis.

Chapter 5 Results & Analysis

The previous two chapters described and critically evaluated the implementation of the research method. They included explanations of the research setting, process and the researcher's involvement in each phase of the research, from the realism perspective. In this chapter the results are presented. Extracts of data are treated illustratively and broader meanings are developed in analysis across the data set. The main propositions in this chapter are:

- Hybridity's internalised logics are both distinct and combined within organisational identity.
- The commercial and social logics may be internalised to a greater or lesser extent.
- Engagement with logics may be inhibited by a range of factors.
- Strengthening hybrid identity may support proactive management of hybrid tensions.

This chapter is organised into eight subsections:
1. Guide to presentation of thematic analysis
2. Case Study one
3. Case Study two
4. The SE interviews
5. Cross-theme analysis
6. Findings
7. Evaluation of results and analysis
8. Chapter summary

5.1 Guide to presentation of thematic analysis

A consistent approach is taken to presenting the thematic analysis across the chapter. A full table of thematic analysis is included for each part of the research. This presents the codes, concepts, categories and initial themes developed for that part of the fieldwork. Final themes, developed in the cross-theme development, are included which demonstrate how the analysis for each part of the fieldwork fed into the development of the final seven themes. In addition, a table including quotations, codes, concepts, categories and themes is available in Appendix 14. For each part of the fieldwork each theme is presented and linked to the corresponding categories, concepts and codes. The discussion of each new initial theme begins with a table to illustrate the corresponding categories and

concepts. The discussion of a new concept begins with a table illustrating the corresponding codes. To further assist the reader in navigating these sections, concepts and categories are written in *italics* and codes are written in **bold** within the text**.** A final section, theme refinement, maps the theme development across the three parts of the fieldwork and brings together the refinement of themes developed in this thesis.

5.2   Case Study One – Henry Price Centre

Case Study one was undertaken between September and December 2018. Case Study one was an in-depth multi-method case-study; details of the research process are provided in Chapter four.

The first iteration of research questions:

- *RQ 1. How does hybridity manifest within organisations? (overarching RQ)*
- *RQ 2. How do SEs engage with hybridity?*
- *RQ 3. How do SEs respond to hybridity?*
- *RQ 4. What barriers do hybrid organisations experience that may link to hybridity?*

The following initial themes were developed:

- Hybridity in identity and organisational identification.
- Hybridity in action – both social and commercial logics making it work.
- Hybridity is visible in the challenges encountered.

The results of this phase are presented below in three parts: pen portraits, cultural analysis and thematic analysis.

5.2.1   Pen portraits

Pen portraits are provided for the organisation and for each of the interviewees. The organisation name and names of all participants have been changed.

The Henry Price Centre (HPC): an organisation providing adult learning courses to residents of Salford, Greater Manchester. HPC is located in a single storey building in an inner-city estate in the city of Salford, less than a mile from Manchester city centre. The centre was set up in 1999 with two staff

and grew to thirty staff at its largest. At the time the research was undertaken the centre employed eighteen full time staff.

The centre's core activity is learning; its aim is to get more local people into paid employment and learning and to strengthen the community. The centre offers entry level adult learning courses: English, maths, health and social care, childcare and beauty. It is paid per attendee by the council. The centre also has a youth team which runs a 'talent match' project and a 'job club', both focused on getting young people into work, a youth club and a college mentoring scheme. The Centre is paid per young person who finds work. HPC has two CICs which sit within its organisation structure, a creche providing preschool childcare and a commercially trading five-a-side football pitch facility located nearby.

The centre is a registered charity and a company limited by guarantee. It has a family feel with people at its heart. Social impact is evident in many of the conversations had during the case study. For example, a story of young people who avoid antisocial behaviour during the Manchester riots in preference for playing football, and ex-offenders going on to qualify and gain well-paid employment in skilled trades.

There are thirteen trustees on the board, seven local residents and six from businesses. This ratio is purposeful in order to always have more resident input than business; there is a policy that the chair of the board is also a resident. Residents are the beneficiaries of the centre. The corporate members include employees of housing associations with residents in the local area, academics and notaries from the University of Salford and also other SE organisations. Trustees are chosen either because they represent the local community or because of their interest in the community.

Nigel: the Chief Officer at the trust and the key informant for this case study. Nigel is an ex-miner, then worked in adult education and training, which he loved, before becoming a manager. He has lived in the area all his life. Nigel has a strong sense of community and of social justice. He is astute and challenging but also friendly and funny.

Griff: the manager of the youth team and also a member of the local community. He has an obvious passion for working with young people who have not had many opportunities and may have made poor choices. He has experience working for other social enterprise organisations and ran his own small business selling fruit and veg. Griff has a loud, challenging, larger than life character.

Samantha: the Chair of the Board for five years, she is also a volunteer at the centre. She has worked for twenty years in the voluntary sector as a policy officer and a fundraiser. Amanda was originally from a town close to Manchester and moved into the local area ten years ago. She now lives close to the centre. Samantha is a confident and forthright character.

Daisy: a resident trustee on the board. She became a member of the centre when it first opened after receiving a leaflet through the door. She became a board member when she retired from her job as area manager in social housing at Manchester Council. Daisy also volunteers at the local Citizens Advice Bureau.

Karen: a resident and Vice-Chair who has been on the board since the centre was founded. She got involved after being involved in a local community project. Karen chaired the board for several years before being replaced by Samantha. Karen describes going to the centre most days and describes it as a second family.

Janeane: one of the non-resident Trustees. Being a trustee at the centre came as part of her role at one of the local housing associations, which started around five years ago. Her role involves helping housing association tenants access training and employment opportunities. Although Janeane praises the centre and those that work there for the impact they have, she does not seem convinced of its long-term sustainability.

5.2.2   Thematic analysis

Three initial themes were developed in Case Study one;
- Hybridity in identity and organisational identification.
- Hybridity in action – both social and commercial logics making it work.
- Hybridity and the dysfunctions encountered.

The table below presents the thematic analysis for Case Study one where *initial* themes were developed. From the codes made from the raw data to the grouping into concepts and categories and, finally, initial themes. *Initial* themes are presented below alongside extracts from the data.

Case Study one contributed to the development of the following *final* themes:

- Theme One - Don't cross the streams: distinct internal logics in organisational identity.

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- Theme Four - Some are more equal than others: logics internalised to different degrees.

- Theme Six - Making it work: proactive and responsive strategies supporting hybridity.

- Theme Seven - Things can go wrong: hybridity and organisational dysfunction.

This section focuses on the thematic analysis for Case Study one where *initial* themes were developed. From the codes made from the raw data to the grouping into concepts and categories and, finally, initial themes. *Initial* themes are presented below alongside extracts from the data. *Initial* themes are mapped from quote to *final* theme in Appendix 14 and the process of the development of the final themes from the *initial* themes developed in the initial analysis is discussed in detail in Section 5.5 of this chapter.

Table 20 – Complete thematic table for Case Study one

Code	Concept	Categories	Initial theme
Purpose is for the community	Being social value led	Identity informed by social logic	Hybridity in identity and organisational identification
Success linked to meeting needs			
Motivated by creating positive change			
Not being commercial			
People as complex individuals			
Being different because of size	Being different		
Being difficult to categorise			
Being different because not for profit			
Being different because employees are loyal			
Other organisations do not know or care about their users			
Idea that there are advantages to a commercial approach	Ideas around potential of social business models	Identity informed by commercial logics	
Idea that there is a trade-off between social and commercial	Ideas around challenge of social business models	Ideas inhibiting commercial logic	
Idea that social value and commercial success cannot be created together			
Idea that social enterprises cannot achieve earned income			
Actively maintaining the mission	Prioritising people (quality through mission)	Strategies for success	Hybridity in action – both social and commercial logics making it work
Prioritise people over profit / income			
Prioritise responding to users' needs			
Providing additional (unpaid) support to users			
Developing relationship with users			
Knowledge of users and community developed over time			

Users become staff members			
Informal culture			
The importance of recognising that needs differ across localities			
Being competitive to win funding and contra1340cts	Commercial practices for success (competitiveness and innovation)		
Making the additional support add commercial value			
Changing / having the ability to change / reinvent the business model			
Being flexible and agile			
Building local / beneficiary involvement in through the board	Active management of the board (management)		
Management influence on the board membership / leadership			
Uncertainty in how to describe / define the organisation	Internal dysfunction	Dysfunction general	Hybridity and the dysfunctions encountered
Unscrupulous attitude to users			
Running unprofitably to maintain mission	Dysfunction in social business model		
Additional (unpaid) support necessary for success			
Losing wages to keep organisation going			
Opinion that the board do not need to understand the detail	Tension between the board and the executive	Dysfunction in governance	
Perception that the board will over-complicate			
Perception that board do not make a positive contribution			
Perception of conflict of interest with the board			
Business model not fully understood by/ communicated to the board	Indication of weakness of the board		
Perception that the board is passive			
Evidence of rubber stamping			
Evidence of board not completing tasks			
Reliance on one person for success of the organisation			
Evidence of gaps			

5.2.2.1   *Theme One: Hybridity in identity, separately and together*

This theme relates to identity and hybridity. This theme is about the how hybridity manifests within the identity of an organisation. It was developed because codes indicated that being social value led and being different were important parts of the organisational identity, that commercial logics were

not represented in identity and also that interviewees' ideas did demonstrate awareness of hybridity (these became concepts). This theme is organised across three categories and four concepts; see below:

Table 21 - Case Study one, Theme One

Concept	Category	Theme
Being social value led	Identity informed by social logics	
Being different		
Ideas around potential of social business models	Identity informed by commercial logics	Hybridity in identity and organisational identification
Ideas around challenges of social business models	Ideas inhibiting commercial logic	

5.2.2.1.1 Identity informed by social parts of the business

Two concepts were grouped together to form the category *identity informed by social logic,* these were *being social value led* and *being different*. Across these two concepts it was clear that social logic was part of the organisation's identity. Looking in detail at the concepts and codes provides further insight.

5.2.2.1.1.1 Being social value led

Being social value led was identified in five codes in the data. It represents data where factors indicating the priorities of the organisation stem from social values.

Table 22- Case Study one, concept - Being social value led

Codes	Concept
Purpose for the community	
People as complex individuals	
Motivated by positive change	Being social value led
Success linked to meeting needs	
Not being commercial	

The first code in this concept was **purpose is for the community.** Interviewees made a link between purpose and the community; '…*we are embedded within the community…well and truly now.' (Karen).* Also, when interviewees described the ethos, they included community; *'It's for the community.'*

(Karen) and '*I like to think that we're here for the community.' (Daisy).* The strong community purpose was linked with providing a service to local people at the centre of the organisation's work, *'…the whole ethos is around supporting people, not just into employment but also…um people…finding an outlet for people who are socially isolated, helping people to access services.' (Janeane).*

Strong community purpose was also recognised in the interviews as a success criteria; '*…because we are community based and all of the staff here live within five miles of this place. These aren't just beneficiaries, they're neighbours, they're the residents. They see them in the supermarket, the pub, dropping the kids off at school. So, there's another connection. There's an empathy.' (Nigel).* Nigel suggested that this extra level of connection leads to increased empathy; this was in the context of describing superior service provided by the centre.

People are highly valued by the centre. The second code, **people as complex individuals,** was a collection of extracts where interviewees described the importance of seeing and treating people as individuals. Nigel, the Chief Officer, described the individuals that use the centre, *'Their demands, their wants all change and all come in with some kind of issues.' (Nigel).* It was recognised that people have complex issues that are connected to their chances of employment; *'…the young people that we work with… they might have low confidence, lack of self-esteem, lack of experience…once they've been in work they've got all that or they won't last in work.' (Griff).*

Griff described that when things do not work out in a job there's an underlying issue they need to explore; *'Now that [a failed work placement] means there's something else that we have to do with that young person, but until we get to that point we don't know what it is…because that young person does not know.' (Griff).* In these extracts Nigel recognised that this complexity makes their work more challenging. '*…you deal with people in itself it is difficult, isn't it? Because people are difficult.' (Nigel).* There was an acceptance across these extracts that the complexity is not something to be ignored but it is a part of their everyday role to deal with it and that this is addressing underlying social issues.

A collection of interview extracts from Nigel around motivation was coded **motivated by creating positive change.** Firstly, he described being motivated by the positive change he sees; *'seeing somebody's face when they finally get fractions, and you think, that done its job' (Nigel).* Here Nigel linked the motivation to create positive change to a justification for a tough love approach; *'…there's an empathy with what they are going through, but there is also a tough love that's say, "no you've got to do this if you want to progress."' (Nigel).* Creating positive change was also seen in the rationale for

new projects/parts of the business, as Nigel described here: *'…it [job club] was set up…to stop them being sanctioned when they bought in the welfare changes.' (Nigel).*

Concepts of success indicating being social value led were coded; **success linked to meeting needs rather than growth.** When asked what made him feel positive, Nigel answered *'young people coming in, just walking through the door.' (Nigel).* The interviewees communicated pride in their social achievements: *'so we went from the worst ward in the city for engagement in education to the best' (Nigel).* Looking forward, interviewees described meeting needs rather than ambitions to grow bigger: *'I'd like to have enough resources to meet the demand and the need that we have, I wouldn't particularly like to grow' (Nigel)* and *'There is nothing wrong with actually finding a size that fit organisationally… Big enough to be effective, small enough to be flexible.' (Samantha).*

Finally, coded, **not being commercial,** the perception that the organisation is not commercial strengthens the social value focus and appears to have informed organisational identity. In the interviews, this was framed as a weakness, but one that these interviewees owned and were comfortable with, *'we ran contracts that don't work and we've lost money on' (Griff)*, *'I think we'd have to become more business like [to bring in income]' (Daisy).*

5.2.2.1.1.2 Being different

Being different was identified in five codes in the data and forms a concept. It represents data indicating the organisation is different from other organisations in a multitude of ways.

Table 23 – Case Study one, Theme One, concept – Being different

Codes	Concept
Being different because of size	
Being difficult to categorise	
Being different because not for profit	Being different
Being different because employees are loyal	
Other organisations do not know or care about their users	

Coded **being difficult to categorise,** two interviewees expressed uncertainty about describing/defining the organisation. Nigel was unsure whether the centre is an SE: *'…you know Barry Matthews [name changed] considers me one [a social enterprise] cos I get invited to all the dos. So he considers me a social enterprise, but then you don't know whether or not they want you in there to*

swell the numbers or if you are genuinely a social enterprise.' (Nigel). It was apparent that Nigel did not identify strongly with the SE organisational type even though he was aware of it and was recognised by others as being that type. Karen saw the organisation as between categories, *'…we fall between those two camps kind of thing…' (Karen).* It is likely Karen's comment referred to the centre being neither a business nor a charity (it is actually both). It is of interest that she does not recognise the SE organisational type which could be described as something between the business and charity 'camps'.

There was also the sense that they were different because they cared more than other organisations, this was coded **other organisations do not know or care about their users.** This included the job centre: '*…we had overzealous DWP staff, who really didn't give a shit, and just did it because they could, and they certainly did.' (Nigel)* but also similar not for profit training providers: *'so why aren't they [young Salford people] on the programme? Because they don't know 'em, they haven't got a clue who they are…' (Griff).* Here, the head of youth at the centre described the fall out of not knowing or caring about users and supports both this concept, that they are different, but also the previous concept, that they are social value led, *'They're [other similar organisations] not arsed about the fall out. They're not arsed about the issue has on the young person who ends up going to the same Prince's Trust course and bumps into some of the kids who used to bully him at school, right, and he goes home absolutely devastated…' (Griff).*

Other factors making the organisation different were coded, **being different because not for profit**: '*… like the Group X [name changed] and the others, they work for profit, they might work in this sector but they are still for profit so there is always that ethos…' (Karen)* and **being different because employees are loyal**: *'No-one's moved from this organisation. I've been here what since 2009 and everyone who comes here stays here.' (Griff)* and finally, **being different because of size**: '*So we operate in this zone where we're sort of large enough to be contracted to deliver work city wide, but we're still small enough to have that sense of place…' (Samantha).*

5.2.2.1.2   Identity informed by commercial logics

This category is made up of a single concept, *ideas around social business models*. Looking in detail at this concept and its codes provides further insight.

5.2.2.1.2.1   Ideas around potential of social business models

The concept *ideas around potential of social business models* originated from a single code.

Table 24 - Case Study one, Theme One, concept - Ideas around potential of social business models

Codes	Concept
Ideas there are advantages to a commercial approach	Ideas around potential of social business models

The code **ideas around advantages of commercial approach** came from direct experience, i.e., the success of the organisation: '*…you're paid by how many students complete the course…so a lot of these things, like payment by results…can be really good…you know make a good profit on that…'* (Daisy) and *'…we do work we are commissioned to deliver, rather than given a grant to do…once you've started doing contracts which pay…you make surpluses [happy] which is unrestricted funds…'* (Samantha).

The interviewees saw the benefits of surplus income brought by contracting: *'…for an organisation like this one, having the flexibility that comes with doing a certain amount of contracting has significant advantages. (Samantha)* and also that the success of the commercial side as enabled the organisation to function: *'…cause I very much look at this, this youth even though I'm working with young people and changing lives as commercial 'cos if the commercial element wasn't taken care of, I wouldn't be sat here waffling to you now.' (Griff).*

5.2.2.1.3   Ideas inhibiting commercial logic

This category is made up of a single concept, *ideas around challenges of social business models*. Looking in detail at this concept and its codes provides further insight.

5.2.2.1.3.1   Ideas around the challenge of social business models

The concept *ideas around challenge of social business models* was made up of three codes and represent the ideas expressed in the interviews linked to SE/social value business models. The ideas identified commerciality and social value as incompatible or unachievable. The extracts in this concept are evidence that there is an awareness of organisational hybridity even though it is not always seen as viable. This was the starting point for building organisational awareness of the hybrid nature of SEs.

Codes	Concept
Idea there is a trade-off between social and commercial	Ideas around challenges of social business models
Ideas that social and commercial value cannot be created together	
The idea that SEs cannot achieve an earned income	

Codes highlighting the negative expressions about the business were not evidence based, e.g. the code **idea that there is a trade-off between social and commercial** was based more on conjecture: *'I think if you spoke to the [Centre] they would probably agree...you can't combine the two [social and commercial]. You can combine them but your social value would have to be a much smaller part of the business' (Janeane).* Here, based more on fear: *'There's a danger that if you get too much sort of "heads down you've got to be making money" that that [helping people] sort of drops off...' (Daisy).* Similarly the code, **the idea that social value and commercial success cannot be created together** was a collection of opinions without an evidence base: *'I don't, I don't believe it to be honest with you...[possibility of achieving both social and commercial objectives]. I'm a bit of a cynic, but I don't. I think there's a lot of profitable organisations that provide social value but not to the extent that you would accept... that the Broughton [Centre] provides.' (Janeane).*

The code **the idea that social enterprises cannot achieve earned income** was voiced by two interviewees. First, around the impossibility of earning enough income to sustain the organisation: *'...I don't know if they will ever become self-sufficient to be honest with you because of the nature of the work they do.' (Janeane),* but also doubts that they could even continue at all: *'...I sometimes think that one day they are going to have to fold because they're just not going to be able to...it's impossible to sustain, to become self-sustaining, delivering what they deliver.' (Janeane).*

There were also ideas in this code that highlight oversimplification of the potential of social business models and also about what the centre is already doing. The idea that you need to sell something physical: *'Uh, in this type of organisation it is difficult for us to have something that will earn us money, um it is not like we have a shop where, you know, we sell second-hand goods or anything like that...' (Karen)* and *'I just don't think it's possible actually [achieving both social and commercial objectives] ...not unless you are producing something that you can actually physically sell.' (Janeane).*

5.2.2.1.4   Summary of Theme One

Overall, Theme One brings together the ideas around organisational identity formed through strong values and perceptions of difference. A link is made between hybridity and identity and also that identity may not be even across the logics. The idea that logics operate within hybrid organisations distinctly but also together was also raised. The next theme sees what hybridity looks like in action.

5.2.2.2   Theme Two: Hybridity in action – making it work

This theme relates to how hybridity is present and visible within the organisation's strategies. It was developed as grouping of codes indicated that the centre implemented particular strategies in order to be successful and that these were linked to hybridity. This theme is organised across one category and three concepts, see below:

Table 26 - Case Study one, Theme Two

Concept	Category	Theme
Prioritising people	Strategies for success	Hybridity in action – both social and commercial logics making it work
Commercial practices for success		
Active management of the board		

5.2.2.2.1   Strategies for success

This category was made up of three concepts, *prioritising people, commercial practices for success* and *active management of the board*. Looking in detail at this concept and its codes provides further insight. It is not clear in this research whether these strategies are a conscious response to hybridity as there is little evidence of the organisation's awareness of being a hybrid and what that means. However, these strategies are present and visible and can be linked with overcoming or navigating hybridity and, therefore, demonstrate the influence of hybridity on the organisation's strategy.

5.2.2.2.1.1   Prioritising people

Prioritising people was compiled from nine individual codes and indicates that, across the interview data, people are the priority through descriptions of informal culture, monitoring of needs, decisions about income, efforts to maintain mission and the integrity with which user relationships are developed.

Table 27 - Case Study one, Theme Two, concept - Prioritising people

Codes	Concept
Providing additional (unpaid) support to users	
Actively maintaining the mission	
Prioritise people over profit / income	
Prioritise responding to users' needs	
Developing relationship with users	Prioritising people
Knowledge of users and community developed over time	
Users become staff members	
Informal culture	
The importance of recognising that needs differ across localities	

The centre provide support for people in the community above and beyond that which they are paid to do; this is coded as **providing additional support.** This support was often hands on work: *'…we walk them into jobs, support them…for the first month or so. The staff get up at five-thirty, six am to pick them up, take them into work to make sure they get there.' (Nigel),* or college: *'So, we now, so we send some of our youth workers, into there [colleges], to kind of do that transition.' (Nigel).* It could be being there to solve problems when they arise: *'…he's absolutely devastated and then he phones me up… I have to deal with the fall out for that and then there's no money inside of it…' (Griff).*

Providing additional support was also running projects without funding: *'…so going back to our youth club is funded by no-one and that's still been running and it runs, what, we have three nights a week of external activities doing different things…' (Griff)* and helping the community in emergencies: *'I mean when the flood happened, they did an awful lot of helping with that, you know, it was despite the fact that, you know, this place was flooded, it was still like, helping with everybody else. I mean we all came down and helped out.' (Daisy).*

Relationships were a key part of the prioritising people concept; this was coded as **developing relationships with users.** Nigel described the volume of individual relationships they have built: *'Seven hundred people engaged in learning programmes across the city, all of whom are known to the staff.' (Nigel).* The relationships they built were linked to the success they had both in creating positive impact: *'…because they had built up a relationship with them there [they could provide support when things go wrong].' (Nigel)* and in recruiting local young adults to job schemes: *'So, the relationship that when they're 13/14 when we knock back on the door when they're 18/19 or someone says they've got jobs going at the [Centre] they go fucking hell, I know Griff [name changed]…they feel confident and comfortable coming here.' (Griff).*

The relationships described were beyond those you would perhaps expect to find, but are the results of a community organisation embedded in the local area: *'We [her and head of youth] just cycled around the area and, like, it was like, you know, there'd be groups of, like, lads that were hanging, and everybody knew him and, like, we would stop and talk to them and then, like, you know, one of the mum's of one of the lads came out and stopped him and [laughs], you know, it really sort of, opened my eyes as to, sort of, how involved in the community… he knew not only the youths but also their mums and, you know, if they were worried, they would come to him…' (Daisy).* This extract describing the intergenerational relationships the head of youth had in the community, and Nigel's comment in the previous paragraph, indicated that the social value of these relationships is potentially high as they enable problems to be solved, probably much greater than the commercial value to the organisation of keeping one more young person in work.

A second code concerns the investment in relationships, coded as **knowledge of users/community developed over time.** The chief officer appreciated that understanding individuals took time: *'…you have got to take the time out to find it and work your way through…there isn't a quick fix for anything.' (Nigel)* and indicated a willingness to invest in each individual to solve problems: '…v*ery rare the one [issue] they come in with is the real issue. You have to get through another five issues before you get to the real issue.' (Nigel).* In the longer term, this made these relationships a commodity that was difficult to replicate or replace: *'…you know now a lot of those youths have children of their own and their children come to the creche and that...so we are embedded in the community...well and truly now.' (Karen).*

A third code, **informal culture,** captured intention to remove barriers for using the service by encouraging an informal environ. From the immediate look and feel of the organisation: *'there's nobody wears badges here or anything.' (Nigel)* and: *'…we're a welcoming organisation…a friendly face…' (Karen),*to the way the organisation can be accessed: *'Walk in, sit down, do a CSS card, get supported, get picked up.' (Nigel)* and: *'… I like to think this is a place people can just pop into…' (Daisy).*

This informal culture extended to the relationships between management and the board: *'…it's very very informal, very non-hierarchical and it's also rooted in relationships' (Samantha).* The lack of formality is presented as a positive attribute with a focus on relationships rather than roles: *'It doesn't feel like a "Oh we must have a liaison meeting" it's not formal like that. It's just more of regular contact…I think organic, yes, organic is the word I would use.' (Samantha).*

Interviewees mentioned that, regularly, users of the services were later employed by the centre: *'Yes, most of the staff that work here have all come through, some way or another.' (Nigel).* This is another example of the importance of people in the organisation and was coded **users become staff member**. Here, the chief officer described the staff who run the creche as previous users of the educational services: *'…they employ six staff, seven staff, all of whom went through our training courses, NVQs.' (Nigel).* Here, a board member described how staff had had a similar journey to those using the service and that this makes a difference to how they approach the role: *'…so many staff have gone through training courses themselves to upskill themselves and that means when other people come in off the street or the job centre sends them here…we are in a position to know what they are going through.' (Karen).* The users becoming the staff is the ultimate inclusive practice, demonstrating the respect and belief they have in the individuals that use the service but also in the approach to building a community organisation run by those in the community.

It was clear the needs of those using the centre's services were of paramount importance to them: *'…most of what the [Centre] does is informed by the needs of the community we work with. So every project we do, throws up information about other things people need.' (Samantha).* This became the code **prioritise responding to users' needs.** The priority of users' needs was evident in the embedded approach in identifying what those needs are. As mentioned in the previous extract, and by Samantha here: *'This organisation from day one has been informed by community research.' (Samantha).* She continues: *'…we don't just go "Ooh I know, shall we deliver some learning?"…the learning provision was developed over…over years in response to community need.' (Samantha).* It was evident that identifying users' needs and acting on them has shaped the organisation. Here, Nigel described the rationale for starting the creche at the centre: *'One of the biggest barriers to anything about shifting in communities, helping communities is childcare. …So, what we did was set up a creche' (Nigel).*

There was a will to maintain focus on the centre's original mission. The centre's mission centres around achieving change through education: *'learning's very important here. If learning isn't here it's not who we set out to be so why are we here?' (Griff).* This became the code **actively maintain the mission.** When asked what is important to the organisation, one trustee answered, *'Well, that we remain a learning organisation…' (Karen).* There was a view that organisations could lose their way if they lost their mission focus: *'Because that's what charities often do, they go from what they came, started to do, to do summit else, and do summit else, and then they don't even recognise themselves ten years later.' (Griff).* There was also recognition that this could have happened at the centre: *'…the whole overall ethos of what, erm, and there was a big danger at one stage of us just abandoning the*

learning side because it just wasn't…but…most of us on the board sort of saw the learning was the main…that was what the Trust had always done.' (Karen) and: *'…if we didn't do the teaching and learning then, you know, what are we here for, sort of thing…' (Karen).* The will to maintain the mission was accompanied by a real flexibility around responding to change. This could appear to be a contradiction, however, it was more about the prioritising of social value over profit, the mission should not change just because there were other, more profitable, options for the organisation.

People were prioritised and in particular prioritised over profit/income. This was seen in the extract *'They don't just drop them when the money runs out, they still carry on coming in, it's not a problem. Moving them into work, hooking them up with other services that will best suit them. Not just keeping them because they're worth some money to you. If they belong somewhere else take them somewhere else.' (Nigel).* This became the code **prioritise people over profit/income**. This and the following extracts touch on the moral awkwardness of the commercialisation of helping people into work. Here, the importance paid to respecting the users was evident: *'…you make sure that where you are taking them to report back to you…because you're not just handing over a piece of meat, you're handing over a person.' (Nigel)* and: *'…because it's not about passing people on, you know, this is people we're talking about here.' (Griff).*

The centre recognised that needs differ across different localities and communities. This was most evident in the Chief Officer's interview; '…*so if we had two organisations in these localities that did what we did…each one of those would be different.' (Nigel).* This became the code **recognising that local needs differ**. This supports the idea that community matters, that insiders are able to cater for local needs better than outsiders: *'If I grew, I would be taking my model and imposing it on a locality…it's like saying every child is the same, they're not…brothers and sisters ain't the same. There ain't a one model fits all.' (Nigel)* and: *'…the model here wouldn't necessarily fit the model that will be needed in the north of the city or the south or the west.' (Nigel).*

5.2.2.2.1.2   Commercial practices for success

The concept *commercial practices for success* is made up of four codes. The codes in this area represent data in the interviews judged to be relevant and meaningful, although not appearing frequently in multiple interviews. Codes in this concept demonstrate that there is evidence of the commercial logic in the strategies of the organisation.

Table 28 - Case Study two, Theme Two, concept - Commercial practices for success

Codes	Concept
Being competitive to win contracts	
Making additional support add commercial value	Commercial practices for success
Changing/ability to change the business model	
Ability to be flexible and agile	

Coded **being competitive to win contracts,** it was apparent that competitiveness was already a part of what the Centre did: '*The problem is there's always that tension, because if you make yourself too expensive you won't win the bid, do you know what I mean.' (Daisy)* and: *'…you know, the bottom line is, what can you do it for, you know.' (Daisy).*

Coded **making additional support add commercial value,** the centre described being able to use the additional support it provides its community to be more profitable. For example, Griff described how the social capital that had developed over time running the youth club was a valuable commodity now they were paid to work with individuals looking for work: '*So now I'm making money off me knowledge, me networks and the work I've been doing for a long time in the area…' (Griff).* Also, explanation of how meeting needs unfunded can still feed into the process of gaining funding, demonstrated an awareness of the commercial viability of all activities: '*…we try to meet those needs unfunded…but what it does provide is evidence of need, to then seek to be commissioned or get the grant funding to then do that work…' (Griff).*

Coded **changing/having the ability to change the business model** was mentioned by the chair of the board in relation to being willing to shift to a more commercial business model: '*…we were actually prepared to evolve,.. We actually prepared to say, right we will contract as well as apply for grants and we will contract competitively.' (Samantha).* Also, described by one of the trustees as being a part of the organisation's effort to survive: '*…they can never sit on their laurels and um…just exist, they are constantly having to reinvent themselves.' (Samantha).*

Coded **ability to be flexible and agile,** a more general ability to adapt and adjust was identified. Samantha described their flexibility, lending itself to the responsiveness to need: '*We do have a five year plan…but there's always space…if actually the people we serve need our plans to change then our plans change.' (Samantha)* and: '*we always leave ourselves the space to respond, so when the floods happened in this area we were able to respond.' (Samantha).* This flexibility requires a flexible approach to management: '*…I have stopped doing appraisals, because what had tended to happen is, I'd give them four things they had to do…they'd concentrate on them. Why? If the needs and wants of*

the people they are serving don't fit that?' (Nigel). This code is a demonstration of the flexibility in relation to the business model for more commercial purposes.

5.2.2.2.1.3   Active management of the board

Active management of the board was created from the grouping of two codes, both contributing to active management of the board in ways that respond to the organisation's hybridity. In this case, the strategies are to support the social logics, which aligns with the social logic being dominant in the organisation's identity. In fact, the organisation may benefit more from an increased representation of the commercial logic on the board. The data is presented below:

Table 29 - Case Study one, Theme Two, concept - Active management of the board

Codes	Concept
Adjusting the board to ensure control and continuity	Active management of the board
Building community presence into the board	

An approach to board membership, led by the executive, ensured the chair was a resident. This enabled the executive to control the board more readily and also to have those most committed to the organisation at the forefront. Coded **adjusting the board to ensure control and continuity** *'…they [non-resident trustees] didn't always get the ethos of the [Centre]….it was felt then that the residents are providing the continuity and the strength.' (Karen).* When it was felt that the board was weak, the executive stepped in to instigate change:; *'…the Deputy Chair used to be the Chair, and there was a bit of a coup [laughs]…we sort of felt she wasn't strong enough'(Daisy)* and *'Nigel and Jane had some input on changing the Chair as well I think…' (Daisy).*

Coded **building in local/community presence in the board,** the approach to board membership ensures the local community have a majority presence: *'…on the board we like to maintain that there are always more individuals [residents] than organisations…so it can be said to be member led not organisation led.' (Karen).* This approach was well understood throughout the board: *'…that's why our board has an odd number. Seven from organisations, eight local residents. So, there's always more local residents than there are corporate representatives.' (Samantha).* The strategic approach to governance structure is apparent: *'…our governance structure is actually predetermined…we built in a sensible arrangement from the beginning...' (Samantha).*

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5.2.2.2.2   Summary of Theme Two

Overall, Theme Two points to how hybridity is incorporated into, and influences, the strategies the organisation uses to survive. A link is made between hybridity and strategy and it is possible to look at which logics are represented in strategy and how. The next theme sees hybridity within the challenges encountered by a hybrid organisation.

5.2.2.3   Theme Three: Hybridity and the dysfunctions and challenges encountered

This theme relates to how hybridity is present and visible within the dysfunctions and challenges encountered by the organisation. It was developed as grouping of codes indicated that some of the challenges described in interviews were linked to hybridity. These are divided into dysfunctions in general and challenges relating to governance. This theme is made up of two categories: *dysfunction in general* and *challenges in governance*.

Table 30 - Case Study One, Theme Three

Concept	Category	Theme
Internal dysfunction	Dysfunction in general	Hybridity and the dysfunctions and challenges encountered
Dysfunction in social business model		
Tension between the board and the executive	Challenges in governance	
Indications of weakness in the board		

5.2.2.3.1   Dysfunction in general

This category was made up of two concepts, *internal dysfunction* and *dysfunction in the business model.* Looking in detail at this concept and its codes provides further insight.

5.2.2.3.2   Internal dysfunction

Internal dysfunction developed from the grouping of two codes both contributing to the identification that certain dysfunctions apparent in the organisation were linked to hybridity. Dysfunction here refers to something not working as it should. In a subsequent part of the fieldwork (SE interviews) '*dysfunction'* was used as a category in its own right, distinct from challenges.

Table 31- Case Study One, Theme Three, concept - Internal Dysfunction

Codes	Concept

Uncertainty in how to describe / define the organisation	Internal dysfunction
Unscrupulous attitude to users	

Interviewees found it difficult to define or describe the centre with clarity. This is seen in this extract from one of the Trustees when asked to describe the centre: *'…I'm just trying to explain…it's quite difficult really.' (Janeane).* The Chief Officer also struggles when asked whether the organisation is a social enterprise: *'…I don't know you see, because I am not quite sure…according to my documents I am a charity. So, am I a social enterprise? I'm a limited company by guarantee and we're a charity….if you create an income yes, I suppose you're a social enterprise…but I don't know.' (Nigel).* It seems that being an SE, which is a hybrid of business and social mission, is the source of uncertainty. Here, another Trustee has trouble with a clear description: *'Oh, we are a charity… But we have to run on …certain principles of business…but uh… no, we are a charity.' (Karen).* Here there is uncertainty from the trustees about what the organisation is, a charity or a business, but also whether or not they are an SE. This became the code **uncertainty in defining the organisation.**

A second code is **unscrupulous attitude to users.** This code articulated that target driving commercial success can be achieved at the expense of the social mission. One of the managers describes this in other SE organisations: *'They've [government funded job seeking organisations] got people on the books [job seekers] who need to be doing stuff so to mandate 'em into doing stuff…doing these courses…it's part of the job. They're not arsed about the fallout…' (Griff).*

5.2.2.3.2.1   Dysfunction within the social business model

The concept *dysfunction within the social business model*, groups three codes. All are examples of dysfunction with the working of the business model, see below:

Table 32 - Case Study One, Theme Three, concept - Dysfunction within the social business model

Codes	Concept
Running unprofitably to maintain mission	Dysfunction within the social business model
Additional (unpaid) support necessary for success	
Losing wages to keep organisation going	

Here, one of the managers alludes to being unprofitable and maintaining the mission, education and learning, at the same time. This became the code **running unprofitably to maintain mission**: '*…we ran contracts that don't work and we've lost money on and that's because underneath that we have a*

good learning team in there…' (Griff). This is supported by his later reference to not having a business plan: *'I mean I don't think we've ever had a business plan in here.' (Griff).*

Losing wages to keep organisation going became a code grouping several examples of interviewees describing that they are not paid for work they do. Firstly, Nigel the Chief Officer describes his own salary sacrifice during a period of financial difficulty: *'…in order to hold on to staff and I've gone on to three days pay for six months…' (Nigel).* Nigel's story is repeated by other members of the team: *'…the core staff at times have had to put themselves on half time working' (Karen)* and: *'I mean he's been on three days a week, but he's been coming in a lot longer, you know.' (Daisy).* The practice of not being paid for the hours worked seems normalised: *'…and some of the staff um work quite long hours and don't really get any extra pay for it…' (Janeane).* These extracts indicate that the business model is not working as it should.

Another indication of dysfunction in the social business model was coded **additional unpaid support necessary** and represents evidence that, in order for the social business model to work, additional activities need to be in place. The manager of the youth team described unpaid work that adds value to the organisation: *'…the youth clubs and other intervention work which isn't paid for like in the pupil referral unit, and some of the projects we do, is often what leads to engagement later on…' (Griff).* This is repeated by two members of the board: *'…quite often we will try to meet those needs unfunded, alongside what we are already doing, which you can only do for so long, it's not sustainable.' (Samantha)* and: *'…but I think sometimes they do an awful lot of the sort of work that's not really funded by anything, you know, they always seem to be picking up waifs and strays.' (Daisy).*

5.2.2.3.3   Challenges in governance

The category *challenges in governance* was created from two concepts, *tension between the board and the executive* and *indications of weakness in the board.*

Table 33 - Case Study one, Theme Three, category - Challenges in governance

Concept	Category
Tension between the board and the executive	Challenges in governance
Indications of weakness in the board	

5.2.2.3.3.1   Tension between the board and the executive

The first concept, *tension between the board and the executive* was a group of four individual codes, see below:

Table 34 – Case Study one, Theme Three, concept – Tension between the board and the executive

Code	Concept
Opinion that the board do not need to understand the detail	Tension between the board and the executive
Perception that the board will over complicate	
Perception of a conflict of interest within the board	
Perception that board do not make a positive contribution	

Some descriptions of the board were negative, implying that they do not contribute positively and actually make the work of the centre more difficult: *'…they don't do nothing for the organisation apart from come along, nod, tut or recommend things which then might make your life harder…but in actual fact they're not proactive.' (Griff).* In this second extract, Griff again makes the point that the board may be obstructive: *'…now, why does the board need to know about that internal fight? What interest would have apart from making it more difficult?' (Griff).* This became the code **perception that the board do not make a positive contribution** and this is supported by the subsequent codes in this concept.

The code **perception that the board will over complicate** came from the extract from one of the managers *'…in actual fact they can complicate things that don't need complicating. If it's not broken, why are you fucking fixing it?' (Griff).* The perception that the board may overcomplicate was also implied in some of the extracts in the previous code. This extract also supported the previous code, showing tension between the board and the executive. It should be noted that later in the interview the same interviewee described how proactive and helpful one of the board members is. It could be that these comments are an overstatement or aimed at particular board members. Nevertheless, they do highlight evident tension between the board and the management at the centre.

The code **opinion that the board do not need to understand the detail** came from the extract from the same manager: *'as far as I'm concerned the Board know what we're doing, but they don't need to know '… 'cos what's the point…?' (Griff).* Again, this extract also supports previous codes as evidence of tension between the board and the management.

The code **perception of a conflict of interest within the board** came from one of the interviews with a manager. He felt strongly that SE organisations are operating in a commercial and competitive environment and, therefore, board members should not sit on several SE boards. Here he described

the situation as he sees it: '*…not only does she sit on the board and gets employed by 'em she comes on our board to listen to a lot of stuff we're planning to do, strategic and whatever else…*' (Griff). Membership of more than one board seemed to be the cause of the tension: '*So, I think there's a massive conflict of interest in that respect and you shouldn't sit on three or four boards…*' (Griff). The manager went on to imply that this tension impacts the interactions they have with the board, e.g. the information he shares: '*there's a lot of commercial sensitivity to a lot of stuff we do so in some respects…I'm glad we keep some things away from the board.*' (Griff).

Here, one of the Trustees criticised the centre and other organisations for being too insular: '*They can be quite insular and I don't think it's unique to the [centre]. I think it's unique to many charitable organisations, its third sector organisations… there's a finite amount of funding and they're all chasing it so they tend to view each other as competition…*' (Janeane). These extracts imply that organisations in the third sector should work together and collaborate but do not: '*…when the money is…when funds are low...a lot of them batten down the hatches and it's like every man for himself.*' (Janeane). This was supported by this extract from one of the managers: '*…you see this thing about "we work together" and all that, that's a load of bollocks that is at the end of the day. … It's very competitive*' (Griff).

One of the managers addressed this assumption: '*…in actual fact even among third sector and charities there isn't partnerships, at the end of the day there's… there's a world of austerity out there where people are, erm, in some respects chasing the same outcome…*' (Griff). He did not see the benefit of the competitiveness in their market: '*…you've all got an ethos of changing people's lives and helping people you end up being in competition with each other…they say it's healthy but in third sector and charity sectors it's not…*' (Griff). He described problems around profiting from those in need: '*…there's a lot of carpet bagging [profiting from poverty] going on out there…*' (Griff). This code exemplified there being certain expected behaviours of SEs, e.g. collaboration, without the recognition that they are operating in a competitive environment.

5.2.2.3.3.2   Indications of weakness in the board

Indications of weakness in the board was organised across six codes. Indications included evidence, such as lack of understanding detected through the interview extracts, and perceptions amongst the board and the executive about weaknesses of various aspects of the board. These differed from the tensions grouped in the previous concept, which are also a potential weakness, but are more linked to perceived tensions than evidence of weakness or perceived weaknesses.

Code	Concept
Reliance on one person for success of the organisation	
Business model not fully understood by/ communicated to the board	
Evidence of gaps in governance	Indications of weakness in the board
Evidence of board not completing all their tasks	
Evidence of rubber stamping	
Perception in the executive that the board are passive	

There was a perception that the board were passive and that they did not have strong influence over the direction of the organisation. Griff, one of the managers, described this: '*…there's lots of organisations where the board will lead the direction of travel whereas here it is the staff who tend to lead the direction travel and the CO.' (Griff).* This was coded **perception in the executive that the board are passive.** This indication of a general sense of passivity in the board was accompanied by more specific indications of weakness. This code is supported by the other codes in this concept.

It was evident that there was an expectation from both the executive and the board that the board would agree to suggestions from the chief officer. Chief Executive Nigel described his perception of decision making: '*No, they always agree, they'll always agree [tentatively], They might have debates about it but they'll always agree…' (Nigel).* Griff's comment *'They're there to rubber stamp and do certain things…' (Griff)* suggested that the board are expected to rubber stamp decisions put forward by the executive*.*

The Trustees' description of decision making supported the assumptions made by the executive: *'…to a certain extent, a lot of the time, its Nigel [Chief Officer], almost coming to us and telling us what he's going to do…' (Daisy).* The degree to which the board challenge the executive appears low: *'…most of the time we agree with Nigel. We do challenge him every now and again, erm but you know…' (Daisy).* This was coded **evidence of rubber stamping.**

Following on from the previous code, there were extracts that suggested the executive were completing functions the board had responsibility for, such as annual reviews and letters from the Chair: '*…I have written now their annual reviews, they should have written. I have written my Chair's letter that we will give it and she will sign it…' (Nigel).* This was coded **evidence of board not completing tasks.**

In addition to concerns about the board, there was a view that the Chief Officer was dominant and that the organisation was overly reliant on him. Trustee Daisy described him '…*he's [the chief officer] a bit of a driving force.' (Daisy)* and she went on '*I know it could be dangerous, in a way, because if something happens to Nigel, he can't be irreplaceable…so that does worry me a bit that we are very reliant…' (Daisy).* These concerns were repeated by another of the trustees: '*I think if Nigel retires or he leaves they'd struggle to sustain it. You know if some of the key people go in there then…' (Janeane).* This was coded **reliance on one person for success of the organisation.** This particular weakness is linked to the organisation's social mission as it is linked to the individual's passion and commitment to achieving the social mission.

It appeared that key elements of the governance structure were not up and running: '*…the subgroups …finance and strategy, which is really strange because we have got neither of those in place. We've got no finance and virtually no strategy, because that would be my job.'* (Nigel). This was coded **evidence of gaps in governance**.

Finally, there was evidence that the board did not have a full understanding of how the social business model worked. This was coded **business model not fully understood by the board.** One example seemed to indicate that the lack of understanding came from a failure to fully inform them about the funding relationship behind certain activities. Here, manager Griff described the lack of understanding of the fact the youth work was paid for by other income streams, but also the youth work provided a high level of social capital in the area: '*…they don't understand or realise…that in actual fact it's the projects that have payment by results that subsidises that work [the youth club]…' (Griff).* There was a reluctance to share information: '*…These are little bits and pieces that make it work so why would he be sat in front of the Board explaining little bits and pieces?' (Griff).* In this extract, manager Griff implied that the board would not understand this situation: '*…inside of all that the Board haven't got a clue… the Board wouldn't see the relevance of why all the pre-work is important…' (Griff).*

A second example was a straightforward lack of understanding of the activities of the organisation. Here, trustee Janeane suggested the need to start activities to make money: '*…they would have to diversify into something that would allow them to make money in order to sustain themselves in the long term.' (Janeane).* The organisation already makes an earned income from various activities, so this comment indicated a lack of understanding.

5.2.2.3.4   Summary of Theme Three

Overall, Theme Three brings together evidence of a range of dysfunctions and challenges. A link is made between hybridity and the dysfunctions and challenges encountered by the organisation. It is evident that hybridity is a factor in these challenges and dysfunctions.

5.2.3   Cultural analysis

Using data from observations (not including data collected during interviews) an analysis of the culture at the centre was undertaken. For detail of the cultural analysis process see Subsection 4.7.2 in Chapter Four. The five underlying assumptions identified in this analysis and described above are the result of categorisation of observed artefacts and espoused values and beliefs, followed by thought and reflection on which are internalised by the organisation's employees. The analysis did not include data collected during interview but each of the five underlying assumptions identified are supported, reinforced by the findings of the interviews. The figure below presents the results of the cultural analysis.

artefacts	espoused beliefs and values	basic underlying assumptions
tea making (lack of hierarchy)	abiding by rules and regs unnecessary	We are crusaders for good
storytelling (focus on people, dislike of hierarchy, local orientation)	local people know what commmunities need	Local people have potential
language use (informal)	loyalty is important	We are a family with a strong leader
physical space (informal, nonhierarchical, value people, value education)	people are paramount	We do not value formality
humour (informal, signalling values, local orientation)	people often struggle and need support	We do not value hierarchy
	people are complex and have complex needs	
	helping people is more important than targets	
	operating for profit is not as morally good as operating for social good	

Figure 17 - Analysis of culture Case Study One

Five basic underlying assumptions were identified and are the outcome of this analysis. These are a representation of the organisation's underlying culture, i.e. the assumptions about the organisation

that are beneath the surface that really do drive behaviour. The underlying assumptions are as follows:

1. We are crusaders for good.
2. We are a family with a strong leader.
3. Local people have potential.
4. We do not value formality.
5. We do not value hierarchy.

Below, each underlying assumption is presented alongside extracts of the data linked to it. The analysis involved grouping, mapping and attributing meaning to different types of data. These are available in Appendix Eight. The underlying assumptions were identified through identification of a range of the organisation's artefacts and espoused beliefs and values.

5.2.3.1   We are crusaders for good

The underlying assumption, *we are crusaders for good,* was observed in the centre's espoused beliefs and values. The centre's dedication to the users and the local community is framed in terms of moral hierarchy. In one conversation Nigel describes the local housing association as *'…good but not as good as us…they're better than a private landlord but they will evict…'* (fieldnotes visit 10). This conviction incorporates two sides, it was evident in conversations that they, the centre, are on the good side, fighting for social justice on behalf of local people (fieldnotes visit 7). The way other organisations are described is highly emotive and set the scene that they battle against certain institutions and restrictions in order to realise their mission (Fieldwork visit 1, 2 & 10). Nigel describes the local Council for Voluntary Services (the centre's external regulator) as '…*the enemy…*' and their own system of governance as *'…the devil on your back…'* (Fieldnotes visit 1).

5.2.3.2   Local people have potential

The underlying assumption *local people have potential* was observed in the centre's physical space and in the espoused beliefs and values, and is made up of attitudes towards localness, people and learning. The importance of *localness* in the vision, the stories told and the espoused beliefs and values. The vision *'To support a city that offers equal life chances and expectations to all its residents'* puts the locality at its centre (photo 3020). The nature of a localness in the organisations is more

localised than the city as a whole and really relates to those living in the local area. Stories often described exploitation of local people or the organisation by outsiders, e.g. the time a PhD student came from the local university and got local people to collect her data (Fieldnotes 13).

In addition, the board membership is split seven to six between local resident members and corporate members, with the chair always a local resident. This policy ensures the local residents retain control of the organisation. All the employees and most of the board members are residents of the local area; this is frequently mentioned and it is clear this is important to the organisation (Trustees' contact list). In conversation, the link to the local area is evidently strong with knowledge of individual streets and changing populations (Fieldnotes visit 8).

The importance of *people* was observed in the physical space and the espoused values and beliefs. There are posters and displays decorating the walls of the building which indicate the belief that individuals matter. Some of these are positioned above the entrances to offices indicating that they are intended to apply across the organisation to everyone who walks under the door (photos 3018 & 3380). The displays in the reception area and around the building have a focus on people and all people being equally deserving of opportunity (photos 3177).

Users were clearly what motivated Nigel (Fieldnotes 1). Discussion rarely focused on teaching materials, numbers or projects and much more frequently centred on people. Descriptions of provision of services at the centre and challenges faced by users are frequently framed by the stories of individual users; observed in discussion with Nigel (Fieldnotes 1,3 & 7) and within the teams (Fieldnotes 4). People are prioritised over profits and also seen as individuals who may face a range of multiple complex challenges (Fieldnotes 10).

There was an underlying assumption around the potential of local people, and that this could be achieved through learning. This was observed in the centre's physical space. Inspirational posters decorate the walls including a sign above the door of the learning team which reads *'the limits of my language are the limits of my world'* (Fieldnotes visit 3018 & 3373).

5.2.3.3   We are a family with a strong leader

The underlying assumption, *we are a family with a strong leader,* was observed in the organisation's physical space and rituals. Nigel, the Chief Officer is the only member of staff with his own office, it is

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located halfway down the main corridor at the heart of the building. The door was always open and the organisation of furniture facilitated frequent meetings (Fieldnotes visit 5). Tea making was an important ritual within the organisation, everybody made tea for one another, and Nigel was frequently asked if he would like a tea. Nigel was the only member of staff who did not make tea for others (Fieldnotes visit 3). No one in the organisation was given status except for Nigel and he was given continual updates on operational matters (Fieldnotes visit 3). These observations indicated that Nigel was a strong and respected leader.

The underlying assumption that hierarchy and formality were not valued, see below, and repeated indications of caring for one another point to the assumption of being a family within the culture of the centre. There were frequent conversations of a personal nature, referring to issues around friends and family. There was evidently a closeness between staff members and a level of trust (Fieldnotes 4). Strong but caring leadership from Nigel supports the notion of family.

5.2.3.4   We do not value formality

The underlying assumption, *we do not value formality* was observed in the centre's physical space, use of language and espoused beliefs and values. The building's reception desk is unmanned, a sign in sheet sits on a coffee table next to the open door and the public/visitors can walk in. Some of the office spaces were messy, with overflowing shelves and desks. The atmosphere was relaxed, with the radio playing, mobile phones ringing and being answered frequently about personal matters (Fieldnotes 4). Humour in the signage around the building also signals an informal culture, e.g. a sign above Nigel's door reading *'Abandon all hope ye who enter here'* (photo 3238). The space is welcoming and does not attempt to communicate professionalism, formality or wealth.

Language also indicates an informal culture. Exchanges were frank and direct, bad language was frequent and observed across all visits. Constant banter and jokes, often instigated by Nigel, demonstrate a familiarity and encourage a relaxed atmosphere (Fieldnotes 1,2,4 & 10). Matters relating to work and the banter are not separated in exchanges, indicating that the humour is not affected but part of functioning work conversations (Fieldnotes 4). This use of language signalled strongly that professionalism and formality were not valued.

5.2.3.5   We do not value hierarchy

The underlying assumption *we do not value hierarchy* was observed in the centre's physical space, humour, rituals and vision. Aside from Nigel, the allocation of office space did not indicate hierarchy. The director of finance, who has a lot of responsibility within the organisation, sits amongst the clerical staff (Fieldnotes visit 5). The teamaking rituals involve all staff, excluding Nigel, making tea for one another regardless of who is senior or junior (Fieldnotes visit 3). In addition, the organisation's vision statement, included above, places equality centrally (Photo 3020).

Humour also provided a means to communicate the disregard paid to a perceived hierarchy between the centre and the university. Over the years, various contact and collaboration between the university and the centre was described by Nigel. This was the source of ongoing jokes and directed at me, e.g. that the university is up the hill, and the centre is down the hill and when the nearby river floods it floods the area local to the centre but not the university (Fieldnotes visit 1, 10, 12 & 13).

5.2.3.6   *Cultural analysis summary*

The cultural analysis led to the development of six proposed underlying assumptions that provide an insight into the centre's internal culture. Of these underlying assumptions, three directly aligned with the social logic: we are crusaders for good, local people have potential and people need additional support. None of the remaining underlying assumptions aligned directly with a commercial logic. This indicates imbalanced internal logics in the culture of the organisation.

5.2.4   Case Study One summary

The Henry Price Centre is an established organisation with a strong internal culture embedding social values across the organisation, its employees and its users through strong leadership, a sense of family, strong sense of social justice and community and a belief in the transformational potential of education. The commercial logic is less evident and, potentially, less internalised within the organisation, with organisational identity being focused on the social rather than the commercial aspects. Nevertheless, the Henry Price Centre has developed strategies to survive commercially and to sustain hybridity. Hybridity poses challenges for the organisation and results in some evident dysfunction.

There was alignment between the underlying assumptions identified in the cultural analysis and the results of the thematic analysis, particularly in Theme One. Themes and findings developed in Case

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Study one shaped the second iteration of the research questions applied in the second and third parts of the fieldwork.

Initial themes are listed below:

- Theme One – Hybridity in identity and organisational identification.
- Theme Two – Hybridity in action, social and commercial logics making it work.
- Theme Three – Hybridity and the dysfunctions encountered.

Findings are listed below:

- SEs may identify more with either the social or commercial logic, e.g. identifying more with social logic.
- SEs may have no awareness of the term hybridity, low awareness of the hybrid nature of SEs in general and low awareness of their own hybrid nature.
- Social and commercial logics may be combined in the ideas expressed by those involved in SE governance.
- SEs may develop strategies which help them sustain hybridity, e.g. prioritising people, being flexible and adopting commercial practices, active board management.
- SEs may experience challenges in governance that can be linked to hybridity.
- SEs governance may be dysfunctional in ways that can be linked to hybridity.

5.2.4.1 Development of the second iteration of research questions

These findings led to the development of three additional research questions which led the research in subsequent fieldwork. These were:

RQ 5. How aware are individuals leading SEs of hybridity and hybrid nature of their organisation?

RQ 6. Do SEs identify with hybridity?

RQ 7. What is the role of identity in SE hybridity?

The next section presents the results and analysis of Case Study two.

5.3 Case Study Two – Create in OT

Case Study two was undertaken in March and April 2020 and is part of the second phase of the research. Case Study two was an immersive mono-method case-study. Details of the research process are provided in Chapter Three.

The second iteration of research questions were applied, see below:

RQ 1. How does hybridity manifest within organisations?

RQ 2. How do SEs engage with hybridity?

RQ 3. How do SEs respond to hybridity?

RQ 4. What barriers do hybrid organisations experience that may link to hybridity?

RQ 5. How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation?

RQ 6. Do SEs identify with hybridity?

RQ 7. What is the role of identity in SE hybridity?

The following initial themes were developed, see below:

- Hybridity's internalised logics are distinct but also combined and in tensions.
- Hybridity is subject to factors inhibiting engagement with one or both of the logics.
- Hybridity in practice (responding to hybridity though design, decision making and proactivity).

Case Study Two contributed to the development of the following *final* themes:

- Theme One - Do not cross the streams: distinct internal logics in organisational identity.
- Theme Two: Thinking like a hybrid: combined internal logics in organisational identity.
- Theme Three: Things can change: movement between internal logics in organisational identity.
- Theme Four: Some are more equal than others: logics internalised to different degrees.
- Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic.
- Theme Six - Making it work: proactive and responsive strategies supporting hybridity.

This section focuses on the thematic analysis for Case Study two, where *initial* themes were developed from the codes made from the raw data to the grouping into concepts and categories and finally initial themes. *Initial* themes are presented below alongside extracts from the data. *Initial* themes are mapped from quote to *final* theme in Appendix 14 and the process of the development of the final

themes from the *initial* themes developed in the initial analysis is discussed in detail in Section 5.5 of this chapter.

The results of this phase are presented below in two parts: pen portraits and the thematic analysis.

5.3.1 Pen portraits

Pen portraits are provided for the organisation and for each of the interviewees. The organisation name and names of all participants have been changed.

Create in OT: A young CIC, founded in 2018 by a community artist and her partner. Create in OT provides flexible / shared studio space to artists and brings together resident artists with local people through community events and workshops. The organisation's vision is to see a happy and cohesive community in its local area with plenty of opportunity for residents to be creative. It is located on the high street of a residential area approximately a mile and a half from Manchester city centre.

Grant income formed a substantial part of the overall income at the time the research was undertaken, with successful funding application having been made to organisations such as the Arts Council and the National Lottery as well as various more local funders. Earned income is generated by renting studio space to artists for their practice, for workshops and events. Social value is generated largely by community events run by the resident artists and the managing director. Currently, the main income is grant funding but in the future they plan to rely more on earned income from rents.

Create in OT is a coupling hybrid as, in the main, the clients are not the beneficiaries, and the creation of social value is not an automatic outcome of the main business activity (Santos *et al.,* 2015). The clients are the resident artists, and the main beneficiaries are the local community. A coupling hybrid is the business model most likely of all SE types to experience difficulties in financial management and maintaining mission.

There are five directors on the board including the author of this research. All the directors were interviewed as part of the case study, see below. Directors were selected by the founder on the basis of localness and skills perceived to be useful to the business. The directors are aware of a lack of diversity within the board and are looking to improve this. There is also an advisory board which is

made up of local people and serves the purpose of gathering the wants and needs of the community which is the primary beneficiary of the business.

Role of the author: The author of this thesis is a director at Create in OT. She was selected on the basis of interest and developing expertise in Social Enterprise organisation after conversations with the founders prior to the business launch. The author has been able to gain both an insider's view of the organisation and relay best practice and theory to the board, e.g. it was noted that the founders were socially committed but new to business. The author took opportunities to make them aware of what made SEs different to both businesses / charities, their social and commercial objectives and the need to be actively balanced for SEs to thrive.

Sally: the founder of Create in OT and also the managing director and chair of the board. Sally and Mark bought and renovated the four storey Victorian premises, a former high street butchers, and now live with their family above the studio. Sally is a trained artist specialising in community art and is passionate about the benefits of art for all. Sally is experienced in planning and delivery of community arts events, art in education and is a working artist.

Interview notes: Not identifying as a 'business person' was discussed along with feeling uncomfortable with the idea of making money and motivation for starting the business being primarily about the social mission. Sally is proactive and capable, a 'real doer'.

Mark: Director and Company Secretary. Mark is married to Sally and involved in the everyday running of the business. Mark is a fireman as well as being a community enthusiast and has been involved in entrepreneurial community projects. Mark is skilled in relationship building and is well known in the local community. Mark chairs the board meetings, develops policy drafts and has responsibility for the accounts. Mark and Sally have four children and a dog.

Interview notes: discussion around the balancing of earning income and social value, the challenges around both, the merits of using a business model to create social value and the forming of a cohesive board of directors. The only interviewee to discuss the need to balance. Mark is bright and enthusiastic. In the interview he was accommodating and open, happy to talk at length and in detail.

Sam: Director at Create in OT. Sam is a performance artist, producer and lecturer and has presented theatre events all over the world. He has also worked with organisations supporting artists in

fundraising and managing themselves as a small business. He has excellent knowledge of fundraising in the arts and, alongside duties as a director, he supports Sally in grant applications. Sam lives close to the studio with his partner and young son.

Interview notes: Sam's interview included discussion of identity, particularly in relation to artists and business. Sam was thoughtful and considered in the interview.

Dean: director at Create in OT and an artist and lecturer who has been practising in the North West for over twenty-five years. He has taught a broad range of subjects, including drawing, painting, illustration and graphic design. Dean has experience delivering art workshops for drug and alcohol addicts and recognises the value of an art for all approach. Dean lives close to the studio with his partner and young son.

Interview: Dean's perspective on the role and contribution made by directors, the benefit of a business. Dean was happy to answer questions, he seemed unsure of the value of his contributions.

5.3.2   Thematic analysis

Thematic analysis of the interviews led to the development of three initial themes. The first theme centres around the social and commercial logics that make up hybridity presenting them as distinctly identifiable, but also in tension with one another and in a state of dynamism. The second theme indicates that there are factors inhibiting engagement with one or both of the logics. The third theme, hybridity in action, links hybridity with elements of design and structure and identifies the effects of hybridity in the challenges they face.

Case Study two contributed to the development of six out of seven *final* themes:

- Theme One: Do not cross the streams: distinct internal logics in organisational identity
- Theme Two: Thinking like a hybrid: combined internal logics in organisational identity
- Theme Three: Things can change: movement between internal logics in organisational identity
- Theme Four: Some are more equal than others: logics internalised to different degrees
- Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic
- Theme Six: Making it work: proactive and responsive strategies supporting hybridity

The table below maps the analysis from the codes made from the raw data to the grouping into concepts and categories and to intial themes. Themes are presented below alongside extracts from the data:

Table 36 – Full table of thematic analysis Case Study two

Code	Concept	Category	Initial theme
Describing the organisation without referring to 'business'	Purpose aligned with social logic	Internalised social logic	
Identifying as different/better from other organisations			
Viewing 'success' as the social successes			
Pride in being motivated by the mission			
Decisions to make the social mission the priority			
Addressing social/environmental issues	Motivations aligned with social logic		
Not being motivated by money			
Business providing freedom	Indication of commercial motivations	Internalised commercial logic	Hybridity's internalised logics are distinct but also combined and in tension
Dislike 'fitting in' with wishes of the funders			
SE as opportunity to make a living (to be working artist)			
Recognising that profit is good as can reinvest	Ideas supporting commercial approach		
Recognising that charging for things can make them more valued			
Recognising that charging for services enables people to earn a living			
The idea that being entrepreneurial does not mean prioritising profit			
Social and commercial aspects of business model together	Ideas combining social and commercial logics	Internalised hybrid logic	
Success as social and commercial together			
Social and commercial logics as equal priorities			
Concerns around mission drift			
Social and commercial logics in direct tension			
Profits as a way to support social mission			
Acknowledge change in identity when you start an SE	Strengthening of commercial logic	Movement between social and commercial logics	
Acknowledge need and willingness to learn about business			

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Acknowledge change in attitude toward money when starting an SE			
Acknowledge need for board members with business expertise			
Ideas around profit being unattractive or 'wrong'	Ideas inhibiting engagement with commercial logic	Factors inhibiting engagement with commercial logic	Hybridity is subject to factors inhibiting engagement with one or both of the logics
Idea that commercial success is more difficult			
Ideas around social injustice/justice			
Lack of belief in the business model	Other factors inhibiting engagement with commercial logic		
Not identifying as a 'business' person			
Creating a board is a strategic decision	Strategic approach to governance	Making it work	
Actively pursuing the board to fill skills gaps			
Aiming to create a diverse board			
Board supporting commercial logic	Support offered by board addresses both social and commercial logics		
Board supporting social logic			
Future plans aim to balance logics			
Perception that interpersonal board relationships are important	Managing board tensions	Hybridity in challenges and response to challenges	Hybridity in practice (responding to hybridity though design, decision making and proactivity)
Recognising importance of time when building board relationships			
Recognising process of building common understanding across the board			
Recognising process of building a unified team			
Taking a wage	Challenges linked to being an SE		
Identifying negative aspects of 'passion' projects			
Income as a major challenge			
Finding business a challenge			
Mission drift			
The challenge of getting the right users			

5.3.2.1   *Theme One – Hybridity's internalised logics are distinct but also in tension*

This theme brings together four categories which each contribute to the theme of hybrid organisations having logics being distinct but also subject to movement and tension with one another. It is possible to see social and commercial logics within various aspects of the organisation, an internal hybrid logic

is also identifiable and it is possible to see movement between the logics. This theme is about the nature of hybridity, its existence in a state of flux and tension. It is also about the nature of logics in the organisation, here found in the motivations, purpose and ideas of those leading it.

Table 37 - Case Study two, Theme One

Category	Theme
Internalised social logic	Hybridity's internalised logics are distinct but also combined and in tension.
Internalised commercial logic	
Internalised hybrid logic	
Movement between social and commercial logics	

5.3.2.1.1 Internalised social logic

Two concepts were grouped together to form the category *internalised social logic;* these concepts were made up of ten individual codes*.* This category represents the data where social logic was visible, internalised and part of the organisation's identity.

Table 38 -Case Study Two, Theme One, category - Internalised social logic

Concept	Category
Purpose aligned with social logic	Internalised social logic
Motivation aligned with social logic	

5.3.2.1.1.1 Purpose aligned with social logic

A group of codes clustered around the social purpose of the organisation. Looking across the codes it was evident that the social logic can be found within the organisation's purpose. This group of codes became the concept, *purpose aligned with social logic*, and includes four codes; see below. Together these codes indicate the presence of the social logic within the purpose of the organisation.

Table 39 - Case Study two, Theme One, concept - Purpose aligned with social logic

Codes	Concept
Describing the organisation without referring to 'business'	Purpose aligned with social logic
Identifying as different/better from other organisations	
Viewing 'success' as the social successes	
Decisions to make the social mission the priority	

When asked to describe Create in OT, descriptions sometimes did not include the commercial aspect of the organisation, this became a code: **describing the organisation without referring to commercial aspects**. Here, the founders Create in OT demonstrated this: *'I would say its main objective is to make links... to foster and help to develop, train and educate as well as inspire the local community...' (Dean)* and: *'I would describe it as a space... somewhere that will connect artists together... somewhere where artists can be part of the community...' (Sally).*

A second code, **decisions to make the social mission the priority,** captured the priority given to the social aspects of the organisation. Here, two directors described priorities at Create in OT: *'...it is about creating social value first off...that makes total sense...' (Sam)* and: *'...we started from the social...because we have to work out...why we are here...we are starting to reach the financial side' (Mark).* These indicated the priorities and, secondly, the approach to building the business. Both could have been reversed, e.g. an SE could describe financial sustainability as the priority and decide to start by creating a sound business model first and work on achieving the social mission afterwards.

A third code highlighted the perception of superiority: **identifying as different/better from other organisations.** Here, the founders compared Create in OT with other organisations: *'...a lot of Arts stuff will be attracting a homogenous crowd, this one...represents the community.' (Mark)* and: *'...we can make sure we are a business full of integrity... rather than just a tick box...it's something deeper within.' (Sally).* The feeling of superiority appeared to stem from their sense of commitment to social logic that they felt was deeper than other similar organisations, including other arts organisations and other SEs.

Descriptions of success indicated something about the commitment to social purpose and became the code **viewing success as social success.** Here, a director described what he felt success was for the organisation: *'...progression through the organisation...of like willing participants...empowered young artists in their own right...' (Sam).* His answer is focused on the social value created for the users without mention of any success linked to the finances, income or commercial aspects of the organisation. One of the founders answering the same question addressed the question of what type of success is important straight on: *'...the easiest point is to look at success as numbers, it is easy to get numbers and think "oh we are doing very well" but being able to meet the high bar of a mission to reach those who don't normally access it is... important.' (Mark).* It was clear from Mark's answer that he saw success as being the social mission and explicitly not about creating profits or income.

Motivations align with social logics

Two codes represented instances where the motivation was aligned with the social logic of the organisation. Together they demonstrated that the social logic was part of the motivation of the individuals involved in the organisation.

Table 40 - Case Study two, Theme One, concept - Motivation aligns with social logic

Codes	Concept
Starting projects to solve problems	Motivation aligns with social logic
Not being motivated by money	

Create in OT is an arts organisation which hosts community art projects. Coded **addressing social / environmental issues,** one of the organisation's founders described how the early art projects started in the community to combat fly tipping. *'...my husband wanted to put up security cameras and I thought that's not very friendly so I suggested let's turn the alley into an art gallery.' (Sally).* Mark, the other founder, described not wanting to attract a white middle class crowd because of the *'...we can be contributing to the – there's a word for it – the gentrification of the neighborhood' (Mark).* Both quotes show intent to use the organisation to improve aspects of the area. Finally, coded **not being motivated by money,** is evidence that the organisation was not founded in order to create wealth/profits: *'Um, I have to admit... you know, earning money has never been a massive motivation for me...' (Sally).*

Together these codes indicate the presence of the social logic within the motivation of the organisation.

5.3.2.1.2   Internalised commercial logics

None of the descriptions of the purpose of the organisation appeared to support the commercial logic, but some descriptions of motivations and the ideas expressed did. Two concepts were grouped together to form the category *internalised commercial logic;* these concepts are made up of six individual codes*.* This category represents the data where commercial logic was visible, internalised and part of the organisation's identity.

Table 41 - Case Study two, Theme One, category - Internalised commercial logic

Concept	Category

Indication of commercial motivations	Internalised commercial logic
Ideas supporting commercial approach	

5.3.2.1.2.1   Indication of commercial motivations

This concept saw codes grouped around the commercial logic of the organisation. Looking across the codes it is evident that the commercial logic can be found in the organisation's motivations. This group of codes became the concept, *indication of commercial motivations*, and includes three codes; see below. Together, these codes indicate the presence of the commercial logic within the motivations of the organisation.

Table 42 – Case Study two, Theme Two, concept – Motivations aligned with commercial logic

Codes	Concept
Business providing freedom	Motivations aligned with commercial logic
Dislike 'fitting in' with wishes of the funders	
SE as opportunity to make a living (to be working artist)	

Motivations supporting the commercial logic were related to what starting a social enterprise would mean for the founders and their family. The organisation's founder and manager, Sally, commented on her motivation to start a social enterprise *'...and sort of, the opportunity to keep working as an artist...'(Sally)* and this became the code **SE as an opportunity to make a living**. The organisation's founder and manager described her motivation for becoming a CIC as offering control: *'...and what would sort of give us freedom to do things which is where we then came into Community Interest Company. And that was it.' (Sally)*, this became the code **business providing freedom.** These are commercial in that they are motivations to build a sustainable business, in this case Sally's motivation to make a living and wanting to work for herself rather than for somebody else.

Making choices based on which provides the greatest freedom supported a choice to be a more commercial organisation than a charity. A more commercial organisation avoids restrictions associated with grant funding: '*I am aware that organisations can make compromises because a funder wants... to get a particular outcome and that's not what the organisation wants to do.' (Mark).* There was a perception that running a social enterprise which is a business is less restrictive than running a charity: *'...we thought about what would sort of give us freedom to do things which is where we then came into Community Interest Company.' (Sally).* This became the code **dislike of fitting in with the wishes of the funders.**

5.3.2.1.2.2 Ideas supporting the commercial approach

This concept saw codes grouped around the commercial logic of the organisation. Looking across these codes, it was evident that commercial logic can be found in the ideas across the leaders of the organisation. This group of codes became the concept, *ideas supporting the commercial approach*, and includes three codes; see below.

The ideas put forward include the direct benefits income/profit provides but also showed engagement with economics, thoughts about value and the market and the potential negative impacts when commodities are supplied for free. Together these presented an indication that, in this organisation, commercial logic had a place in ideas around running/governing an SE.

Table 43 - Case Study two, concept - Ideas supporting commercial approach

Codes	Concept
Recognising that profit is good as can reinvest	
Recognising that charging for things can make them more valued	Ideas supporting commercial
Recognising that charging for services enables people to earn a living	approach
The idea that being entrepreneurial does not mean prioritising profit	

The code **money is necessary and can reinvest** groups extracts where the positives of having excess money, whether in the form of profits or income, are articulated. Here, Sally, the organisation's founder and manager described her thoughts: '*I do recognise that you need, you need money to run things...' (Sally).* Sam, one of the directors said '*I'd like to encourage them to see profits as a benefit as they go on and start thinking more commercially, because that gives them a bigger toolbox...and do bigger more bonkers things...' (Sam).* Sam's tentative comment suggested that the founders did not necessarily see profits as a benefit, this is something he would like to encourage.

Charging for services and items, rather than providing them for free, was another area where ideas supported the commercial logic and this was given the code **charging for something can make it more highly valued.** Here, Sally described a new insight she has had since starting the business relating to the way users respond to activities provided for free and provided for a fee, '*...often when you place monetary value on things people actually respect it a bit more...' (Sally).* Sally applied the same logic to paying artists for their contribution to projects: '*...valuing artists and the work they do, you know, wanting to be able to pay them...' (Sally)* and made a link between payment and valuing and finding

worth: *'...actually "I respect what you're doing, what you're doing is worthwhile and worth paying for''.' (Sally).* Previously, Sally had often worked for no fee, and artists have also worked on her projects for free.

Sally also expressed ideas beyond the value that charging creates but also what that means for people's lives. Coded **charging for services provides an income and a job,** both founders, Sally and Mark, made a link between charging for some of services they provide and creating an income for artists: *'So, under that model, they've [artists] they got art, creative skills but they're managing to apply it into how they can support their families and themselves...' (Mark).* This idea helped Sally and Mark contemplate the idea of charging for space in the studio for classes, for helping artists exhibit and sell their art. Part of the benefits of charging for services was that to provide them for free is a privilege: *'I do see the importance of paying artists. I mean I've done a lot of voluntary work because my family situation enabled me to do it, I know that lots of people can't afford to do voluntary work.' (Sally).*

The idea that being commercially minded is not necessarily in conflict with social values was coded **being entrepreneurial doesn't mean prioritising profit.** Here, one of the founders described his thoughts about entrepreneurialism: *'you know its [entrepreneurialism] not just about chasing money... you know, there's enough to be made out there...' (Mark).* This idea challenged the assumption that there is a tradeoff between the social and the commercial, demonstrating that either this can be assumed by others or an assumption he had previously made. Mark's observations of the limitations of a funded approach also supported the commercial logic: *'a charity will help you and it does some social good but it's kind of limited, its bottlenecking...' (Mark).*

5.3.2.1.3 Movement between the logics

A third category was developed for concepts relating to movement between social and commercial logics. This category was made up of a single concept, indications of strengthening of commercial logic. There is no reason why, in other organisations, strengthening of the social logic could not occur.

Table 44 - Case Study two, category – Movement between logics

Concept	Category
Strengthening of commercial logic	Movement between logics

5.3.2.1.3.1 Strengthening of commercial logic

Interviewees referenced movement towards a more commercial logic. These were grouped across four codes, presented below. Strengthening of commercial logic became a concept because there were references to an increased engagement with the commercial logic. In addition, there were more subtle indications of movement across the interviews, particularly where interviewees present their ideas, e.g. the importance of charging for services. There was a sense across the interviews, and particularly from the founders, that they were on a journey, which in part involved becoming reconciled, comfortable and adept at the more commercial aspects of the business.

Table 45 - Case Study two - concept - Strengthening of the commercial logic

Codes	Concept
Acknowledge change in identity	
Acknowledge need and willingness to learn about business	Strengthening of the commercial logic
Acknowledge change in attitude toward money	
Acknowledge need for board members with business expertise	

Coded **acknowledge change in attitude toward money,** both the founders expressed a change in their ideas about money, starting with more engagement with finances: *'Yeah, I think it, I think it [attitude toward money] is changing, I think I'm less naïve about things and just like, oh it'll all work out!' (Sally).* Also, around changes in their moral relationship with money: *'... those kind of foundational statements are ingrained, such as, you can't make money, you shouldn't make money, um, you shouldn't make money helping people.' (Mark)* but is followed by a newer resolution that is incompatible with the first: *'We want to help people, but we want to make money so we can help people.' (Mark).* This seemed to demonstrate movement from the idea that you should not profit when helping people, to the idea that making money enables you to help people – the first more supportive of the social logics and the second more supportive of the commercial logic. Mark and Sally were aware of changes in their ideas about money.

The code **acknowledge change in identity** captured the idea that it is inevitable that identities shift a bit. Sam, one of the directors, who had experience working with young arts-based SEs, suggests why this happens: *'...when you start a company you stop being an artist and you become a manager or you become a landlord.' (Sam).* The code **acknowledge need and willingness to learn about business** reflected a suggestion by one directors that the founders need to change their focus: *'...just stopping making art for a bit and … learning how to fundraise and … how to manage a business.' (Sam).* Finally, the code **acknowledge need for board members with business expertise** included a plan to find a

new director. This was motivated by a gap, not in the board's diversity, but in the balance between the social and the commercial. *'We haven't got any 'business people', you know actually making money... that could be a gap' (Mark).* This indicates movement, looking forward the priorities for board members are more commercial.

5.3.2.1.4   Internalised hybrid logic

A fourth category was developed for concepts relating to internalised hybrid logic. This category was made up of a single concept.

Table 46 - Case Study two, Theme One, category - Internalised hybrid logic

Concept	Category
Ideas combining social and commercial logics	Internalised hybrid logic

5.3.2.1.4.1   Ideas combining both social and commercial logics

None of the interviewees used the word hybrid. However, there were indications that both social and commercial logics were thought about together. These were found across six codes. Ideas about the interaction between the social and commercial aspects of the organisation were essentially ideas about the organisation's hybridity.

In the interviews with Create in OT, the social and commercial logics were brought together during discussion centring on success, business model, priorities and ideas (across four codes). During the analysis the positioning of the content was important, e.g. where something commercial was mentioned and then straight after something relating it to the social, sometimes this indicated the social and commercial logics were being considered together. This was evidence, potentially, of 'thinking like a hybrid' or 'hybrid thinking' rather than separate commercial and social thinking.

Table 47 - Case Study two Theme One, concept - Evidence of ideas combining both social and commercial logics

Codes	Concept
Acknowledging social and commercial aspects of business model together	Evidence of ideas combining both social and commercial logics
Success as social and commercial together	
Social and commercial logics as equal priorities	
Concerns around mission drift	
Social and commercial logics in direct tension	

Profits for support of social mission	

When interviewees were asked what success looked like for Create in OT they included both social and commercial success in their answers. This was an example of hybrid thinking, bringing together the social and commercial logic. This became the code **success as social and commercial together.** *S*ally, the manager/co-founder, admits having a social focus but, in her answer, brought together the social and commercial: *'I'm much more focused on the social kind of aspect...but I guess partly the success would be that actually it [the business] will become sustainable.' (Sally).* In another comment Sally described the virtues she would like the business to have: *'... a business that's full of integrity and... that's both impactful and meaningful.' (Sally).* Use of the word 'business' here provided the commercial and the impactful, meaningful and having integrity refer to the social. Finally, Mark, co-founder, brought together commercial, it being self-sustaining, and social, avoiding mission creep. In addition, he added that definitions of success should not be fixed: *'Success in my mind looks like that it is self-sustaining, um, that there isn't any mission creep, um, but success doesn't have to be a clone of what we initially wanted.' (Mark).*

There were some instances where the social and commercial aspects of the business module were described or discussed. This was coded **acknowledging social and commercial aspects of the business model together.** Here, the social business model is described: *'...there are um, between 4 and 6 studio spaces that people are renting for a monthly figure... and then also using the main space to rent out to the community...' (Mark).* Dean, one of the directors, brought together both the social and commercial objectives in his answer: **'***Hopefully have an income stream with renting space to local artists who are interested in engaging within the community.' (Dean).* His answer incorporated the proposed mechanism for this happening, i.e. the artists who rent then delivering community projects. These extracts are examples of thinking about the social and commercial together.

A social enterprise needs to make both social and commercial objectives top priorities. In the main, the social logic appeared to be the priority for Create in OT. However, there were instances of the social and commercial logics being more equally balanced; this was coded **social and commercial as equal priorities**. Here, Dean, director, described the what the organisation will be focused on and chose to describe two key challenges, one commercial and one social: *'...a big challenge is looking at funding streams as well as income streams... the other challenge is to extend and make links with as many aspects of the community as possible...' (Dean).* When asked what the board spend most time discussing he described how both social and commercial are priorities and acknowledges the link between them: *'I am not sure there is one dominant... I would say we see them [social and commercial]*

as two main priorities so I guess one is linked to the other' (Dean). This initial inclusion of both logics, and then the resistance to choosing one logic over the other as a priority, demonstrates that the commercial and social are strongly linked in the ideas of the interviewee. This is an example of hybrid thinking.

There were examples of ideas which found the social and commercial aspects of the business in direct tension. These were coded **social and commercial logics in direct tension.** Here, Mark, co-founder, described the social mission as a barrier to unlimited profits: *'...if we had no kind of like vision and values then we could make as much money as we wanted to...' (Mark).* This observation made a direct link in the interviewees' ideas between social value increasing and commercial value decreasing. Again, a second extract made this link between the limits the social mission places on the commercial side of the business and, this time, also brought in the idea that it is about achieving balance between being a viable business and retaining the social mission: *'...that will always be a push pull you know. If we get enough people we can fund what we're doing but if we get too much of it then it gives no space for the people who are our initial target group.' (Mark).*

The idea that social and commercial are in direct tension led to concern about mission drift. This was coded **concerns around mission drift**. Here, Mark, co-founder, described concerns that decision relating to income could impact the social mission: *'...you have to make kind of best value decisions...that allow you to still function as a business... But it's that creep, what are we doing? Why are we doing it?' (Mark).* Mark envisaged that choices about how to use the space would require choices between the most profit and the most social value: *'you want to pay the bills, um, but um, the easy thing to do is to go for the easiest money.' (Mark).*

Motivations included making money in order to do good. Coded **profits as a way to support social mission**: *'...that we get enough money in to cover things so that we can do the social kind of things.' (Sally).* Also, wanting to making money without relying on asking for donations: *'We want to make something where, um, it makes money... doesn't rely on grant funding, so uh, isn't asking people to dip their hands in their pockets unnecessarily.' (Mark).*

5.3.2.1.5   Summary of Theme One

Overall, Theme One relates to hybridity's internal logics being distinct but also subject to movement and tension with one another. It is possible to see social and commercial logics within various aspects of the organisation, an internal hybrid logic is also identifiable and it is possible to see movement

between the logics. This theme is about the nature of hybridity, its existence in a state of flux and tension. It is also about the nature of logics in the organisation, here found in the motivations, purpose and ideas of those leading it. The next theme relates to factors that inhibit internal logics and, therefore, hybridity.

5.3.2.2   Theme Two – Hybridity is subject to factors inhibiting engagement with one or both logics

This theme is linked to a single category of concepts which groups together codes related to factors inhibiting engagement with a logic; see below. This theme is about the challenges of hybridity and sustaining hybridity.

Table 48 - Case Study two, Theme Two

Category	Theme
Factors inhibiting engagement with commercial logic	Hybridity is subject to factors inhibiting engagement with one or both of the logics.

5.3.2.2.1   Factors which inhibit engagement with the commercial logic

Two concepts were grouped together to form the category *factors which inhibit engagement with the commercial logic;* these concepts are made up of five individual codes*.*

Table 49 - Case Study two, Theme Two, category - Factors inhibiting engagement with commercial logic

Concept	Category
Ideas inhibiting engagement with commercial logic	Factors inhibiting engagement with commercial logic
Opinions inhibiting engagement with commercial logic	

5.3.2.2.1.1   Ideas inhibiting engagement with commercial logic

This concept saw four codes related to factors inhibiting engagement with commercial logic grouped together. Looking across the codes, it is evident that in this organisation there were a range of factors that made engagement with commercial logic less easy.

Table 50 - Case Study two, Theme Two, concept - Ideas inhibiting engagement with commercial logic

Codes	Concept
Feeling that profit is unattractive	Ideas inhibiting engagement with commercial logic
Evidence that commercial success is more difficult than social mission success	
Ideas around social injustice/justice	

The first code in this group, **Ideas around social justice / injustice,** brought together ideas of justice. Firstly, a director described his ideas about accessible art: *'...[art] it's something the people should have access to as much as other things... accessible to anyone and everyone.' (Dean).* Secondly, the idea that lack of money should not limit access: *'...I am always like, "I want people to have the opportunity ...try things without money being a hindrance..."' (Sally).* These ideas that centred around justice forming part of the organisational values and strongly resonated with the social logic. They also potentially inhibit engagement with the commercial logic, e.g. if there is a strong belief that everybody should have access to art, there is a potential barrier to charging a commercial rate for use of studio space.

Ideas about money and profit also contributed to the values at the centre of the organisation. The code **Ideas around profit and commerciality being 'unattractive' or 'wrong'** brought together ideas of this type. A director described his experience working with other SE founders: '*I think the idea of profit and, and being kind of commercial gives a lot of social enterprise setter uppers the creeps' (Sam).* One of the founders described how feeling profit is wrong as an entrenched value: '... *those kind of foundational statements are ingrained, such as, you can't make money, you shouldn't make money, um, you shouldn't make money helping people.' (Mark).* Both Sam and Mark were reconciled with the role profit making and income can take in the organisation but also saw that it was an aspect of SE businesses that could prove a challenge. Here, it was apparent that Mark had had moral questions around profit, particularly in relation to helping people. This is the exact formula of a social enterprise, a business that makes money and helps people. Sam alludes to his experience with people setting up social enterprises; here the issue is not so much the moral dilemma, but one around a distaste for commercialism in general amongst the 'arty types' he has worked with.

Coded **idea that commercial success is more difficult,** and it brings together extracts from all the interviews expressing ideas about commercial success being more difficult to achieve than social value. Here, the two founders described similar views: *'I think the bigger challenge will be becoming financially stable …' (Sally)* and *'The biggest challenge is money...' (Mark).* There was a greater confidence in the ability to achieve the social mission which went along with this: *'financial stability really... we have already to a small degree been able to show that there is social value in the activities*

that have already taken place...' (Dean). Also, the perception that financial success would require a particular mindset and effort: *'...it's the finances that need to be innovative and... entrepreneurialism, if that's a word.' (Mark).*

Together, these codes, which brought together ideas about social justice, questions about profits and the challenges of commercial success, indicated an alignment across the social logic and the ideas held by individuals in the organisation and make it potentially more difficult for them to engage with the commercial logic.

5.3.2.2.1.2   Opinions inhibiting engagement with commercial logic

The second group of codes represented opinions inhibiting engagement with commercial logic. There are two codes and they each potentially inhibit engagement with the commercial logic.

Table 51 - Case Study two, Theme Two, concept - opinions inhibiting engagement with commercial logic

Codes	Concept
Not identifying as a 'business' person	Opinions inhibiting engagement with commercial logic
Lack of belief in the business model	

The first code, **not having business skills / knowledge,** was seen in Sally, the organisation's founder and the manager. Sally described herself as lacking necessary business skills and knowledge: *'...the wider knowledge that I don't have on all sort of things like business planning, funding,...' (Sally).* This was accompanied by feeling capable of developing these skills but acknowledging that they were not a natural aptitude: *'...I am sure I have the abilities and skills in there but almost... it [business] is not something that would necessarily come naturally to me...' (Sally).*

The second code in this group was **lack of belief in the business model.** Here, one of the directors described how he thought the organisation's finances would be in the future: *'I can imagine it will be heavily subsidised like most, like most arts organisations are... but I can't imagine them making much kind of selling stuff.' (Sam).* In this quote, Sam envisaged the organisation would not achieve the financial independence they were aiming for. In addition, he did not reference the main proposed income which was rent from the studio rather than 'selling stuff'.

Together, these two factors, perception of lack of business skills and lack of belief in the business model, may inhibit engagement with the commercial logic. Opinions inhibiting engagement with commercial logic can be described as push factors, away from the commercial logic.

5.3.2.2.2   Summary of Theme Two

Theme Two relates to factors inhibiting one or other internal logic. In Theme Two a number of factors inhibiting engagement with the commercial logic are brought together. These include ideas around profit, social justice in general and also lack of belief in the organisation's business model and their own business efficacy. This theme is about the threats/barriers to achieving and sustaining hybridity. The next theme relates to hybridity in action.

5.3.2.3   *Theme Three – Hybridity in action*

Although Create in OT is a young business, it was possible to see hybridity in action in the design, the challenges and the strategic response to challenges. The theme brings together two categories: *hybridity in design and decision making* and *hybridity in challenges*. This theme captures what happens in hybrid organisations in relation to their hybridity.

Table 52 - Case Study two, Theme Three

Category	Theme
Hybridity in design and decision making	Hybridity in practice (responding to hybridity through design, decision making and proactivity)
Hybridity in challenges and response to challenges	

5.3.2.3.1   Hybridity in governance

Two concepts were grouped together to form the category *hybridity in governance.* Hybridity was visible in the design of governance structures and the selection of directors at Create in OT. Here, design referred to the deliberate approach to creating the parts of governance, i.e. a board of directors and an advisory board, the approach to selecting directors and, consequently, the support the board has given the business. The design can be described as informal; there were no documents relating to governance design, but choices and decisions were strategic and deliberate.

Table 53 - CaseSstudy two, Theme Three, category - Hybridity in governance

Concept	Category
Strategic approach to governance	Hybridity in governance
Support offered by board addresses both social and commercial logics	

5.3.2.3.1.1 Strategic approach to governance

This concept saw codes grouped around the strategic approach to governance. Looking across the codes it was evident that being a hybrid influenced the approach to governance. This group of codes became the concept, *strategic approach to governance*, and includes three codes; see below.

Table 54 – Case Study two, Theme Three, concept – Strategic approach to governance

Codes	Concept
Creating a board is a strategic decision	Strategic approach to governance
Using the board to fill skills gaps	
Aiming to create a diverse board	

Creating a board was a strategic decision for Create in OT, coded **creating a board is a strategic decision**. Sally's first instinct was to do without a board; there was an element of fear in approaching people to join the organisation in case it was not a success and, also, she liked the idea of keeping things simple. The decision to have a board was based on the wider options for funding available where there is a board: *'...looking at the funding options it became clear it would be much better to work as part of a team...' Sally*.

Diversity was identified as important at Create in OT. This was coded **aiming to create a diverse board**. The local community are the beneficiaries of the organisation and so ethnic diversity representing the local community on the board supports the social mission. Mark, co-founder, described how they must challenge themselves: '...*to be asking ourselves throughout the whole time "who's not on the board?"...if we end up a homogenous... that would be a weakness.' (Mark)*.

Create in OT also wanted diversity in order to access a range of perspectives. Mark, co-founder, suggests that diversity, more generally, also provides an opportunity to challenge their approach; the board provides an opportunity for this mechanism: '*what is needed is a broad variety of different or alternative skills and experiences and viewpoints not all based within the visual arts.' (Dean)*. It was believed that diversity on the board would benefit the organisation. Mark, co-founder said *'...and the*

advantage of um, people with different experiences and backgrounds is it, it widens that view, widens that field of vision...' (Mark).

Here, the range of perspectives also linked with a need to be challenged and that the more diverse the input the more effective those challenges might be: *'...having those different experiences gets us to start answering those questions; what about this? What about this?' (Mark).* This pursuit of diversity supported both the commercial and the social logics of the organisation. It was about representing community, which was more about the social mission but also having a board that will challenge in a variety of ways which would also support the commercial logic.

It was apparent that the founders **actively pursued the directors they needed** in order to bring in the skills and experience they did not have. Here, there was evidence of addressing the commercial logic: '...*the key to actually, um, to have people on the board who are going to help make us financially successful is going to be the biggest challenge.' (Mark)* and later: *'...to have people on the board to push it to make money...' (Mark).* In this description of the board membership the interviewee demonstrated the breadth covered: *'...if you look at our board currently; so we have someone with Arts council experience, we've got um, a kind of arts experience, we have got another artist who's practicing artist... we've got social enterprise expertise, um, we've got, um, people who [have] experience setting it up'. (Mark).* The approach to board creation was purposeful and strategic with directors having particular experience and skills that will benefit the organisation.

5.3.2.3.1.2   Support offered by board

This concept sees codes grouped around the support offered by the board. Looking across the codes it was evident that the support offered was influenced by hybridity. This group of three codes became the concept *support offered by the board*; see below.

Table 55 - Case Study two, Theme Three, concept - Support offered by board

Codes	Concept
Board helping focus on the commercial logic	
Board helping focus on social logic	Support offered by board
Future plans aim to balance logics	

The first code, **board helping focus on the commercial logic,** represented extracts describing business support offered by board members. Here, one of the directors described this type of support:

'...formalising the business gradually... writing the business plan...helping them get funding and investment' (Sam). In another extract, the same director described how the board helped build founders' confidence in business: *'I see you coaching to kind of help them to develop their vocabulary of business and enterprise.' (Sam).*

The second code, **board helping focus on social logic,** represented extracts describing support of the social mission. Here, one of the directors described the support provided by the board member who is an artist, and how this individual provided a consistent reminder of the social mission: *'[name of director] is very... grounded in the visual arts world... having someone kind of anchor, keep anchoring that back is really helpful.' (Sam).* Another director described the support offered by a fellow board member around securing grant income: *'...he [one of the directors] is very good at planning and making very successful funding applications.' (Dean).* It was evident that the organisation was supported in its pursuit of the social mission.

The final code, **future plans aim to balance logics,** represented a statement about plans for new directors. Plans are motivated by a gap, not in the board's diversity, but in the balance between the social and the commercial: *'We haven't got any business people, you know actually making money... that could be a gap' (Mark).* This showed that the founders were looking at the balance of the social and commercial in their future plans.

5.3.2.3.2 Hybridity in challenges and response to challenges

The category was developed to group two concepts, see below.

Table 56 - Case Study two, Theme Three, category - Hybridity in response to challenges

Concepts	Category
Challenges linked to being an SE	Hybridity in response to challenges
Managing board tensions	

5.3.2.3.2.1 Challenges linked to being an SE

The first concept grouped codes around the challenges linked to being an SE.

Table 57 - Case Study two, Theme Three, category - Hybridity in response to challenges

Codes	Concept

Taking a wage	
Identifying negative aspects of 'passion' projects	
Income as a challenge	Challenges linked to being an SE
Finding 'business' a challenge	
Mission drift	

The first code in this group, **finding business a challenge,** represented the founders' belief that they found the 'commercial' aspects of running an SE most difficult. Create in OT was set up by founders who are primarily socially motivated and have less experience in the 'commercial' aspects. For example, in this extract, Sally, one of the founders, linked finding business a challenge to not having a background in it: '*I think the whole kind of business thing is challenging because that's not, that's not my background. Business is not my background.' (Sally).* Mark, the other founder, described commercial aspect as being a weakness: *'... we're strong in community and, um, helping others but our weakness is making enough money to pay for it.' (Mark).* This is linked to being an SE because the SE founder is strong on one of the logics but not the other, the business is a means to a social end.

The second code in this group, **income as a challenge,** grouped extracts where income was described as a challenge. One of the director's articulated this directly: '*A big challenge is financial, maintaining that and looking at funding streams as well as income streams.' (Dean).* The challenges around income bring with them issues around paying a wage. **Taking a wage** became the third code in this group. Sally, one of the founders, indirectly described how she is not able to take a wage or be paid for all the time she spends on the business: '*well yes, well a lot of my time is free,.. I have started putting a bit of, you know, kind of value to that time but it's hard because you know...' (Sally).* This put pressure on the organisation to be a success: '*...our whole family we have kind of given up a lot and invested lots in this, we want it to succeed no matter what...so you put everything into it, you know, way more output than you could actually charge financially.' (Sally).* Although working without taking a salary is common in start-ups, this is a challenge identified by almost all the organisations in this study including those that were well established. This is linked to being an SE because the line between volunteering and earning may be blurred where there are both social and commercial logics.

The fourth code in this group, **negative aspects of arts-based organisations being passion projects,** identified the pitfalls of organisations where the work and motivation is personal. One of the directors described this as *'people often base their identities in the arts with what they do. This is my thing, this is my bag... and that comes with an awful lot of kind of personal and emotional investment...' (Sam).*

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Sam made this comment within a discussion about the role of identity in arts SEs and indicated that it may be a challenge to change, e.g. to adapt to being a manager / business owner as well as a creative.

The fifth code in this group, **achieving the social mission,** captured mission as a challenge, '*...being able to meet the, the high bar... that mission to reach those who don't normally access it [art events] is in itself challenging...' (Mark).* Alongside this the final code, **avoiding mission drift,** captured mission drift as a potential challenge. Here, Mark, one of the founders, described his concerns about how mission drift could occur: *'so it could look good on paper, that we could be really busy... but... if we repeatedly fail to engage the people that we were wanting to...' (Mark).* Mark's awareness of the potential to lose sight of the mission was accompanied by a recognition that it is easy to do and also a potential route to commercial success: *'...the easiest thing to do is to go for the easiest money'. (Mark).*

5.3.2.3.2.2   Managing board tensions

Codes relating to the founders actively supporting team building within the board were grouped together. These codes came from one of the founders' description of a board away day. The away day was planned to provide an opportunity to spend time writing the organisation's aims, mission and future plans. Mark's description was more about board relationship building. Across these codes it was seen that the founders were identifying and responding to challenges within the board caused by the membership representing both social and commercial logics. This became the concept **managing hybridity within the board,** and it captured both the challenges within board relationships and the response to them.

Table 58 - Case Study two, Theme Three, concept - Managing board tensions

Codes	Concept
Perception that interpersonal board relationships are important	Managing board tensions
Recognising building board relationships takes time	
Challenges around finding common understanding across the board	
Recognising process of building a unified team	

The code **perception that interpersonal board relationships are important** came from the extract '*...I think it's very important, interpersonal relationships, then you can work, work as a team, and we each um, … have different views.' (Mark).* Here, Mark also acknowledges that the board have different perspectives.

The code **challenges around finding common understanding across the board** came from the extract *'...it [the away day] became a process of kind of talking and kind of understanding, misunderstanding, we eventually found our common ground...' (Mark).* Here, Mark is referring to the away day. Also, in his description of board meetings prior to the away day *'...person x would be coming from a different angle... you feel they haven't necessarily grasped the main kind of core value...about what we want to do.' (Mark).*

The code **recognising the process of building a unified team** came from the extract *'...going from that kind of a disparate group of board members to a kind of like that feeling of togetherness... that was positive for the board' (Mark).* The first extract in the previous code also described finding common ground as a process.

The code **recognising importance of time when building board relationships** came from the extracts *'...it was a bit clunky as we learnt to work as a team...we wouldn't necessarily always meet on point' (Mark)* and *'it takes a while to learn to trust each other...relationships take long [time] to form and you can't just magic and pump start them, it takes time.' (Mark).* Again, these extracts also indicated the initial challenges encountered, things being 'clunky' and mentioning 'trust'.

5.3.2.3.3   Summary of Theme Three

Overall, Theme Three relates to hybridity in action. Hybridity is visible in the choices made around governance, both how the board is structured and who sits on the board and also how the board is utilised. Hybridity is visible in the response to challenges encountered and also in how challenges are pre-empted and managed. This theme also highlighted a proactive approach to hybridity and the challenges posed by hybridity, particularly in relation to the board.

5.3.3   Case Study two summary

Create in OT are a young SE with a purpose grounded in a social logic. The business model is predisposed to challenges in relation to mission and finances. The thematic analysis gave an insight into the social and commercial logics within the organisation. It was evident that they are identifiable throughout: in aspects that make up identity, in proactive design and decision making, as well as in the challenges encountered and the responses. In addition, something of the nature of hybridity within the organisation was apparent; engagement with the logics is fluid and can change over time,

ideas combining logics were evident which could be described as hybrid thinking, and the presence of factors inhibiting engagement with the commercial logic were identified. This organisation is young and still developing its organisation's identity and culture. It has some awareness of hybridity, even if, currently, it encounters barriers to engaging with the commercial logic.

Initial themes are listed below:

- Theme One – Hybridity's internalised logics are distinct but also combined and in tension.
- Theme Two – Hybridity is subject to factors inhibiting engagement with one or both of the logics.
- Theme Three – Hybridity in practice: responding to hybridity though design, decision making and proactivity.

Findings from this part of the fieldwork are presented below:

- Social and commercial logics are separate within organisational identity (purpose, motivations and ideas).
- Social and commercial logics may be combined in the ideas expressed by those involved in SE governance and SEs' organisational identity may include being a hybrid.
- SEs may encounter a range of factors inhibiting engagement with one or both logics
- SEs' organizational identity, in relation to social commercial logics and a developing hybrid identity, may change over time
- SEs might respond both proactively and reactively to support/maintain hybridity
- SEs may experience challenges in governance that can be linked to hybridity
- SEs' governance may be dysfunctional in ways that can be linked to hybridity.

The next section presents the results and analysis of the SE interviews.

5.4   SE Interviews

The SE interviews were undertaken in April and May 2020 and were part of the second phase of the research. The SE interviews include interviews with the founders/directors of four SEs in Greater Manchester. Details of the research process are provided in Chapter Three.

The second iteration of research questions were applied; see below:

RQ 1. How does hybridity manifest within organisations?

RQ 2. How do SEs engage with hybridity?

RQ 3. How do SEs respond to hybridity?

RQ 4. What barriers do hybrid organisations experience that may link to hybridity?

RQ 5. How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation?

RQ 6. Do SEs identify with hybridity?

RQ 7. What is the role of identity in SE hybridity?

The following themes were developed; see below:

- Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together).
- Hybridity is subject to factors inhibiting engagement with one or both of the logics.
- Hybridity in practice (what SEs encounter and how they respond and the dysfunctions they lead to).

The SE interviews contributed to the development of the following *final* themes:

- Theme One - Don't cross the streams: distinct internal logics in organisational identity.
- Theme Two: Thinking like a hybrid: combined internal logics in organisational identity.
- Theme Four: Some are more equal than others: logics internalised to different degrees.
- Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic.
- Theme Six: Making it work: proactive and responsive strategies supporting hybridity.
- Theme Seven: Things can go wrong: hybridity and organisational dysfunction.

This section focuses on the thematic analysis for the SE interviews, and development of the *initial* themes were developed from the codes made from the raw data to the grouping into concepts and categories and, finally, initial themes. *Initial* themes are presented below alongside extracts from the data. *Initial* themes are mapped from quote to *final* theme in Appendix 14, and the process of the development of the final themes from the *initial* themes developed in the initial analysis is discussed in detail in Section 5.5 of this chapter.

The results of this phase are presented below in two parts: pen portraits and the thematic analysis.

5.4.1   Pen portraits

Pen portraits are provided for the organisation and for each of the interviewees. The names of individuals and organisations have been changed.

Will: founder and managing director of **Digital Now**. Will is confident and articulate, a self-taught web designer with a degree in popular music. Will started Digital Now in 2008 with a friend after identifying a gap in the market providing digital services to the third sector.

Digital Now specialises in the digital transformation of third sector organisations. It employs forty staff and is based in central Manchester. Digital Now describes itself as a Social Enterprise, the legal structure is a private company limited by shares. Will is interested in the possibility of gaining B-Corp status in the future.

Business / social value model: An analysis of the business model reveals that Digital Now is a *bridging hybrid,* the SE form least likely to encounter problems (Santos *et al*., 2015). The clients are also the beneficiaries and the social value is created automatically through the main business activities. It is not clear that social value goes beyond that created by the organisations which pay for the agency's services, but they are focused on servicing the third sector. In effect, Digital Now's solutions enable the third sector organisations they work with to create social value across their beneficiaries. For example, a digital solution for safe online chatting enables a charity fighting loneliness in the UK to reach individuals who want to access their service in greater numbers, more quickly and safely.

Board structure: There is no board of directors. There is a non-executive board with six members. This board is not legally accountable and has more of an advisory role. Members are experienced professionals from a range of sectors including law, tech development, banking and also two entrepreneurs with established businesses in the North West. They are selected on the basis of the contribution they can make to the organisation.

Interview notes: Sam was very open and appeared happy to talk. No formal SE status but a strong conviction for being different from a typical commercial business.

Pamela: managing director at **Ascensa Recycling**. Pamela is articulate and confident and demonstrates commitment to social justice. She describes herself as a practical person who started what is now the Ascensa group after a personal epiphany about the lack of sustainability of household and business waste more than 23 years ago.

Business / social value model: Ascensa Recycling is an SE and has recently taken the form of a Community Benefit Company. Ascensa Recycling provides collection services for recyclables for offices and building sites around Manchester. Their income is generated largely by the payment for these services but also from the sale of the materials they collect after processing. Ascensa Recycling fulfils its social mission through the continual reuse and recycling of the materials they collect and by financing the activities of partner charity which promotes the idea and practice of the reduce, reuse and recycle approach. They are not reliant on grant funding.

An analysis of the social business model reveals that they are a *bridging hybrid*. There are automatic value spillovers but also contingent value spillovers. This is because Ascena's social mission has two strands: firstly to reuse and recycle materials and, secondly, to educate communities about the 3 Rs. The first, and arguably main mission, is achieved every time a van picks up and processes waste from a business, and so is automatic. The second relies on additional activities such as a timber upcycling project and a corporate volunteering scheme. Although there is overlap between the client and the beneficiary at Ascensa, the environment and its communities are the key beneficiaries and those businesses paying for the service will be owned by individuals who will benefit from those improvements, alongside other individuals in the community, albeit in a small way. It would be more accurate to describe the beneficiaries as separate.

Board: after a recent split into two organisations, there is a separate board for the Ascensa Recycling and Ascensa 3Rs. The Ascensa 3Rs board is well established, at the time of writing it has eleven members. The Ascensa Recycling board is smaller, with six current members and is in the process of establishing itself. Directors across both boards are mostly professionals with experience in a range of sectors including food, investment banking, NGOs, civil services and charity. Board members are selected/invited on the basis of the skills and experience they can offer.

Interview notes: discussion seemed to get stuck on the explanation of the relationships between the different parts of Ascensa. Despite research prior to the interview this structure is not easy to understand. Ascensa separated into a charity and an SE – with separate boards and management. This is interesting as SEs are the combining of social and commercial aims but, in this business, they have been separated again.

Sadie: co-founder and director of **Heart Theatre.** Sadie describes herself as a writer, performer, maker, facilitator and producer. Growing up, Sadie never envisaged herself creating or producing theatre or running her own social enterprise company. She has a working-class background and was the first in her family to go to university. She graduated with a degree in performing arts and media studies.

Heart Theatre was created in 2010 and is an arts company that work predominantly in theatre. They make theatre that reaches people who would not usually go to the theatre. The company's core aims centre around supporting personal growth through access to, and success within, the arts. Their performances explore themes such as identity, mental health, social justice and equality and they want their work to lead to positive social and personal change amongst their target beneficiaries.
Heart Theatre started as a limited company, is currently a CIC, and they have plans to become a registered charity. The organisation is small and the structure is very simple. The co-founders run the business day to day and there are no permanent employees.

Board: There are three directors, including Sadie and the co-founder, who also runs the business day-to-day. The third director is a trained accountant who provides financial advice and manages the accounts.

Business / Social value model: an analysis of the business model places Heart Theatre in the *market hybrid* group. Market hybrids are the least likely to experience challenges around mission drift as social value and income generation are aligned and automatic. The main income comes from grant funding, allowing them to subsidise ticket prices and ensure performances are accessible to target audiences. They make a a small income from tickets, merchandise, training and education programmes.

One of their challenges is funding their core costs; projects are funded but the work that goes into the business outside projects is not currently funded.

Interview notes: Sadie was engaged and outspoken and spoke for more than an hour and a half. Relationship with profit, identity and business all came up.

Steve: artist and the co-director of **Rebel Studios**. Steve joined the studio when it was formed in 1995 and became the co-director a few years later. Steve's motivation to take on the management and day-to-day running of the studio was to safeguard access to affordable studio space for himself and the community of artists to which he belongs. Steve is clearly committed to the artistic community which he has helped build but is also conflicted by the feeling he is overburdened with responsibility and work.

Rebel Studios is a large artists' studio. Its mission is to provide affordable studio space for rent, close to the city centre for practising artists at all stages of their careers, from recent graduates to mature practitioners, and also to serve the local communities with access to art. It has grown and changed and become an established part of the Manchester art scene in the 25 years since it opened. It has moved location in the last few years, recently become a CIC and currently provides studio space to 85 resident artists in East Manchester. It is financially self-sufficient, with outgoings covered by rents, and has managed to keep well below the market rate by keeping running costs to a minimum.

Board: no board of directors. The two directors have chosen not to appoint a board of directors as they fear losing control of the organisation but Steve acknowledges that in the future it may become a necessity.

Business / social model: an analysis of the business model reveals that Rebel Studios is a *market hybrid,* as social value and income generation are aligned and value spillovers are automatic. The social mission of Rebel Studios is to provide affordable studio space to the local community of artists and this is achieved every time the spaces are leased at current rates. The clients at Rebel Studios are those that rent space and they are also the beneficiaries according to Rebel Studios' social mission so there is overlap between the client and beneficiaries.

Interview notes: just two directors, because, nervous of being overthrown, want to keep control. Misunderstandings about the legalities. Unsustainable because founders are badly paid and work long hours. Evidence of mission drift. Discussed issues of becoming formalised – change in culture

Observations: the additional missions put extra pressure on the business model – creating non-automatic value spillovers. The extent of the low rent charged has made it impossible to pay a wage to the directors, making them feel resentful and overworked. Lack of planning around rental allocation and conditions have led to mission drift. A lack of trust of business and organisational approaches to management / governance have led to the decision not to have a board of directors; this may have contributed to some of this poor decision making.

5.4.2 Thematic analysis

Thematic analysis of the interviews led to the development of three initial themes. The first theme centres on the social and commercial logics that make up hybridity, presenting them as distinctly identifiable, but also combined within values, motivation and ideas. The second theme indicates that there are factors inhibiting engagement with one or both of the logics, in this case just the commercial logic. The third theme, hybridity, in practice highlights how hybridity can be seen in practice, both in the ways the organisations make it work but also in their dysfunctions.

The SE interviews contributed to the development of six of seven of the *final* themes:

- Theme One: Do not cross the streams: distinct internal logics in organisational identity
- Theme Two: Thinking like a hybrid: combined internal logics in organisational identity
- Theme Four: Some are more equal than others: logics internalised to different degrees
- Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic
- Theme Six: Making it work: proactive and responsive strategies supporting hybridity
- Theme Seven: Things can go wrong: hybridity and organisational dysfunction.

The table below maps the analysis from the codes made from the raw data to the grouping into concepts and categories and, finally, themes. Themes are presented below alongside extracts from the data.

Table 59 - Complete thematic analysis for SE interviews

Code	Concept	Category	Theme
Identifying as being different / better than other similar orgs	Purpose aligned with social logic	Internalised social logic	Hybridity's internalised logics are distinct but also combined (social and
On being an early adopter / pioneer			

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			commercial logics separately and together)
Viewing success as social			
Future as achieving the social mission			
Motivated by social justice / doing good	Motivations aligned with social logic		
Motivated by environmental issues			
Not being motivated by money			
Wanting to have control	Motivations aligned with commercial logic	Internalised commercial logic	
Money as initial motivation for starting business			
Business as a 'nest egg'			
Making money is good as do not have to rely on being given money	Ideas supporting commercial logic		
Dislike of fitting into funders' wishes			
Values incorporating social and commercial logic			
Recognising the advantages of bringing together social and commercial people			
Acknowledging benefits of formalised balancing	Evidence of values, motivation and ideas combining social and commercial logics	Internalised hybrid logic	
The idea that it is easier to fulfil social mission than commercial and vice versa			
Profit is good as enable is to reinvest and create social value			
Motivated by future longevity of project/ social aim			
Highlighting negative aspects of commercial business			
Idea that profit being 'icky' / wrong			
Idea that social mission compromises profits	Ideas against commercial approach	Factors inhibiting engagement with commercial logic	Hybridity is subject to factors inhibiting engagement with one or both of the logics
Idea that not for profits do not make money			
Considering SEs as viable businesses			
Not knowing much about business	Other factors against the commercial logic		
Not seeing the business as a real business			

First-order codes	Second-order themes	Aggregate dimension	Overarching theme
Finding 'business' a challenge			
Loyalty to community (barrier to taking a wage)			
Never intended to start a business			
Not identifying as a 'business person'			
Not aspiring to lead an organisation			
Social mission can impact profits	Tensions between social and commercial logics	Making it work	Hybridity in practice (what SEs encounter and how they respond and the dysfunctions this leads to)
Choosing to have a price strategy based on need / ability to pay			
Choosing not to have a price strategy based on need / ability to pay			
Pricing strategy puts affordability before salaries			
Attempting to balance social and commercial logics			
Creating a board to balance social and commercial logics	Board supports balance of social and commercial logics		
Board members filling gaps in skills / knowledge			
Board help retain focus on mission			
Indecision over how to define / describe organisation	Dysfunction relating to purpose / mission	Dysfunction	
Dominance of social mission			
Dominance of commercial mission			
Evidence of possible mission drift			
Board providing expertise but not representing community			
Pricing strategy not supporting organisational costs	Dysfunction relating to social business model		
Wages inadequate or working for free			
Feeling exploited as a result of hard work for low pay			
Responsibility taken on for low wage			
Bad feeling between users and directors caused by formalising as a business	Dysfunction relating to governance		

Fear associated with appointing a board of directors.		

5.4.2.1   *Theme One – Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)*

This theme is about the nature of hybridity within organisations. It brings together distinct elements of hybridity, its internal and commercial logics, and also indications of an internal hybrid logic, where those logics are combined.

Table 60 - SE interviews, Theme One

Category	Theme
Internalised social logic	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)
Internalised commercial logic	
Internalised hybrid logic	

In the thematic analysis, not just what was said but also what was not said was considered, e.g. where an interviewer was asked to describe the business it was coded if the answer omitted any mention of commercial activities focusing only on the social activities.

5.4.2.1.1   Internalised social logic

Two concepts were grouped together to form the category *internalised social logic.* This category represents the data where social logic was visible, internalised and part of the organisation's identity.

Table 61 - SE interviews, Theme One, category - Internalised social logic

Concept	Category
Purposed aligned with social logic	Internalised social logic
Motivations aligned with social logic	

5.4.2.1.1.1   Purpose aligned with social logic

A group of codes clustered around the social purpose of the organisation. Looking across the codes it was evident that the social logic can be found within the organisation's purpose. This group of codes became the concept, *purpose aligned with social logic,* and includes four codes; see below. Together, these codes indicate the presence of the social logic within the purpose of the organisation.

Code	Concept
Identifying as being different/better than similar organisations	
On being an early adopter / pioneer	Purpose aligned with social logic
Viewing success as social	
Future as achieving the social mission	

Here, Pamela from Ascensa described being among the first to establish the sector. This was coded **being an early adopter / pioneer**: *'we were some of the first pioneers, proper pioneers for recycling from households and businesses...' (Pamela, Ascensa Recycling).*

The second code, **identifying as being different / better than other similar organisations**, represented the expressions interviewees stated around their being better in some way than other similar organisations. All interviewees expressed this in one way or another. Here, Sadie, from Heart Theatre, distinguished her organisation from other theatre companies. Sadie expressed that she sees them as superior on the basis of their social purpose: *'...it's much more than like "we're a theatre company, we do shows" it's actually we are really embedding ourselves in communities...' (Sadie, Heart Theatre).*

A sense of having more integrity than other businesses, even other prospective SEs, was described: *'...I have spoken to some other people who are thinking about being a CIC and they're like, "Okay, well, how, how, what's the box we need to tick?" [for writing values] and I think that's sort of troubling' (Sadie, Heart Theatre).* Also, a perceived superior organisational culture as a result of a less commercial approach was evident: *'...there's a shared sense of ownership is what I'm groping for...other organisations there's very much "us and them"' (Steve, Rebel Studios).*

Identifying as being different / better was also about the commitment to achieving social impact: *'...a lot of organisations would like to think they are making a difference is they have a pro-bono programme.' (Steve, Digital Now)* and: *'...for some people they might be like, "well, we're doing this performance...so therefore we are making social change." But we would argue that. "...well, no, not really, you're going part way.' (Sadie, Heart Theatre).*

The third code was **viewing success as social**. When asked what success meant for their organisation some interviewees' answers did not include any mention of commercial success. Here, Will, from Digital Now, one of the less socially focused SEs in the study, responded to a question about success:

'...we count the effect that our work has on the wider community.' (Will, Digital Now). Sadie, from Heart Theatre, also omitted any mention of commercial aspects in her answer: *'...so being able to keep that [high engagement] growing, being able to work with people in new ways... really embedding ourselves in places and understanding people and places...' (Sadie, Heart Theatre).*

Similarly, describing **the future in terms of the social mission** without referencing commercial successes: *'...I would like to see us, um, do more work on a kind of global stage um...where we are more involved in the UN sustainable development goals...' (Will, Digital Now)* and: *'...making contact with artist led projects and organisations from further afield from Europe and from America...set up exchange programmes...' (Steve, Rebel Studios).*

5.4.2.1.1.2 Motivations aligned with social logic

The concept *motivation aligned with social logic* brought together codes relating to motivation and social logic; see below.

Table 63 - SE interviews, Theme One, concept - Motivation aligned with social logic

Code	Concept
Motivated by social justice / doing good	
Motivated by environmental issues	Motivations aligned with social logic
Not being motivated by money	

The founding of the organisations was often motivated by social justice / social good: *'...so the decision was made fairly early on that we would operate in um, the charity sector, the public sector... for organisations that were assuming some kind of social objective.' (Will, Digital Now)* and: *'...they [charities] didn't have a lot of digital skills... so I guess that how and why we started it.' (Will, Digital Now)* and *'they [incinerators] get dumped on poor communities and um, we set up a campaign to oppose the incinerator...' (Pamela, Ascensa).* Social justice / good continued to motivate: *'...what we want to do is really work with people to make impactful change...' (Sadie, Heart Theatre).* This was coded **motivated by social justice / doing good.**

Motivation also came from a commitment to environmental issues: *'I got interested in the whole recycling agenda...then some of us set up a little operation and that's really how Ascensa came about'. (Pamela Ascensa). '...it was a bit of an epiphany moment thinking about...all this stuff we throw away.' (Pamela, Ascensa).* This was coded **motivated by environmental issues.**

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In addition, one interview mentioned not being motivated by money three times: '...*we don't run it for profit...we're not running for profit you know.' (Sadie, Heart Theatre)* and: *'...being able to look at all those wins and say "yes!... that is why we do what we do and that is why we are not in it for the money"'. (Sadie, Heart Theatre)* and: *'...three people who wanted to make it the success that it has become, um, without having any kind of financial gain in that...' (Sadie, Heart Theatre).* This was coded **not motivated by money.**

5.4.2.1.2 Internalised commercial logic

The concept *internalised commercial logic* represents commercial logic visible as part of the organisation's identity (within the purpose, motivations and ideas). None of the descriptions of *purpose* appeared to support the commercial logic but some descriptions of motivations and the ideas did. Two concepts were grouped together to form the category *internalised commercial logic;* see below.

Table 64 - SE interviews, Theme One, category - Internalised commercial logics

Concept	Category
Motivations aligned with commercial logic	Internalised commercial logic
Ideas supporting commercial logic	

5.4.2.1.2.1 Motivations aligned with commercial logic

The code *motivations aligned with commercial logic* brought together codes relating to motivation and commercial logic.

Table 65 - SE interviews, Theme One, concept - Motivations aligned with commercial logic

Code	Concept
Wanting to have control	Motivations aligned with commercial logic
Money as motivation	
Business as a 'nest egg'	

For one organisation, money was described as the motivation for starting the business: *'...these consultants were being paid a lot more to tell people the exact same thing that we were...we decided to leave and go and start a consultancy and be one of those people that got paid more...' (Will, Digital Now).* This became the code **money as motivation.**

Money was also the motivation for choices about legal form. Will, from Digital Now described it thus: *'...you know, years and years of work into and actually would like to have a nice little nest egg now thank you very much...' (Will, Digital Now).* For Will, this was the motivation for choosing not to have a legal form that restricts their finances. It meant they retained the right to sell the business in the future, this was coded **business as a nest egg**. Will also describes wanting to have control: *'...one of the decisions to stay the way we are [a limited company] is, is that I feel we have more control over what the business can do...' (Will, Digital Now).* This became the code **wanting to have control.**

5.4.2.1.2.2   Ideas supporting commercial logic

The code *ideas supporting commercial logic* brought together codes relating to ideas and the commercial logic.

Table 66 - SE interviews, Theme One, concept - Ideas supporting commercial logic

Code	Concept
Making money is good as do not have to rely on being given money	Ideas supporting commercial logic
Dislike of fitting into funders' wishes	

Ideas that support the commercial logic were found in the interviewees' descriptions of a dislike of fitting into funders' wishes. Here, Steve from Rebel Studios describes his worries if they are to accept large grant funding: *'...it could be that ...capital funders or the council, uh, themselves... could insist on more elaborate governance... we could lose control.' (Steve, Rebel Studio).* Sadie had similar concerns about the bigger grant funding she is encouraged to pursue: *'...we are, I think, being very much beaconed ...towards, uh, uh, a grant that is a huge responsibility and sort of ties us in and I think we have been a bit wary.' (Sadie, Heart Theatre).* This became the code **dislike of fitting into funders' wishes.** For Sadie, this was a motivation to continue to build earned income streams and avoid relying on external funding.

Making money is good as do not have to rely on being given money was a code that encapsulates the ideas making a connection between money and independence. Here, Sadie described her thoughts about grant income and earned income: *'...I think it's really important never to just rely on that [grant income]. Like, you always have to be getting an earned income...if that grant funding is pulled where*

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does that leave you?' (Sadie, Heart Theatre). This idea, that money provides independence, demonstrated internalised commercial logic.

5.4.2.1.3   Identity incorporating both social and commercial logics

A third category indicated there was an *internalised hybrid logic*. It was developed from a single concept.

Table 67 - SE interviews, Theme One, category - Internalised hybrid logic

Concept	Category
Evidence of values, motivation and ideas combining social and commercial logics	Internalised hybrid logic

5.4.2.1.3.1 Evidence of purpose, motivation and ideas combining social and commercial logics

The code *evidence of purpose, ideas, motivations combining social and commercial logics* brought together codes relating to purpose, motivation and ideas relating to both the social and commercial logic combined.

Table 68 - SE interviews, Theme One, concept - Evidence of purpose, motivation and ideas combining logics

Code	Concept
Purpose incorporates both social and commercial logic	
Recognising the advantages of bringing together social and commercial people	
Acknowledging benefits of formalised balancing	Evidence of purpose, motivation and ideas combining social and commercial logics
The idea that it is easier to fulfil social mission than commercial and vice versa	
Profit is good as it enables to reinvest and create social value	
Motivated by future longevity of project/ social aim	

Will, founder of Digital Now, explained the organisation's purpose: '...*I always wanted to set up an ethical business so that the business itself was sourcing from local business and you know that it considered the environment and ...was good for employees...' (Will, Digital Now).* His explanation included both a description of a business but also included the social side: it will be ethical and good for the environment and employees. This was coded **purpose incorporates both social and commercial values.**

One interview described being **motivated by the future longevity of project / social aim**: '*we both felt it [the salary] wasn't sustainable...because no-one would replace us doing the same job...' (Steve, Rebel Studios). 'we are trying to build the payroll so that others will be able to take over our responsibilities when we retire.' (Steve, Rebel Studios).* This provided an incentive to engage more with the finances and the business model in order to make it an attractive proposition in the future.

The ideas found in the interviews often brought together social and commercial logics, providing evidence of a hybrid identity. The ideas were about the social business model, the skills people bring together, the need to balance the social and commercial and the challenges associated with this.

Three interviewees articulated that **profit is good as can reinvest and create more social value**: '*...if we're not financially viable then we can't have a social impact...' (Will, Digital Now)* and '*...but that money-making stuff...effectively that keeps us working with communities so it's really important we do it and we get better at it.' (Sadie, Heart Theatre)* and: '*...if we weren't a sustainable, um, social enterprise we wouldn't be in a position to support Ascensa [replaced] 3Rs...' (Pamela, Ascensa Recycling).*

One interviewee proposed that **social value is more difficult to measure than commercial value**: '*...financial management has a longer history than social impact so, you know accounting has agreed processes and methods' (Will, Digital Now).* This demonstrated not only thinking about the commercial and social logics within the organisation but the explanations for the imbalances between them.

One interviewee **identified the advantages of bringing together social and commercial people**: '*...when you bring those two, sort of, brains together [social and commercial] it enables you to do great things with more money.' (Sadie, Heart Theatre).* This could indicate not only thinking about the social and commercial logics within the organisation but the solutions to challenges they present.

5.4.2.1.4 Summary of Theme One

Overall, Theme One relates to hybridity's internal logics through organisational identity being distinct but also combined. The social and commercial logics are visible distinctly in purpose, motivations and ideas. They are also visibly combined, indicating an awareness and understanding of the relationships between the social and commercial logics in a hybrid organisation, and that 'hybridness' may be a part

of the organisational identity. The next theme relates to factors that inhibit internal logics and, therefore, hybridity.

5.4.2.2   Theme Two – Hybridity is subject to factors inhibiting engagement with one or both logics

This theme is linked to a single category of concepts which groups together codes related to factors inhibiting engagement with a logic; see below. This theme is about the challenges of hybridity and sustaining hybridity.

Table 69 - SE interviews, Theme Two

Category	Theme
Factors inhibiting engagement with commercial logic	Hybridity is subject to factors inhibiting engagement with one or both of the logics

5.4.2.2.1   Factors inhibiting engagement with commercial logic

Two concepts were grouped together to form the category *factors inhibiting engagement with commercial logi;,* see below*.*

Table 70- SE interviews, Theme Two, concept - Factors inhibiting engagement with commercial logic

Concept	Category
Ideas inhibiting engagement with commercial logic	Factors inhibiting engagement with commercial logic
Other evidence/factors contributing to a social identity	

5.4.2.2.1.1   Ideas inhibiting engagement with commercial logic

This concept saw two codes related to factors inhibiting engagement with commercial logic grouped together.

Table 71 - SE interviews, Theme Two, concept - Ideas inhibiting commercial logic

Code	Concept
Highlighting negative aspects of commercial business	
Idea that profit being 'icky' / wrong	
Idea that social mission compromises profits	Ideas inhibiting commercial logic
Idea that not for profits do not make money	
Considering the SE not a viable business	

Not seeing the business as a real business	

Several ideas were voiced that potentially could inhibit engagement with the commercial logic in the organisation. These included **negative perceptions of commercial business practices**: '*...they would try to squeeze every last penny out of us...' (Will, Digital Now).* More specifically **the idea that profit is 'icky'** / wrong: '*...it sounds really gross to talk about that money-making stuff...' (Sadie, Heart Theatre)* and: '*...it feels like strange to talk about it in terms of like getting the money, "we've got all the money!" do you know what I mean?' (Sadie, Heart Theatre).*

Also, ideas around their own businesses including **the idea that they don't make money because they are not for profit**: '*so we are a not for profit, so in terms of making money, we don't.' (Sadie, Heart Theatre)* and, **considering SEs as not a viable business**: '*I think it if were a commercial company it would probably not be in business, is the honest truth.' (Pamela, Ascensa Recycling).* Some interviewees **did not regard their social enterprise as a real business**: '*but if it was run as a business the rents would be doubled, you know, overnight.' (Steve, Rebel Studios)* and: '*...so I felt like the safety net was to make a company, uh, in inverted commas, which was, it was just basically just like a smokescreen...' (Sadie, Heart Theatre).*

5.4.2.2.1.2   Other factors again commercial logic

The second concept, *other factors against commercial logic,* saw six codes brought together, each potentially impeding engagement with the commercial logic.

Table 72 - SE interviews, Theme Two, concept - Other factors against engagement with commercial logic

Code	Concept
Finding 'business' a challenge	
Loyalty to community (barrier to taking a wage)	Other factors against engagement with commercial logic
Never intended to start a business	
Not identifying as a 'business person'	
Not aspiring to lead an organisation	

Two interviewees revealed the creation of the business was not something they actually initially intended. Here, Steve, from Rebel Studios, describes how the decision to form a company was a requirement of securing a tenancy with the council: '*in negotiating... with the council we would have to be more formally constituted... So that's when we took the decision [to become a CIC].' (Steve, Rebel Studio).* Sadie, Heart Theatre, joked about forming the company by accident: '*I like to tell the story*

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that I, I made the company by accident...' (Sadie, Heart Theatre). This became the code **never intended to start a business.**

The same two interviewees described that they, personally, had not aspired to lead an organisation. Here, reluctance to lead but also commitment to the cause is described: *'...what happened was a bit like the thing at school where, um, volunteers are called for and everyone steps back.' (Steve, Rebel Studio)* and: *'I'm not a self-appointed leader but somebody had to do it.' (Steve, Rebel Studio).* Sadie's aspirations were formed by her background: *'I'm from a working class background, uh, the kind of estate that I'm from...you're not the boss, you are, you know, just going to work every day and living for the weekend... that what I assumed my life would be...' (Sadie, Heart Theatre).* These extracts gave a sense that the individuals leading these social enterprises had not wanted to lead an organisation, commercial or otherwise, a factor working against their commercial engagement. This became the code **not having aspired to lead an organisation**.

Not feeling like a business person was described by one interviewee: *'...we aren't business people, we're artists...' (Sadie, Heart Theatre).* This was expressed around skills and also the business being a means to an end: *'...there's a definite distinction between like someone who is used to talking about business in a profit making model than there is from someone who is like "we want to make art and work with the community, ah but we've got to make money...' (Sadie, Heart Theatre).* There was also a sense that they are imposters: *'we aren't business people we're artists who are under the guise of a company.' (Sadie, Heart Theatre).* This became the code **not identifying as a business person.** There was the sense that she is highlighting the difference between her and a business person.

This is accompanied by descriptions of finding 'business' a challenge: *'I think there were a lot of barriers to get over within myself and, um, just practically how it's not that easy to just set up a company...' (Sadie, Heart Theatre)* and not knowing much about business: *'we didn't know anything about, and I would argue that we still don't know anything about sort of that legal company structure stuff...' (Sadie, Heart Theatre).* This became the code **finding 'business' a challenge.**

Another factor that could be undermining commercial logic is where **loyalty to social causes a barrier to taking a wage**: *'...it would feel like a bit of a treachery to hike the rent just so that we could pay ourselves £20,000 a year each.' (Steve, Rebel Studio).*

5.4.2.2.2   Summary of Theme Two

Theme Two relates to factors inhibiting one or other internal logic. In this theme, a number of factors inhibiting engagement with the commercial logic are brought together. These include profit, the relationship between profit and social value, the viability of SEs as well as other factors such as lack of business skills and perceived business aptitude, and not aspiring to start or lead an organisation. This theme is about the threats/barriers to achieving and sustaining hybridity. The next theme relates to hybridity in practice.

5.4.2.3   Theme Three – Hybridity in practice (what SEs encounter and how they respond and the dysfunctions they lead to)

The third theme presented here groups evidence of hybridity in practice found in the interviews. Hybridity is visible within the organisations' strategies and dysfunctions. This theme is about the interplay between social and commercial logics in practice, rather than within organisational identity in the first theme, and the ideas and perceptions threatening hybridity in the second theme.

Table 73 - SE interviews, Theme Three

Category	Theme
Making it work	Hybridity in practice (what SEs encounter, how they respond and the dysfunctions they lead to)
Dysfunction	

5.4.2.3.1   Making it work

The category *making it work* brought together two concepts, as seen in the table below. *Making it work* refers to the tensions between the social and commercial logics and also the efforts made to support the balance of both logics.

Table 74 - SE interviews, Theme Three, category - Making it work

Concept	Category
Tensions between social and commercial logics	Making it work
Board supports balance of social and commercial logics	

5.4.2.3.1.1   Tensions between social and commercial logics

The concept *tensions between social and commercial logics* was developed from a group of five individual codes; see table below. Each of these codes represented extracts from the interviews that described social and commercial logics playing out in practice within the organisation.

Table 75 - SE interviews, Theme Three, concept - Tensions between social and commercial logics

Code	Concept
Social mission can impact profits	
Choosing to have a price strategy based on need / ability to pay	Tensions between social and commercial logics
Choosing not to have a price strategy based on need / ability to pay	
Pricing strategy puts affordability before salaries	
Attempting to balance social and commercial logics	

Will, from Digital Now, alluded to their social mission potentially impacting profits: '*…we may do less profitable work for smaller organisations.' (Will, Digital Now)* and: *'…we look towards these things [supporting smaller organisations] all the time…but that makes us less profitable…' (Will, Digital Now).* In both instances Will linked the work with smaller organisations with lower profits. There was evidently tension between social impact and profit and between the social and commercial logics that Will and his co-lead have had to grapple with. This became the code **social mission can impact profits.**

Will, from Digital Now, also described how the pricing strategy is not stratified based on ability to pay. Justifying changing the organisation's approach he described that, instead, they provide some tools and services for free: *'…we tend to generate products and services that we could then opensource or make freely available … rather than volunteer for free…' (Will, Digital Now).* This extract gave an insight into the options SE organisations have to choose between and how the social and commercial are, again, directly linked. Will continued to describe that *'…we don't want to make the decision between who should pay for our services and who should get them for free.' (Will, Digital Now).* This may be a factor in their taking this approach but, in addition, they were able to pursue profits across all clients they work with and create social value through open sourcing from their website. This became the code **choosing not to have a price strategy based on need / ability to pay, a common approach for social enterprises.**

Alternatively, two interviewees described having implemented a stratified pricing system. Sadie, from Heart Theatre, described having discounted pricing and explains why: *'...our main aim is to get people to engage with theatre and culture who don't engage with theatre and culture so we have a huge discounted ticket, um, price.' (Sadie, Heart Theatre).* In this example, price was the main barrier to the

main social mission of getting people to access theatre so discounted tickets makes sense. The interplay between the social and commercial was around how to price tickets in this case. This became the code **choosing to have a price strategy based on need or ability to pay.**

Steve, from Rebel Studios, described the tradeoff between price strategy and staffing budgets: *'…we're trying to keep our rents affordable, that's our absolute priority, so it's hard to know how we can afford to take on any more staff…' (Steve, Rebel Studio).* In this example there was a trade-off between pricing and staffing. It appeared they had made a decision to prioritise the social over the staffing which would potentially impact the workload of the current staff and/or the quality of the service provided. In this case, Steve was primarily referring to the burdensome workload he and his co-director have made that sacrifices themselves. There was a tension here between the social and the commercial as Steve went on to describe the rent as *'…very affordable'* but that staff cannot be paid: '...*the rents are very affordable by comparison with other studios in the city and in the region but historically they have not been sufficient to give us enough of a margin to pay any staff on a regular basis...' (Steve, Rebel Studio).* This became the code **price strategy puts affordability before salaries.**

Sadie, Heart Theatre, described attempts to manage the balance between the social and commercial aspects of the business. She described the finances being vulnerable because the money they have is primarily spent on the projects they deliver rather than on the organisational infrastructure: '…*the majority of our funding is pumped into getting projects off the ground that's why we started the company…but then that leaves us structurally quite vulnerable because, you know, we need those building blocks to make sure we are still around…' (Sadie, Heart Theatre).* Will, at Digital Now, gave a sense of the input he makes to prompt balancing of social and commercial logics; it is part of the conversations at director level: *'...I think there's a balance but it often needs to be a bit more explicit that there's a balance because... I often feel at the moment that it's me saying "how is this going to affect people?" more than anyone else if that makes sense.' (Will, Digital Now).* This comment also gave an idea that the need to balance should be more embedded in the organisation. This became the code **attempting to balance social and commercial logics.**

5.4.2.3.1.2 Board supports balance between social and commercial logics

The concept **board supports balance between social and commercial logics** grouped two codes.

Table 76 - SE interviews, Theme Three, concept – Board supports balance social and commercial logics

Code	Concept
Creating a board to balance social and commercial logics	Board supports balance between social and commercial logics
Board members fill gaps in skills / knowledge	

Sadie from Heart Theatre described how the board in her company included her and her co-founder and an accountant. The accountant provided the financial skills and acumen they did not yet have: *'...so she's not really involved in the creative, the management structure or anything of the company but keeps us financially in check...always know a finance person is my first advice to people.' (Sadie, Heart Theatre).* Pam, of Ascensa Recycling, gave a lengthy description of the people on the board and their experience and skills including practical skill, knowledge of the third sector, accounting, investment banking, engineering. This became the code **board members fill gaps in skills and knowledge.** This code became part of the concept of the board balancing social and commercial logics, as often the gaps in skills or knowledge do represent one or other of the logics. For example, in the case of Heart Theatre, it's the commercial logic that is supported by the board member. In Ascensa Recycling it was an overall balance that was sought within a much larger board.

Sadie, from Heart Theatre, described how they planned to expand the board in the future. What she said indicated that she wanted the board to be able to support the social and the commercial aspects of the business: *'...it will be really important that that board is made up of people from, um, the demographics that we make work for but also potentially also those who are more business minded...' (Sadie, Heart Theatre).* Sadie, who wanted to expand her board of three, described wanting to get both representation and support of social and commercial logics from the board: *'...we want to create a board that reflects what we do and one of those things is to try to make money to make art, so we want to, yes, someone who is business minded, someone who is ...working in youth...so it is literally a reflection of both our business and our audiences...' (Sadie, Heart Theatre).* This became the code **recruiting to improve current balance between social and commercial logics.**

5.4.2.3.2   Dysfunction

Dysfunction was evident in these organisations. Dysfunction differs from challenges as it describes where some element of the business is not working as it should. Dysfunctional aspects of the business were not always recognised by the interviewees but were evident from their descriptions of their organisations. Dysfunctions included here were a result of hybridity. In this category, a range of

dysfunctional aspects of the organisations are brought together. Two areas of dysfunction were highlighted, these became the concepts *dysfunction relating to purpose / mission* and *dysfunction relating to social business model.* This category is about the potential dysfunction that can be a result of ineffectively managing hybridity.

Table 77 - SE interviews, Theme Three, category - Dysfunction

Concept	Category
Dysfunction relating to purpose / mission	
Dysfunction relating to social business model	Dysfunction
Dysfunction relating to the board	

5.4.2.3.2.1 Dysfunction relating to purpose

Dysfunction relating to purpose was made up of five codes; see table below.

Table 78 - SE interviews, Theme Three, concept - Dysfunction relating to purpose / mission

Code	Concept
Indecision over how to define / describe organisation	
Dominance of social mission	
Evidence of possible mission drift	Dysfunction relating to purpose / mission
Dominance of commercial mission	
Board providing expertise but not representing community	

The code **indecision over how to define / describe organisation** was created in response to the reply from Will, at Digital Now, when asked to describe the organisation. His answer indicated a level of uncertainty that is of interest because it highlights a level of ambiguity as to what the business is / does or an inability to articulate it: *'…it [how we describe ourselves] changes all the time actually…a digital agency, a consultancy, a tech for good, a social enterprise, a social business, a mission-led business…at the moment we would describe ourselves as a tech-for-good consultancy…um, uh a social enterprise.' (Will, Digital Now).*

The code **dominance of social logic** was created in response to an extract from Steve from Rebel Studios' interview which revealed that the mission to provide affordable studio space to artists was being prioritised at the cost of the employees receiving a living wage: *'…the studios are absurdly cheap and because of that we don't make enough surplus from to pay a living wage to anyone.' (Steve, Rebel).*

For an organisation that clearly wants to do good this is an example of a business with its logics out of balance.

The code **dominance of commercial logic** was created in response to an extract from Will, from Digital Now's, interview. He said he saw an imbalance between the commercial (finance) and the other areas of the business: *'...often I say as well that we've got a set of pillars. So one pillar is financial stability, one is employee satisfaction, one is customer satisfaction and then one is social impact, but actually...I think finance is kind of given more precedence than, um, the social impact. (Will, Digital Now).* He attributed this to traditional established business structures and processes: *'We tend to work within established systems of, of doing business so we have a head of financial but we don't have a head of social impact ...so of course finance is going to have more of a, um, an effect throughout the business...'* *(Will, Digital Now).*

The code **evidence of possible mission drift** was created in response to the extract from two interviewees. The original mission of Digital Now was to provide digital services to the third sector, however this quote indicated a trend towards working for corporate responsibility projects which is a different type of client: *'…all the work we do is for pro-social projects…for charities or other social enterprises…or increasingly they might be corporate responsibility projects for corporates as well…'* *(Will, Digital Now).*

At Rebel Studios the possible mission drift was around the users of the studios. Steve admitted that over the years the users have become predominantly mid-career artists rather than the graduates the mission wanted to support: *'…the changes at Rebel have been, you know, incremental over the years, unavoidable, but they have undoubtedly changed the nature of the organisation so Rebel is now more composed of mature or mid-mature artists who are long-term tenants…rather than an organisation which has a quick turnover of recent graduates.' (Steve, Rebel Studios).* Both examples are linked specifically to hybridity in SEs because in a traditional business there is not a concurrent social mission to live up to, a set of tenants is a set of tenants, a paying client is a paying client. The hybrid SE has another additional demand on it: to be financially sustainable but also fulfilling its original mission.

The final code in this group was **board as providing expertise but not representing community.** Here, Will described the board: *'...we've people who are lawyers...another who is responsible for growing sound clouds ...somebody who used to be a rocket scientist and now works in banking...so it's a nice range of people...' (Will, Digital Now).* This was included as a code on the basis that there was no

representation on the board from those encompassed in the mission and that there was evidence of possible mission drift in the organisation.

5.4.2.3.2.2   Dysfunction relating to social business model

The concept *dysfunction relating to business model* was developed from a group of four codes; see table below.

Table 79 - SE interviews, Theme Three, concept - Dysfunction relating to social business model

Code	Concept
Pricing strategy not supporting organisational costs	Dysfunction relating to social business model
Wages inadequate or working for free	
Feeling exploited as a result of hard work for low pay	
Responsibility taken on for low wage	

The code **pricing strategy not supporting organisational costs** was created in response to this extract from Steve, of Rebel Studios', interview:, *'…Yeah it doesn't work as a business in any way, you know, because we're charging far too little. We're not charging the market price of the, of the studios, you know.' (Steve, Rebel Studios).* Here Steve referred directly to the pricing being wrongly adjusted and the business not working as a result.

The code **responsibility taken on for low wage** was created in response to this extract from Steve from Rebel Studios' interview. He described the amount he and his co-director do: '*…as well as the sort of physical work, and the paperwork, the bureaucracy, you know, there's an awful lot of responsibility which…keeps you awake at nights as well.' (Steve, Rebel Studios).*

The code **wages inadequate or working for free** was created in response to extracts from two interviews. These first extracts emphasised the amount of work they do in comparison to the amount they are able to pay themselves: *'…the amount of work we, we, were doing was phenomenal' (Steve, Rebel Studios)* and: *'…we [the founders] on average, work about, a couple of days a week…which we are able to pay ourselves, but we pretty much run almost at full capacity…' (Sadie, Heart Theatre).*

Both interviewees went on to say that this way of working is not sustainable: *'…I am doing the majority for free and so that's not sustainable as a, as a forever practice.' (Sadie, Heart Theatre).   '…Rebel's success… has been on the basis of sort of voluntary organising… but we couldn't carry on unless we were paid…' (Steve, Rebel Studios)*.

Finally, the code **feeling exploited as a result of hard work for low pay** demonstrated that the dysfunction described above lead to feelings of resentment; '*It doesn't feel in any sense adequate payment for what we do…' (Steve, Rebel Studios)*. He continues, *'…if you're asking me personally how I feel about my role at Rebel?... I have felt exploited.' (Steve, Rebel Studios)* and: *'we [the directors] do everything from visioning to cleaning the sinks and emptying the bins, you know,' (Steve, Rebel Studios)*.

5.4.2.3.2.3 Dysfunction relating to the board

The concept *dysfunction relating to the board* was developed from two codes; see table below.

Table 80 - SE interviews, Theme Three, concept - Dysfunction relating to the board

Code	Concept
Bad feeling between users and directors caused by formalising as a business	Dysfunction relating to the board
Fear associated with appointing a board of directors	

The final concept in the thematic analysis for SE businesses identified dysfunction relating the board. It captured the dysfunction indicated during discussion of the move to formalise as a business and considering appointing a board. These were heard in the interview with Steve, from Rebel Studios: '*…if you put yourself forward to run an organisation will be the focus of resentment and blame if something goes wrong…you become the focus.' (Steve, Rebel Studios).* Steve had resisted change, resisted formalising the studio as a business and taking a wage. He found the culture was changed and there were higher expectations of them as a result and, sometimes, more animosity: *'we are slowly working towards a model where we are employed by the organisation but that does change the culture…there's a bit of an "us and them" situation.' (Steve, Rebel Studios)* and: *'…if there's any gossip to the effect that you're, you know, steering the organisation in a, in an unprofitable or unfamiliar direction …it can cause resentment…' (Steve, Rebel Studios).* This became the code, **bad feeling between users and directors caused by formalising as a business.**

Steve also described his consideration of appointing a board of directors. It was evident that there were certain fears associated with this that had led to the organisation operating without a board of directors. One fear was around perceived increased administrative tasks: *'We don't want the, Rebel [name changed] itself, to become an over-elaborate bureaucratic sort of set-up and that sort of thing*

has happened to other studios…' (Steve, Rebel Studios). A second was around wanting to protect the organisations from unwanted change and, potentially, loss of control: *'…we were advised to seek out an advisory board and, …we resisted that and carried on keeping the organisation close to our chests as it were, as co-directors in order to make sure, to safeguard it and make sure that it would carry on in the same spirit.' (Steve, Rebel Studios).* Finally, there was fear around the perceptions that the directors themselves could lose their place in the organisation: *'The problem there is that trustees can oust directors in the running of an organisation, you know, they can, uh, reject them or, uh, have them removed, uh, so there's a perceived danger there on our part that, you know, we would lose control of the organisation.'(Steve, Rebel Studios).* This became the code **fear associated with appointing a board of directors.**

5.4.2.3.3   Summary of Theme Three

The third theme relates to hybridity in practice. Hybridity was visible within the organisations' coping mechanisms and dysfunctions. This theme is about the interplay between social and commercial logics in practice, the tensions that can arise, the responses organisations put in place and the dysfunctions around organisational purpose and within the social business model that can result from hybridity.

5.4.3   SE interviews summary

The SE interviews provide an insight into four SE businesses. Analysis found diversity and similarities across the group and developed three themes representing three different facets of hybridity. Social and commercial logics could be seen within the identities, actions and dysfunctions of the organisations evidencing functioning hybrid organisations. However, a low level of awareness around hybridity and the hybrid nature of their organisations was evident. This presents a mismatch between the organisational type and the organisational identity.

Initial themes are listed below:

- Theme One – Hybridity's internalised logics are distinct but also combined.
- Theme Two – Hybridity is subject to factors inhibiting engagement with one or both logics.
- Theme Three – Hybridity in practice: what SEs encounter, how they respond and the dysfunctions they lead to .

Findings from this part of the fieldwork are presented below:

- SEs may identify with social logic, commercial logic in a variety of combinations, identifying more with the social logic, identifying more with commercial logic, identifying with both social and commercial logics quite equally.

- Social and commercial logics may be combined in the values, motivations and ideas expressed by those involved in SE governance.

- SEs organisational identity may include being a hybrid.

- SEs may encounter a range of factors inhibiting engagement with one or both logics.

- SEs may have no awareness of the term hybridity, low awareness of the hybrid nature of SEs in general and low awareness of their own hybrid nature.

- SEs' organisational identity, in relation to social commercial logics and a developing hybrid identity, may change over time.

- SEs may make hybridity work in a variety of ways though decision making, strategy and support.

- SEs may be dysfunctional in aspects of their mission and purpose in ways that can be linked to hybridity.

- SEs may be dysfunctional in aspects of their social business model in ways that can be linked to hybridity.

- SEs may be dysfunctional in general in ways that can be linked to hybridity.

5.5   Cross theme analysis

Thematic analysis, presented in the previous sections of this chapter, was undertaken one phase of the fieldwork at a time. Research questions were adjusted in the second iteration of the fieldwork (after Case Study one) and this provided an opportunity for learning and progression within the fieldwork. Thematic analysis was, however, undertaken within reference to the previous fieldwork. This means that while the analysis informed the development of subsequent enquiry, each part of the data was analysed separately. This mitigated the possibility that codes, concepts, categories and themes were simply repeated and reseen. The recurrence of codes, concepts, categories and themes is largely seen retrospectively, and meaning is found in this recurrence as they reinforce and provide indications of saturation in the data.

In this section the cross-theme analysis is presented. The three sets of thematic analysis are brought together, disaggregated and presented together across themes, categories and concepts and codes. This process involved comparison of the thematic analysis and organisation and reorganisation of the initial themes. It also involved returning to the coded data extracts and the entire dataset and making sense of them together. Meanings were cross-checked across the data set to ensure that the final themes were unified by concepts that held true across each part of the data. The cross-theme analysis enables the combining of outputs across the three parts of the fieldwork and the development of the final themes.

5.5.1 Organising by theme

The first step in crosstheme analysis was to make sense of the initial themes from each part of the data and make a comparison, identify commonalities and make sense of the themes as a whole. This involved the disaggregation of the three discrete parts of the data, as seen in the table provided in Appendix 14. This presents the raw data alongside the thematic analysis but is organised by theme rather than by the parts of the fieldwork.

As a result of that process, the thematic analysis could be interpreted as a whole. The table below presents the initial themes alongside the final themes they contributed to. Bringing together the three sets of thematic analysis led to changes including the splitting of initial themes into more distinct themes. For example, in Case Study two, the theme 'Hybridity's internalised logics are distinct but also combined and, in tension', contributed to four final themes. This was the result of revisiting the themes when brought together and checking that each had a central unifying concept making it unique and specific and able to contribute distinctly to the overall analysis (Braun & Clarke, 2022). The cross-theme analysis and development of the seven final themes is presented in the subsections below.

Table 81 - Initial themes to final themes across the fieldwork

Case Study one initial themes	Case Study two initial themes	SE interviews initial themes	Final themes
Hybridity in identity and organisational identification (Case Study one)	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)	Theme One: Do not cross the streams: distinct internal logics in organisational identity
-	Hybridity's internalised logics are distinct but also combined and in	Hybridity's internalised logics are distinct but also combined (social	Theme Two: Thinking like a hybrid: combined internal logics in organisational identity

	tension (Case Study two)	and commercial logics separately and together)	
-	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	-	Theme Three: Things can change: movement between internal logics in organisational identity
Hybridity in identity and organisational identification (Case Study one)	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)	Theme Four: Some are more equal than others: logics internalised to different degrees
-	Hybridity is subject to factors inhibiting engagement with one or both of the logics	Hybridity is subject to factors inhibiting engagement with one or both of the logics	Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic
Hybridity in action – both social and commercial logics making it work (Case Study one)	Hybridity in practice (responding to hybridity though design, decision making and proactivity)	Hybridity in practice (what SEs encounter, how they respond and the dysfunctions they lead to)	Theme Six: Making it work: proactive and responsive strategies supporting hybridity
Hybridity and the dysfunctions encountered	-	Hybridity in practice (what SEs encounter, how they respond and the dysfunctions they lead to)	Theme Seven: Things can go wrong: hybridity and organisational dysfunction

5.5.2   Theme One - Do not cross the streams - distinct internal logics in organisational identity

Theme One was developed from initial themes across all parts of the fieldwork. Theme One refers to the distinct quality of the logics within SEs' identity and was seen in all organisations in the study.

Table 82 - Development of Theme One

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	
Hybridity in identity and organisational identification (Case Study one)	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)	Final Theme One: Do not cross the streams: distinct internal logics in organisational identity

In Case Study one, Case Study two and the SE interviews, concepts were developed that related to organisational identity. These were grouped into those distinctly social or distinctly commercial. These concepts contributed to the initial themes in Case Study two and the SE interviews 'Hybridity's

internalised logics are distinct but also combined and in tension' and 'hybridity's internalised logics are distinct but also combined'. Here, distinctness of the social and commercial aspects of identity were brought through as part of the initial themes. The themes also incorporated characteristics other than distinctness: that the social and commercial were combined and in tension. In the final themes these were separated and became themes one, two and three. The rationale for this separation was the aim for each final theme to have a single central concept. This single central concept could be better seen during the cross-theme analysis with the benefit of an overview of the thematic analysis' across the three parts of the fieldwork.

Table 83 - Disaggregated thematic analysis in Theme One

Concepts	Categories	Final theme
Being social value led (Case Study one)	Identity informed by social logic	
Being different (Case Study one)		
Ideas around potential of social business models (Case Study one)	Identity informed by commercial logics	
Purpose aligned with social logic (Case Study two)	Internalised social logic	
Motivations aligned with social logic (Case Study two)		
Indication of commercial motivations (Case Study two)		Do not cross the streams: distinct internal logics in organisational identity
Indication of commercial motivations (Case Study two)	Internalised commercial logic	
Ideas supporting commercial approach (Case Study two)		
Purpose aligned with social logic (SE interviews)	Internalised social logic	
Motivations aligned with social logic (SE interviews)		
Motivations aligned with commercial logic (SE interviews)	Internalised commercial logic	

Ideas supporting commercial logic (SE interviews)		

Themes in Case Study two and the SE interviews have a high degree of similarity and both include the recognition of distinct internalised logics. Looking across the concepts and categories, again there is a high degree of similarity across the data. This together adds to the stability of the theme and this became final Theme One, based on the distinct internal logics in organisational identity later named *Do not cross the streams: distinct internal logics in organisational identity.*

5.5.3   Theme Two - Thinking like a hybrid: indications of hybrid identity

Theme Two was developed from initial themes from Case Study Two and the SE interviews. Cross-theme analysis resulted in 'combined internal logics in organisational identity' being identified as a central concept where previously it was part of two broader themes; see below.

Table 84 - Development of Theme Two

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	
-	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)	Theme Two: Thinking like a hybrid: combined internal logics in organisational identity

Looking at the concepts and categories across the data there is some commonality in the categories, both named 'internalised hybrid logic'. In Case Study two, internalised hybrid logic was only seen in ideas, whereas in the SE organisations it was seen across ideas, motivations and values.

Table 85 - Disaggregated thematic analysis for Theme Two

Concept	Category	Final theme
Ideas combining social and commercial logics (Case Study two)	Internalised hybrid logic	Thinking like a hybrid: combined internal logics in organisational identity
Evidence of values, motivation and ideas combining social and commercial logics (SE interviews)	Internalised hybrid logic	

Looking at codes across the data showed that, while both parts of the data identified hybrid thinking, this was different across the organisations. There was a variety of ways that organisations demonstrated 'thinking like a hybrid' and often this was seen in ideas.

Table 86 - Codes for Theme Two

Codes for Case Study two	Codes for SE interviews
Social and commercial aspects of business model together	Values incorporating social and commercial logic
Success as social and commercial together	Recognising the advantages of bringing together social and commercial people
Social and commercial logics as equal priorities	Acknowledging benefits of formalised balancing
Concerns around mission drift	The idea that it is easier to fulfil social mission than commercial and vice versa
Social and commercial logics in direct tension	Profit is good as enables to reinvest and create social value
Profits as a way to support social mission	Motivated by future longevity of project/ social aim

With consistency across theme, category and concept development and diversity amongst the codes combined internal logics in organisational identity became a central unifying concept and Theme Two was developed: *Thinking like a hybrid: combined internal logics in organisational identity.*

5.5.4 Theme Three - Things can change: movement between internal logics in organisational identity

Theme Three was developed from an initial theme in Case Study two. This refers to the transitory nature of identity composition in SEs; see table below. Cross-theme analysis is not so relevant here where only one part of the fieldwork led to the final theme. This section describes the development of this final theme from the initial theme.

Table 87 - Development of Theme Three

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	
-	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	-	Theme Three: Things can change: movement between internal logics in organisational identity

In Case Study two, several codes were grouped around the concept of strengthening of commercial logic. Commercial logic was the weaker of the two logics in Case Study two, but this concept indicated the ability for identity to change over time and became the category 'movement between social logics'. It is possible that an organisation's identity can change over time, and this is the central concept of this theme.

Table 88 - Thematic analysis for Theme Three

Code	Concept	Final theme
Acknowledge change in identity when you start an SE (Case Study two)	Strengthening of commercial logic	Things can change: movement between internal logics in organisational identity
Acknowledge need and willingness to learn about business (Case Study two)		
Acknowledge change in attitude toward money when start an SE (Case Study two)		
Acknowledge need for board members with business expertise (Case Study two)		

Looking across the themes in Case Study two, this category became part of the initial theme 'Hybridity's internalised logics are distinct but also combined and in tension'. The 'in tension' aspect relates to the dynamic nature of SE identity in relation to the social and commercial logics. A picture was building of the composition of SE identity – the social logic, the commercial logic, the combined social and commercial logics and also the possibility that these can change over time.

 In the final themes the possibility for identity to change and be dynamic, previously described in the initial themes as 'being in tension', became its own theme, representing its own central concept. Theme Three was named *Things can change: movement between internal logics in organisational identity*.

5.5.5   Theme Four: Some are more equal than others: logics internalised to different degrees

Theme Four was developed from initial themes across all parts of the fieldwork. Bringing together the thematic analysis from across the three parts of the fieldwork was essential to the development of this theme. It provided an insight into social and commercial logics in organisational identity across multiple SEs and found identity was composed in different ways across organisations.

Table 89 - Development of Theme Four

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	
Hybridity in identity and organisational identification (Case Study one)	Hybridity's internalised logics are distinct but also combined and in tension (Case Study two)	Hybridity's internalised logics are distinct but also combined (social and commercial logics separately and together)	Theme Four: Some are more equal than others: logics internalised to different degrees

In Case Study one the social internal logic dominated organisational identity. Codes and concepts were organised around two concepts: 'being social value led' and 'being different'. All codes can be linked to the development of a social identity, see table in Appendix 14. The only hint of a commercial identity was the inclusion of a code relating to 'ideas' about social business models. Even in this case, the ideas are general rather than applied to their own organisation. Therefore, Case Study one was an example of a social enterprise that did not have a commercial identity, it had not internalised commercial logics.

Case Study two also had a dominant social logic, however, in this organisation, there was evidence of internalised commercial logic and a hybrid logic. There were codes relating to commercial motivations and several codes relating to ideas supporting the commercial approaches to business. These became the category 'internalised commercial logic'. Part of the bigger picture for Case Study two, although not directly a part of this theme, were the concepts 'strengthening of commercial logic' and 'ideas combining social and commercial logic'. Across the themes there was evidence of and movement towards an identity that incorporated commercial logic. In this way, Case Study two was different from Case Study one: the social logic was less dominant, the commercial logic was more evident and there was the addition of a hybrid identity where the social and commercial were brought together. This difference indicated that, across SEs, the composition of internal logics between the social and the commercial, as well as a hybrid identity, can be varied.

The SE interviews provided further evidence of diversity in the composition of identity. In the SE interviews, across four SE organisations, a more balanced version of social and commercial logics were seen in the development of concepts around the motivations aligned with both social and commercial logics, as well as 'ideas' again being central to a concept around commercial identity. In addition, evidence of values, motivation and ideas combining social and commercial logics was seen again, as in Case Study two; see below. In the SE interviews there is also an organisation with a dominant commercial logic, providing yet another possibility for the composition of the social and commercial logics.

The table below presents the disaggregated analysis, across three parts of the fieldwork, from code to final theme. In the case of Theme Four looking across the data shows a picture of organisations internalising social and commercial logic and also internalising the hybrid identity of having both logics.

Table 90 - Disaggregated thematic analysis for Theme Four

Concepts	Categories	Final theme

Being social value led (Case Study one)	Internalised commercial logic	
Being different (Case Study one)		
Indication of commercial motivations (Case Study two)	Internalised commercial logic	
Ideas supporting commercial approach (Case Study two)		
Purposed aligned with social logic (SE interviews)	Internalised social logic	Theme Four: Some are more equal than others: logics internalised to different degrees
Motivations aligned with social logic (SE interviews)		
Motivations aligned with commercial logic (SE interviews)	Internalised commercial logic	
Ideas supporting commercial logic (SE interviews)		
Evidence of values, motivation and ideas combining social and commercial logics (SE interviews)	Internalised hybrid logic	

Looking across the three parts of the fieldwork, the composition of SE identity, in relation to social and commercial logics' diversity, was identified as a central concept that could be useful in the exploration of hybridity and could be separated from the initial themes and articulated in its own right. This became Theme Four, named *Some are more equal than others: logics internalised to different degrees.*

5.5.6 Theme Five: Holding hybridity back: factors inhibiting engagement with an internal logic

Theme Five was developed from initial themes from all parts of the fieldwork. The central concept, factors inhibiting engagement with an internal logic, was seen in the thematic analysis of both Case Study two and the SE interviews; see table below. Two similar initial themes became a final theme.

Table 91 - Development of Theme Five

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	Final theme
Hybridity in identity and organisational identification	Hybridity is subject to factors inhibiting engagement with one or both of the logics	Hybridity is subject to factors inhibiting engagement with one or both of the logics	Holding hybridity back: factors inhibiting engagement with an internal logic

Initially, codes in this theme were grouped with motivations, ideas and values aligned with the social logic. After several iterations of concept development, the concepts *ideas inhibiting engagement with commercial logic* and *other factors inhibiting engagement with the commercial logic* were developed. In both parts of the thematic analysis it made sense to organise these inhibiting factors in their own space, and factors inhibiting engagement with an internal logic became its own central organising

concept. Looking at the thematic analysis across the data it is seen that the concepts and categories are similar, both parts of the fieldwork with concepts around ideas that inhibit engagement with the commercial and also 'other factors' that inhibit; see table below.

Looking across the data the category *ideas inhibiting commercial logic* in Case Study one was identified and it made sense that, it in the cross-theme analysis, they were grouped together with the inhibiting factors in Case Study two and the SE interviews.

Table 92 – Disaggregated thematic analysis for Theme Five

Concept	Category	Final theme
Ideas around challenge of social business models (Case Study one)	Ideas inhibiting commercial logic	Holding hybridity back: factors inhibiting engagement with an internal logic
Ideas inhibiting engagement with commercial logic (Case Study two)	Factors inhibiting engagement with commercial logic	
Other factors inhibiting engagement with commercial logic (Case Study two)		
Ideas against commercial approach (SE interviews)	Factors inhibiting engagement with commercial logic	
Other factors against the commercial logic (SE interviews)		

Looking across the data at codes for this theme provided further stability for this theme. Here, the arrows linking the codes across the data highlight a high incidence of similar codes. Many of the factors inhibiting engagement with commercial logic were seen across the data. No codes could be linked to potential inhibition of social logic.

Table 93 – Codes from across the data for final Theme Five

Codes from Case Study one	Codes from Case Study two	Codes from SE interviews
Idea that there is a trade-off between social and commercial	Ideas around profit being unattractive or 'wrong'	Highlighting negative aspects of commercial business
Idea that social value and commercial success cannot be created together	Idea that commercial success is more difficult	Idea that profit being 'icky' / wrong
Idea that social enterprises cannot achieve earned income	Ideas around social injustice/justice	Idea that social mission compromises profits
	Lack of belief in the business model	Idea that not for profits do not make money
	Not identifying as a 'business' person	Not considering SEs as viable businesses
		Not knowing much about business
		Not seeing the business as a real business
		Finding 'business' a challenge
		Loyalty to community (barrier to taking a wage)
		Never intended to start a business
		Not identifying as a 'business person'
		Not aspiring to lead an organisation

The theme identifies and articulates the presence of factors inhibiting engagement with commercial factors, allowing it to be considered alongside SE organisational identity composition. Factors inhibiting engagement with an internal logic were across the data and the final theme was named *Holding hybridity back: factors inhibiting engagement with an internal logic.*

5.5.7   Theme Six - Making it work: proactive and responsive strategies supporting hybridity

Theme Six was developed from initial themes from Case Study two and the SE interviews. The central concept, proactive and responsive strategies supporting hybridity, was seen in the thematic analysis of Case Study one, Case Study two and the SE interviews; see table below. Theme Six developed from a theme developed in Case Study one, and the deconstruction of themes developed initially in Case Study two and the SE interviews. When the themes were considered across the data, and the themes revisited, the organisations' ability to 'make it work' was used as a central unifying concept it was felt was useful to exploring the research questions.

Table 94 - Development of Theme Six

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	Final theme
Hybridity in action – both social and commercial logics making it work	Hybridity in practice (responding to hybridity though design, decision making and proactivity)	Hybridity in practice (what SEs encounter, how they respond and the dysfunctions they lead to)	Theme Six - Making it work: proactive and responsive strategies supporting hybridity

Across the two parts of the fieldwork there were many similarities. Across the three parts of the fieldwork the concepts within Theme Six captured the ways SEs responded to hybridity through strategic approaches to governance and in the implementation of their business model; see below. These concepts are not identical but do demonstrate common strategies for making it work.

Table 95 - Disaggregated thematic analysis for Theme Six

Concept	Category	Final theme
Prioritising people (Case Study one)	Strategies for success	Theme Six - Making it work: proactive and responsive strategies supporting hybridity
Commercial practices for success (Case Study one)		
Active management of the board (Case Study one)		
Strategic approach to governance (Case Study two)	Making it work	
Support offered by board addresses both social and commercial logics (Case Study two)		
Tensions between social and commercial logics (SE interviews)	Making it work	
Board supports balance of social and commercial logics (SE interviews)		

Looking at codes across the data provided further stability for this theme; see table below. The codes within Theme Six are wide ranging, from undertaking activities outside the social business model, strategic use of the board to a variety of decision around pricing. The range of codes here demonstrates the many ways SEs are able to 'make it work'. What they have in common is that they are all seeking strategies to succeed.

Table 96 - Codes from across the data for Theme Six

Codes from Case Study one	Codes from Case Study two	Codes from SE interviews
Actively maintaining the mission	Creating a board is a strategic decision	Social mission can impact profits
Prioritise people over profit / income	Actively pursuing the board to fill skills gaps	Choosing to have a price strategy based on need / ability to pay
Prioritise responding to users' needs	Aiming to create a diverse board	Choosing not to have a price strategy based on need / ability to pay
Providing additional (unpaid) support to users	Board supporting commercial logic	Pricing strategy puts affordability before salaries

Developing relationship with users	Board supporting social logic	Attempting to balance social and commercial logics
Knowledge of users and community developed over time	Future plans aim to balance logics	Creating a board to balance social and commercial logics
Users become staff members		Board members filling gaps in skills / knowledge
Informal culture		Board helps retain focus on mission
The importance of recognising that needs differ across localities		
Being competitive to win funding and contracts		
Making the additional support add commercial value		
Changing / having the ability to change / reinvent the business model		
Being flexible and agile		
Building local / beneficiary involvement in through the board		
Management influence on the board membership / leadership		

In Case Study one, the insights are different but able to contribute to the same theme. As in Case Study two and the SE interviews, strategic governance and application of the business model are concepts that demonstrate SEs 'making it work'. In addition, a concept 'prioritising people' is part of this category, capturing the organisations' mission statement being at the centre of strategic success.

Across the three parts of the fieldwork there were examples of SEs making it work, responding to hybridity. This flexibility, awareness and ability to respond became final Theme Six and was named *Making it work: proactive and responsive strategies supporting hybridity.*

5.5.8   Theme Seven - Things can go wrong: hybridity and organisational dysfunction

Theme Seven was developed from initial themes from Case Study one and the SE interviews. The central concept, hybridity and organisational dysfunction, was seen in the thematic analysis of both Case Study one and the SE interviews; see table below. The relevant theme developed in the thematic analysis of the SE interviews is 'Hybridity in Practice'. In Case Study one and the SE interviews, themes were developed that encompassed both responses to hybridity and challenges/dysfunctions. These were similarly named and intended to capture hybridity in practice. Looking across all parts of the fieldwork and revisiting the unifying concept for each theme, two themes were developed, one for responding and one capturing how SE organisations make things work and the second capturing the challenges and dysfunctions. These are the final themes six and seven.

Table 97 - Development of Theme Seven

Initial theme from Case Study one	Initial theme from Case Study two	Initial theme from SE interviews	Final theme
Hybridity and the dysfunctions encountered	-	Hybridity in practice	Theme Seven- Things can go wrong: hybridity and organisational dysfunction

Looking across the parts of the fieldwork, the concepts that are part of Theme Seven are not identical but fall into three areas common to both. Dysfunction relating to the board, dysfunction relating to the business model and also dysfunction in relation to describing their organisations all feature. These common areas are seen in the table below.

Table 98 - Disaggregation of thematic analysis for Theme Seven

Concept	Category	Final theme
Internal dysfunction (Case Study one)	Dysfunction in general	Theme Seven- Things can go wrong: hybridity and organisational dysfunction
Dysfunction in social business model (Case Study one)		
Tension between the board and the executive (Case Study one)	Dysfunction in governance	
Indication of weakness of the board (Case Study one)		
Dysfunction relating to purpose / mission (SE interviews)	Dysfunction	
Dysfunction relating to social business model (SE interviews)		
Dysfunction relating to governance (SE interviews)		

Looking across the data at codes provided further stability for this theme; see table below. Again, the codes are not identical and there is a variety of codes relating to dysfunction across the two parts of the data. In particular, in relation to dysfunction relating to governance, it is a common feature of both parts of the data, but the codes reveal that organisations experience this in different forms. Looking across the organisations involved in the study, the boards were all quite different and it would make sense that a variety of different issues arose over time.

Table 99 - Codes from across the data for Theme Seven

Codes from Case Study one	Codes from SE interviews
Uncertainty in how to describe / define the organisation	Indecision over how to define / describe organisation
Unscrupulous attitude to users	Dominance of social mission
Running unprofitably to maintain mission	Dominance of commercial mission
Additional (unpaid) support necessary for success	Evidence of possible mission drift
Losing wages to keep organisation going	Board providing expertise but not representing community
Opinion that the board does not need to understand the detail	Pricing strategy not supporting organisational costs
Perception that the board will over complicate	Wages inadequate or working for free
Perception that board does not make a positive contribution	Feeling exploited as a result of hard work for low pay
Perception of conflict of interest with the board	Responsibility taken on for low wage
Business model not fully understood by/ communicated to the board	Bad feeling between users and directors caused by formalising as a business

Perception that the board is passive	Fear associated with appointing a board of directors.
Evidence of rubber stamping	
Evidence of board not completing tasks	
Reliance on one person for success of the organisation	
Evidence of gaps	

Looking across the two parts of the fieldwork, it was clear that dysfunction was a central concept related to hybridity and should be articulated as a theme. This became Theme Seven, named *Things can go wrong: hybridity and organisational dysfunction.*

5.6   Naming and ordering the themes

The final phase of analysis involved ordering and naming the seven themes. The purpose of this phase was to maximise the ability of each individual theme to communicate something distinctive about the data and for the themes together to tell the story of the data. Naming of themes was guided by the ideas of Braun & Clarke (2021, pg.111) who offer *'A good theme name will be informative, concise and catchy.'* The names given to each theme aimed to capture the concept of the theme and also to engage a future audience.

Putting the themes in an order, to some extent, provides a communicable story and aids communication. The order does not suggest these are elements an organisation does or should encounter or tackle in any particular order.
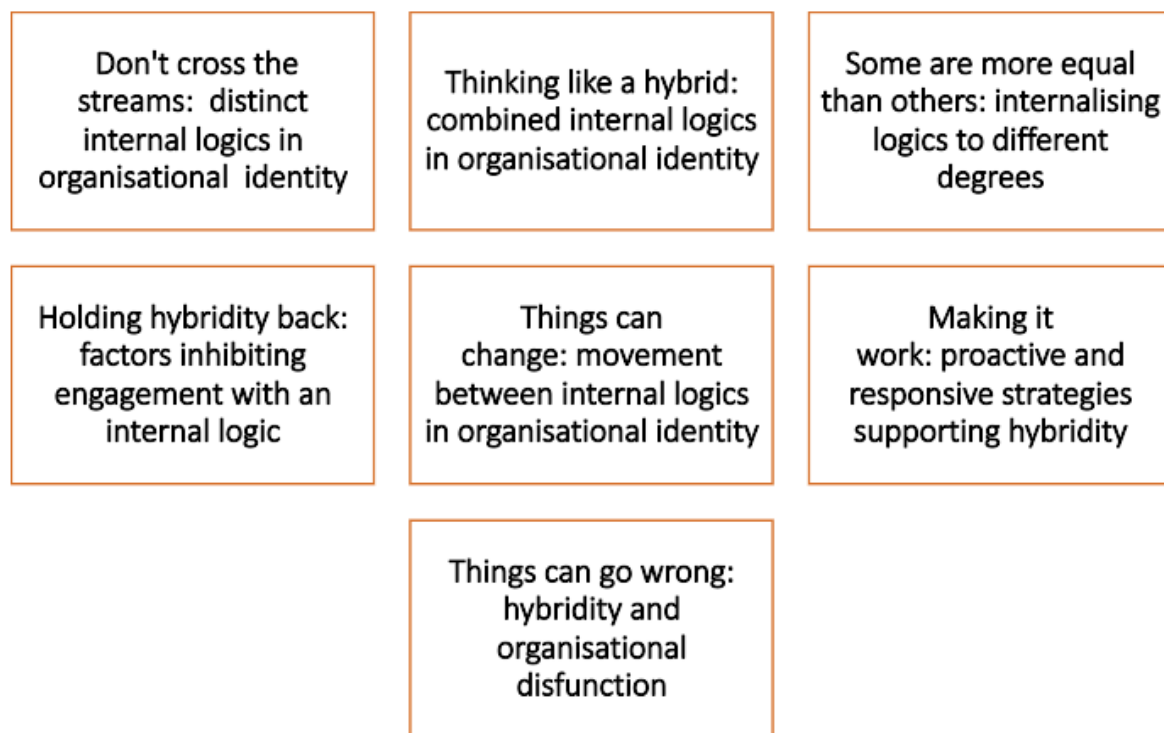
Figure 18 - Seven themes developed across all parts of fieldwork (read from top left, across, then middle left, across, then bottom row)

5.7 Evaluation of results and analysis

Overall, the data analysis was competent and led to the development of themes and findings which provide a thread by which to tell the story of the data. A reflective evaluation of the data analysis provides the context with which to understand the results and demonstrates awareness of strengths and weaknesses.

Both cultural analysis and thematic analysis are reflexive methods. Thematic analysis required organisation, a methodical approach, reflexivity and courage. Cultural analysis required mindful engagement, observance and reflexivity. These were areas the author found were strengths. The selection, adaptation and application of both analytical processes was initiated with confidence. Conviction in the strengths of the qualitative approach and the chosen paradigm provided some of this confidence.

5.7.1 Cultural analysis

The results of the cultural analysis in Case Study one provide a good indication of the internal culture at the Henry Price Centre. Evidence was gathered over forty hours of observations and a reflexive approach was taken to the process of analysis, with consideration given to the impact of the researcher's own assumptions to the interpretation of the data.

Cultural analysis is best completed by an organisations' insiders and one undertaken by an outsider can never provide a truly accurate description of culture (Schein & Schein, 2016). The weakness of the analysis is its reliance on the author's own interpretation to identify what is valued. Facilitating this process requires confidence and, on reflection, the decision not to do this was based in a reluctance to risk failure. In future, the researcher would consider involving the organisation in the cultural analysis.

Despite weaknesses, the cultural analysis in this research was of value. The analysis was undertaken using a process which prompted mapping of data to enable patterns to become visible, and researcher reflexivity. The underlying assumptions identified in it align with the themes developed in the thematic analysis; this provides an indication of accuracy. Although complete accuracy cannot be claimed, a useful interpretation of culture at the centre was achieved which provided value to the later stages of research. The cultural analysis contributes to the first phase findings which prompted the direction of the next phase of the fieldwork.

In future, the researcher would record reflections of the process of cultural analysis as well as the process of data collection. This would provide a useful record of decision making and development of the outputs. The researcher enjoyed this aspect of the research and would consider conducting cultural analysis again.

5.7.2   Thematic analysis

Coding was completed carefully and effectively. The author was committed to the process and willing to invest time in the development of themes from the data set through coding and grouping codes. The codes developed were unexpected and led to real discovery in addressing the research questions. Coding provided a strong connection between the data to the themes developed in the later parts of the analysis.

On reflection, the codes linked to 'success' and 'what success looks like' were too much the product of a question in the interviewing, e.g. *what does success look like in this organisation?* These codes remain valid as a part of the overall codes that make up a concept, category and theme, as they do represent the data effectively. This is only the case in one code amongst many. However, ideally, codes would be less directly the result of questioning. To improve, either questioning needs to be less direct or the coding needs to align less directly with the question.

Thematic analysis included two stages between code and theme development: the grouping into concepts and categories. An alternative to this approach is to move from codes straight to themes and sub themes. It is difficult to predict what difference this might have made to the theme development and the outcomes of the analysis. The advantage of the multi stage approach was the opportunity to make distinctions and links between groups of codes and articulate this in the analysis. These groups of codes, while not themes in their own right, contribute to more nuanced understanding.

In places the codes are quite thin, differences between codes are quite subtle and codes are derived from a single extract of data. The use of concepts strengthens these individual codes within each theme. On reflection, some concepts could be codes themselves with a greater numbers of extracts attached to them. However, these aspects of the process do not impact the outcome of the analysis. The advantage of this approach to coding is the level of detail in which the data has been analysed.

The author noted that theme development was challenging. Pressure to move on from the analysis phase was met with continual anxiety that the themes could be different, the concepts and categories grouped another way. Clarity was sometimes lacking in the early stages. It was found to be useful to refocus on the research questions in order to develop themes and make choices on the basis of the focus of this research. Theme development required the researcher to be in command and use the codes, concepts and categories to expand knowledge in the context of the research questions.

To improve more, consideration of the role of a theme would be useful. Some of the preliminary themes contain internal contradiction, e.g. Theme One in Case Study two – 'logics are distinct but also combined'. This is contrary to advice given in the thematic analysis literature (Braun & Clarke, 2022). A better formed sense of what a theme is and is not would inform future theme development.

Informed by the literature, a final refining of themes was undertaken at the time of writing up (Braun & Clarke, 2022). The nine themes from across the three parts of the fieldwork were brought together

and combined, some discarded, and all renamed. Having used the process of thematic analysis to build confidence in the data and themes it required confidence to rework preliminary themes in order to make them communicable and cohesive. Prior to this final refinement, the themes were strongly linked to the data and easily defensible but underwhelming. This was an empowering and necessary part of the thematic analysis process, which resulted in a single set of coherent and usable themes that worked together to tell the story of the data.

Overall, the strength of the thematic analysis undertaken in this research lies in the continued engagement with the method and the journey it takes the researcher on. The evidence for the success of the thematic analysis lies in the seven themes and the satisfaction of seeing that they represent what was learnt from the fieldwork in the organisations. The author would use this method of analysis again and continue to engage with its intricacies.

5.7.3   Summary

Overall, the analysis of data across the fieldwork was good. Analytical processes were sought, adapted and followed with competence. Reflexive practice was in place throughout the planning, analytical process and writing up of the results. Weaknesses in the analysis are acknowledged and plans to improve in future work are made.

Managing board tensions - all new teams need to develop rapport and build relationships, and most teams will encounter particular challenges. In these extracts there are indications that the challenges stem from the team being built to include both social and commercial representation, as described in previous codes. There appear to be challenges around individuals not grasping core values, the group being disparate and there needing to be time to build trust. These challenges can be understood in the context of board member selection being based on supporting both the social and commercial logics. Needing to find common ground and common understanding of core values is even more important.

5.8   Chapter summary

This chapter presented the results and analysis of all data collected in this research. Results are presented for each part of the fieldwork and provides evidence of how the raw data contributed to the initial and final themes including the codes, concepts and categories that were developed. The

distinct parts of the fieldwork are then bought together in a cross theme analysis mapping the development of initial themes to final themes. The results presented here and the process and application of the analysis are evaluated. Chapter 6 provides a full discussion of the findings in the context of the existing field of literature.

Chapter 6 Discussion

This chapter presents the findings of the research in the context of the existing literature and the meaning and impact are discussed. The findings are framed by the research questions that led the design, implementation, and analysis of presented in this thesis.

RQ 1. How does hybridity manifest within organisations?

This central question was accompanied by related research questions that address information gaps and issues identified in a review of the literature and emerged during the fieldwork. This research question is overarching and is therefore addressed by each part of the discussion presented in this chapter.

Secondary research questions used in phase one of this research (Case Study One) were:

RQ 2. How do SEs engage with hybridity?

RQ 3. How do SEs respond to hybridity?

RQ 4. What barriers do hybrid organisations experience that may link to hybridity?

RQ 5. How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation?

RQ 6. Do SEs identify with hybridity?

RQ 7. What is the role of identity in SE hybridity?

This chapter is organised into sections for each of the seven research questions with subsections for each finding.

6.1   RQ 2. How do SEs engage with hybridity?

Research Question Two was addressed across three findings; Finding One: Social and commercial logics are seen separately in organisational identity across purpose, ideas and motivation, Finding Six: Internal logics are visible to different degrees within organisational identity and Finding Seven: Internal culture may be founded on only one of the two logics. These findings are discuss in the context of the existing literature. The response to the research question is that SEs engage with social and

commercial logics separately to a large degree but that there are multiple different patterns of engagement across organisations.

6.1.1   Engagement with social and commercial logics separately

Across both Case Study Two and the SE interviews, social and commercial logics were visible within organisational identity. Identity here refers specifically to the purpose, motivations and values indicated in the fieldwork. In the data, references to social and commercial logics were often identified separately, indicating that the logics are distinct. This became **Finding One: Social and commercial logics are seen separately in organisational identity across purpose, ideas and motivation.** Finding One is illustrated across two diagrams, the first is below, where social and commercial logics are separate within organisational identity.
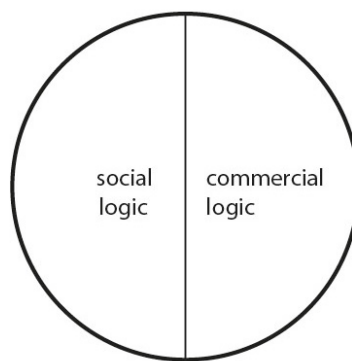

Figure 19 - Logics within organisational identity in an SE

Firstly, Finding One supports the proposition made by Friedland & Alford (1991) in their seminal chapter 'Bringing society back in' which proposed that organisational logics can be internal and internalised as well as external. In that chapter, internal logics are described as being visible in organisations: the interests, identities, values and assumptions (Friedland & Alford, 1991).

In that chapter, internal logics are described as being visible in organisations the interests, identities, values and assumptions and part of organisational identity, *'They [internal logics] provide individuals with vocabularies of motives with a sense of self.'* (Friedland & Alford, 1991, p. 251). Secondly, Finding One confirms that logics may be found across purpose, values and motivations as well as, in Case Study One, within the underlying assumptions of internal culture. This is impactful as ideas in the literature around how internal logics might manifest within organisations had not previously been explored in

the field and can provide direction to the ways in which organisations work with logics. Finding logics within the purpose, values and motivations of organisations provides a more tangible route for organisations to develop awareness, work with, and strengthen their internal logics. Finding One is illustrated across two diagrams, the second is below, where social and commercial logics manifest within purpose, motivation and ideas.
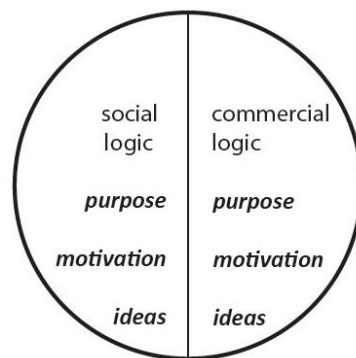

Figure 20 – Logics manifest in organisational identity within purpose, motivation and ideas

Existing research describes the presence of two logics in hybrids and identifies the potential benefits of two logics (Friedland & Alford, 1991). For Friedland & Alford (1991) the presence of two internal logics creates tension and stimulates active engagement with ideas and decisions, which develop strength in the organisation. Confirming that logics are present and distinct is, therefore, important as this is potentially a source of strength within the organisation, as well as a source of tension. Understanding more about how these logics manifest, i.e. within purpose, motivations and ideas, has implications for how organisations navigate these tensions.

In the literature, insights around hybridity and internal logics in SEs come largely from studies concerned with tensions and management of tensions (Smith & Lewis, 2011; Mair, 2015; Levereque *et al*., 2019; Mongelli *et al*., 2019; Smith & Besharov, 2019; Jay, 2013). Research presented in this study has a different focus, on locating two logics within SEs, explored how hybridity manifests within organisations and, therefore, provides new insights into hybridity and internal logics.

Smith & Besharov's (2019, p. 29) contribution about the nature of hybridity being both *'fixed and flexible'* is supported by Finding One*.* The structured flexibility model relies on a concept of hybridity, and in particular of identity, as being fixed and there being distinct elements of social and commercial logic within it. These distinct (fixed) logics provide the 'guardrails' which simultaneously facilitate and

limit movement between the two logics in the response to hybrid tensions. Finding One supports the idea that the logics within hybridity are distinct and, so, supports Smith & Besharov's (2019) structured flexibility model.

Smith & Lewis (2011, p. 154) proposed that hybrids may be capable of *'…more complex thinking and innovation.'* and the positive impact of hybrid tensions on thinking and creativity is found in other studies (Mair *et al*., 2015). Finding One in this thesis locates distinct social and commercial logics manifest in the 'ideas' of those leading hybrid organisations and so provides a context for this more complex thinking and innovation.

Proposals from the field suggest that strong organisational identity, later strong organisational culture, provide resilience and strength in the navigation of organisational hybridity (Battilana & Dorado, 2010; Battilana, 2018). Finding One in this thesis again provides an insight into organisational identity and finds purpose and values are part of the way hybridity manifests within SE organisations. Finding One adds to Battilana's proposal: strong organisational culture can be beneficial to hybrid organisations and, in addition, organisational culture incorporates logics.

Mongelli *et al*. (2019) proposed that the positives of hybridity can only be realised if the hybrid structure of the organisation is 'solid'. Attributes such as solidity can be better assessed where the way hybridity manifests within an organisation is understood, where the logics within identity have been identified. Finding One provides this insight and, therefore, extends the impact of the findings in this area of the hybrid literature. 'Solidness' could refer to the balance of social and commercial logics across organisational identity and be assessed using a tool developed on the basis of Finding One and the model of organisational identity presented here.

6.1.2   Different patterns of engagement across SEs

Case Study One indicated that a hybrid organisation's identity could include only one of the organisation's two internal logics. Case Study Two and the SE interviews indicated that a hybrid organisation's identity could be composed in a variety of ways. This became **Finding Six: Internal logics are visible to different degrees within organisational identity**

Case Study One included an exploration of culture within a hybrid organisation. This exploration indicated that a hybrid organisation's culture could be built on values linking to just one of the

organisation's two internal logics. This became **Finding Seven: Internal culture may be founded on only one of the two logics.** Finding One is illustrated in the diagrams below which show variety in the composition of organisations, with social logic being dominant, commercial logic being dominant and them both being equal.
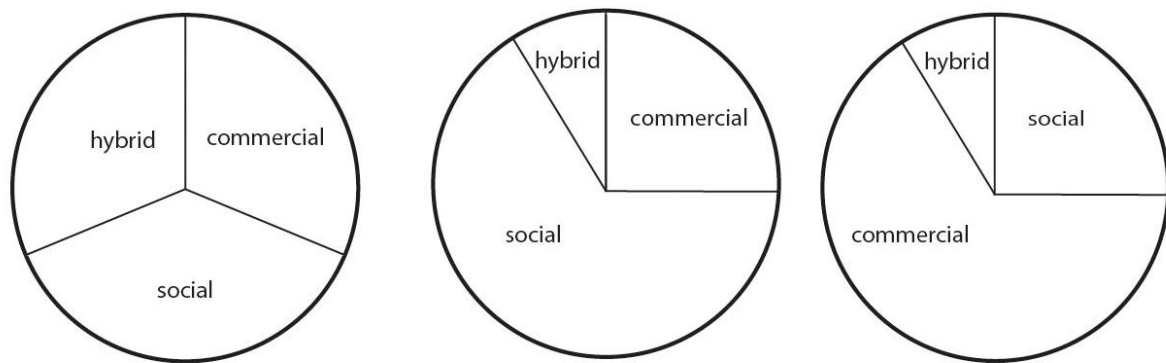

Figure 21 - Organisational identity is heterogeneous across SEs

Finding Six suggests that SEs identify with social logic, commercial logic and hybridity in a variety of combinations: identifying more with the social logic, identifying more with commercial logic, and identifying with both social and commercial logics quite equally. What this means, beyond confirming diversity, depends on explanations for these variations: are they strategic choices made by the organisation? or the result of organisational limitations? or a combination of factors? What does it mean to internalise a logic? and could there be degrees of internalisation? Questions about the role of different aspects of identity, whether an ideal composition for hybrid identity exists and what this might look like are also relevant. The discussion below starts with composition of identity in hybrid organisations, then moves on to the level of control hybrid organisations may have, and finally, to consider internalisation of logics.

Finding One confirms that identity is a key factor in sustaining organisational hybridity, and this is supported by the discussion in the previous subsection. If identity is important then the composition of identity, especially in relation to hybridity, is worth exploring. This study finds that the composition of identity varies between organisations but also sees some similarities. In all organisations in this study, even those with the lowest engagement with commercial logic, hybrid identity was evident within ideas, i.e. two logics were brought together in ideas. In all organisations, motivation and purpose featured as part of the social logic forming identity. In all organisations, purpose and ideas

featured as part of the commercial logics forming identity. This study does not claim to be representative but this could inform theory building around identity in hybrid organisations that could then be tested with larger samples.

Besharov & Mitzinneck (2021) provided the only work found in this review with a specific focus on explaining variations in hybridity at organisational level. Their model includes a range of factors that can change over time and act upon one another, resulting in heterogeneity in the compositions of hybridity. This is related to, but different from, organising hybrids (see subsequent subsection) which relates to ways hybrids can be organised into types or groups. One of the four factors in Besharov & Mitzinneck's (2021) model, *centrality*, relates directly to logics and identity and is relevant to discussion of Finding Six.
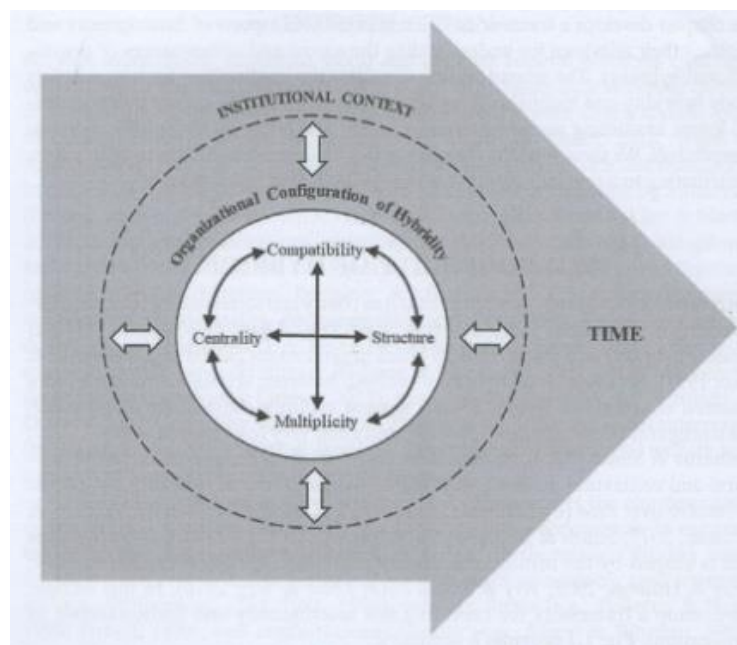
Figure 22 - A configurational, situated, and dynamic framework of organizational hybridity (Reproduced from Besharov & Mitzinneck, 2021, p. 6)

Centrality, described as the extent that logics are regarded equally, was linked to influencing the ability of the organisation to be flexible and instigate change. According to Besharov & Mitzinneck (2021), where logics are more equally regarded change is more difficult than when one logic dominates. A dominant logic acts as a 'guide for action', making rapid strategic decision-making more likely (Besharov & Mitzinneck, 2021). Besharov & Mitzinneck's (2021) work supports Findings Six and Seven, both finding heterogeneity in the composition of hybridity, and suggests that a dominant logic is preferable to two equally regarded logics.

Looking to the literature to answer the question around an organisation's role in engagement with logics, Mair *et al*.'s (2015, p.728) conception of logics *'…they perceive prescriptions from different logics less as a straitjacket to fit into and more as a 'toolkit' from which they can pick and choose…'* suggested organisations are in control. Theories such as 'selective coupling' and 'conforming' and 'dissenting' propose that organisations strategically and systematically manipulate engagement with internal logics to gain legitimacy and survive (Pache & Santos 2013; Mair *et al*., 2015). However, findings in this study do not indicate this type of strategic behaviour.

Findings Six and Seven indicate variety in the composition of internal logics within hybrid organisations' organisational identity. Finding Five indicates that fluidity within identity is possible, and alongside discussion in the literature, could mean that hybrids have agency over their engagement with logics. However, Findings Five, Six and Seven, even alongside discussion in the literature, do not go as far as to indicate that hybrids across the field are engaging with logics strategically or manipulating logics systematically. To the contrary, findings across this study indicate that engagement with internal logics can be constrained by a range of factors (Finding Eight) including low awareness of internal logics (Finding Two).

Findings in this study align more closely with Bruneel *et al*.'s (2020) discussion which focuses on board succession but does so through an exploration of hybridity and representation of internal logics. After identifying problems with representation of logics with SE boards they suggest phenomena amongst SEs, such as decoupling, are less likely to be a 'well-coordinated strategy' and more likely an 'unintentional consequence' of imbalance within the board (Bruneel *et al*., 2020, p. 221). Bruneel *et al*.'s (2020) ideas around the influence of the incumbent board composition, described as dominant coalition, describe how power and influence within the board are about more than just composition but include the history of the organisation/ the board. This scenario better describes the imbalanced logics within identities of organisations found during the fieldwork, more likely a result of their story, the story of their founders, their awareness of hybridity more than an intention.

Findings Six and Seven challenge assumptions made in the literature. With regard to internalising of logics, Friedland & Alford (1991) propose that organisations internalise logics but do not explore the possibility of partially internalising a logic or only internalising one logic. In Case Study One the cultural and thematic analysis indicated the social logic has been internalised but do not indicate that the commercial logic has been internalised. This is despite the organisation functioning in other ways that would indicate engagement with the commercial logic, e.g. profit-making activity. Exploration of logics

within organisational identity in this study suggests it is possible that, sometimes, organisations only internalise one of the two logics available to them. This is important because it could form part of explanations of other phenomena in the field, such as organisational responses to hybridity, (see Findings Nine and Ten) and organisational dysfunction that is linked to hybridity (see Findings Eleven, Twelve, Thirteen and Fourteen).

Finding Seven relates to organisational culture where there is a paucity of research within the hybrid field. Organisational culture is brought into the hybrid literature by Battilana *et al*. (2012) as part of the socialisation of employees or as a tool for leaders in the development of strong mission and purpose. Battilana (2018, p. 1278) reflects on all previous fieldwork and identifies organisational culture as having a role in supporting hybridity: *'I observed that organizations able to pursue both social and financial goals over time seem to share a commonality: they maintain a hybrid organizational culture that holds and balances tensions between creating social and economic value.'* Other than this, culture is not explored from the perspective of identifying the existence or role of internal logics within culture.

Culture is an intangible phenomenon. When it does not align with, for example, the proposed direction of an organisation, it can act as a barrier, impeding efforts from within. Internal culture can be manipulated, used as a tool by leaders to support, communicate and embed particular values and behaviours. However, culture is often incidental rather than purposeful and so may not have that effect. In Case Study One a non-purposeful culture, which does not represent commercial logic, could be acting as a barrier to the organisation achieving hybridity and represents either a lack of will by the organisation's leadership or a failure of the organisation's leadership.

Finding Seven supports Finding Six with outcomes from thematic and cultural analysis in alignment in the suggestion that organisations may internalise one of two logics. Cultural analysis is not commonly used in the hybrid field but, despite this, there are references that link culture and hybridity. Friedland & Alford (1991, p. 251) described internal logics as the '*rules of the game', 'They generate not only what is valued, but the rules by which it is calibrated and distributed.'* These descriptions align with descriptions of internal culture and support Findings Six and Seven in better understanding the relationship between organisational culture and hybridity. This is important as it indicates the potential role of organisational culture in better understanding a hybridity. Perhaps cultural analysis can help organisations assess how their values and purpose, across both social and commercial, are reflected in their culture and how culture could be used to improve / maintain this alignment.

6.2 RQ 3. How do SEs respond to hybridity?

Research Question Three: How do SEs respond to hybridity? was addressed by Finding Ten: SEs may be proactive in response to hybrid tensions. Across the fieldwork, proactive responses to hybrid tensions were identified.

6.2.1 Proactive responses to hybrid tensions

In Case Study One and Case Study Two there are examples of organisations supporting hybridity before or as a problem emerged. In Case Study One, additional activities that did not provide earned income were undertaken. The organisation was proactive in taking the opportunity while undertaking these activities to collect data that could then be used to evidence need in the application for grant funding. In Case Study Two, board tensions emanating from the multiplicity of logics on the board were pre-empted and addressed at the earliest opportunity. Proactivity was found in the recognition that relationships in the board were important and the necessity of investing time in building common understanding and building a unified team. This became **Finding Ten: SEs may be proactive in response to hybrid tensions.**

These proactive responses demonstrate a level of awareness of the hybrid nature of the organisation and the need to support that hybridity. They are important because they align with ideas in the literature about how best to support hybridity and manage hybrid tensions. The additional demands on SE board members to provide strategic connections, to support actively as well as oversee are well established in the literature (Ebrahim *et al*., 2014; Santos *et al*., 2014; Mair *et al*., 2015; Bruneel *et al*., 2020). Wolf & Mair (2019) brought together findings in the literature and proposed a proactive approach to SE governance, presented in contrast to the more straightforward passive oversight required of boards in traditional businesses. Finding Ten provides support for the feasibility of Wolf & Mair's (2019) ideas, demonstrating that in some organisations this is already happening.

Ismail & Johnson's (2019) research aligns with the proactive behaviour seen in Case Study Two. Research found *'…valorizing interpersonal relationships as key to easing conflict…'* (Ismail & Johnson, 2019, p. 531)*.* Investing in relationships requires an investment of time and demonstrates an awareness that tensions can arise interpersonally where engagement with logics is diverse amongst individuals working together. Again, Finding Ten supports Ismail & Johnson's (2019) ideas, again providing evidence that is already happening in organisations outside their research.

Battilana *et al.*'s (2015) spaces of negotiation acknowledge that space and time is needed to work through tensions and that, by scheduling such negotiation activities routinely rather than in a response to a particular problem. This type of preemptive scheduling was described in the proactive activities in Case Study Two indicating that what Battilana *et al.* (2015) saw in a single case study is part of a wider trend. This suggests that SEs may be able to implement activities such as space of negotiation and may find them beneficial. Again, in Case Study Two, spaces were created to work through tensions.

Smith & Lewis' (2011) dynamic equilibrium model is also relevant to Finding Ten. The dynamic equilibrium model focuses on how, when mapping a process of addressing hybrid tensions, part of their process is *acceptance* (Smith & Lewis, 2011)*. Acceptance is described as '*embracing paradoxical tensions via a strategy of "working through."'* (Smith & Lewis, 2011, p.389). The proactive response to tensions in Case Study Two demonstrates a level of *acceptance* of hybrid tensions and a willingness to work through them. This is important because the dynamic equilibrium model is theoretical and so, to see organisations implementing aspects of it without any awareness of the model, demonstrates that it may be applicable and of value in practice.

In summary, Finding Ten supports the feasibility of the ideas presented in the literature. If organisations are already demonstrating acceptance of tensions, creating space to work through them and recognising the value of interpersonal relationships in teams which navigate hybrid tensions, then there is potential for them to adopt these practices if presented as best practice. Discussion now moves on to research question four, What barriers do hybrid organisations experience that may link to hybridity.

6.3   RQ 4. What barriers do hybrid organisations experience that may link to hybridity?

Research Question Four, What barriers do hybrid organisations experience that may link to hybridity? was addressed across four findings. Finding Eight: Identification with logics may be inhibited by a range of factors, is concerned with barriers experienced specifically around the engagement with one or other of the internal logics. In addition, there were three findings that concerned dysfunction; Finding Twelve: Hybrid organisations may show signs of dysfunction relating to mission, purpose and identity,

Finding Thirteen: Hybrid organisations may show signs of dysfunction relating to the social business model and Finding Fourteen: Hybrid organisations may show signs of dysfunction relating to the board and board activities. Dysfunctions are linked to challenges in that they articulate ways in which an organisation is struggling or has failed in some way.

6.3.1 Factors inhibiting engagement with logics

Case Study One, Case Study Two and the SE interviews indicated that there were a range of factors inhibiting engagement with the commercial logics. In Case Study One, ideas around the social business model indicated a perception that social business models in general were not viable, cannot achieve earned income and that there is always a trade off between the social and commercial. In Case Study Two, ideas around social justice, the difficulty involved in social business models and the perception that making a model was 'wrong' and also other factors such as not identifying as a business person and lacking belief in the organisations business model were present. In the SE interviews, an even wider range of factors were indicated, several of those aligning with those in the case studies but, in addition, never intending to start, and not aspiring to lead, a business; not seeing their business as a legitimate business; loyalty to community and not knowing much about business. This became **Finding Eight: Identification with logics may be inhibited by a range of factors.**

Inhibiting factors could contribute to an explanation of the variation seen in engagement with logics in identity and internal culture in hybrid organisations. These factors relate to the ideas and perceptions of those leading SEs. Together they indicate a level of scepticism around the potential for social enterprise business models to be sustainable as well as perceptions of their own ability and motivation. The literature reviewed did not include publications focused on factors inhibiting engagement with logics but findings within the literature do support Finding Eight. In addition, Finding Eight presents a challenge to some of the assumptions made in other areas of the literature, to those offering solutions to managing tensions.

In the SE literature a lack of skills in planning and strategy is found across several studies (Bull & Crompton, 2006; Bull *et al.*, 2008; Doherty *et al.*, 2009; Hynes, 2009; Costa & Parente, 2013). In addition, a lack of managerialism is found (Bull, 2008; Mausch, 2012). Low identification with a logic indicated in Finding Eight could form part of an explanation for, or at least compound, poor strategy, planning and management in SEs organisations. These findings are relevant to Finding Eight as, where

identification with one logic is impeded and, therefore, weak, it will be more difficult for organisations to successfully plan, form strategy and manage a hybrid organisation.

Besharov & Mitzinneck's (2021) framework of organisational hybridity identifies the factors affecting hybrid heterogeneity. These focus on organisational features of the business model, organisation, number of logics and centrality of logics. In addition, the framework shows the interaction between hybridity and outside factors described as its history, legacy and institutional context; it is here that Finding Eight may find an affinity with this framework. The factors that inhibit identification with a logic are part of the story of that organisation, e.g. ideas around the incompatibility of social mission and commercial success may be explained by the lack of experience, exposure or knowledge of successful social business models. Perhaps a stronger identification with the social logic is explained by the previous work and experience of the founders, the institutional context of their organisation and the journey the organisation has been on.

The findings of Bruneel *et al*.'s (2020) study in relation to the ability of hybrid organisations to change and factors impacting the speed of change are also relevant here. Bruneel *et al*. (2020) propose that even where change, in this case through board membership, takes place, there are factors which slow down the pace of substantive change and these relate to the inertia of the current orientations towards the logic first established within the board. Finding Eight identifies factors inhibiting identification with a logic and these relate to the organisation's story, the place it has come from, and the journey it is on.

In this study, all examples of inhibiting factors are inhibiting identification with the commercial logic. However, finding meaning within the context of the literature, seeing this finding in the context of wider explorations of hybridity, it is possible to see that organisations could equally be subject to factors inhibiting identification with the social logic.

The importance of the finding is a recognition that not all hybrids can move freely between organisational logics and that a range of factors relating to their institutional context and story impact how logics are internalised and how easily they can address hybridity substantively within the organisation. Acknowledging this is important as their readiness to engage with some of the proposed solutions for managing tensions may depend on their ability to overcome factors inhibiting identification with one or other logic.

6.3.2   Dysfunction relating to mission, purpose and identity

In Case Study One and the SE interviews, there was evidence of hesitation and contradiction in descriptions of the organisations involved in this research. This indicated a fundamental uncertainty in some organisations around identity. In addition, in the SE interviews, there was evidence of the dominance of one or other of the logics and evidence of mission drift. This became **Finding Twelve; Hybrid organisations may show signs of dysfunction relating to mission, purpose and identity.**

In the literature, mission and purpose are identified as being important in supporting hybridity. Smith & Besharov's (2019) paradoxical framing concept requires leaders to include two competing sets of mission and purpose at one time, within one 'frame'. Their ideas around structured flexibility propose organisations accept and work with the tensions that arise from these competing sides of the social business model. Smith & Besharov (2019) describe success when board members were recruited on the basis that they understood both the social and commercial logics and did not favour one over the other. What Smith & Besharov (2019) propose is not necessarily easy to achieve, it requires an awareness of the duality that exists within hybrid organisations.

Finding Twelve has implications for the feasibility of hybrid organisations successfully implementing approaches such as Smith & Besharov's (2019) paradoxical framing, and structured flexibility. Finding Twelve suggests that some hybrids demonstrate dysfunction in regard to their mission, purpose and identity, have difficulties defining themselves. Hybrids struggling with mission purpose and identity are unlikely to be able to adopt sophisticated approaches to managing tensions which require them to work with mission, purpose and identity; this has implications for the sustainability of hybridity in these organisations.

In addition, there are ideas in the literature which help explain, and support, Finding Twelve. Smith *et al*.'s (2013) 'belonging tensions' describes tensions arising where identity is primarily based on one of two organisational logics and from divergent identities within the organisation. Belonging tensions are still of relevance and are used in the field to group tensions (Ismail & Johnson, 2019). It is possible that dysfunctions relating to purpose, mission and identity, Finding Twelve, can be explained by / align with the belonging tensions described in the literature. The SE literature provides further possible explanation, finding that a single definition for the term *social enterprise* has not emerged; debate around a definition characterised the field for several years (Dart, 2004; Peattie & Morley, 2008; Zahra *et al*., 2008; Doherty *et al*., 2009; Galera & Borzaga, 2009; Defourny & Nyssens, 2010). Confusion

within the sector has been identified and evidenced the phenomena of organisations identifying as SEs but not complying to definitions of SEs and vice versa (IFF, 2005; Teasdale, 2010).

Bringing together the findings in the literature and the previous findings in this research, a picture emerges of hybrids in relation to their purpose, mission and identity. Firstly, hybrids feel different to other organisations but, as part of a new organisational type, may find it more difficult to develop strong identity (Mair *et al*., 2015; Battilana, 2019; Teasdale, 2010). Secondly, purpose, mission and identity are important features of hybridity (Jay, 2013; Skelcher, 2015; Ismail & Johnson, 2019; Smith & Besharov, 2019). Thirdly, purpose, mission and identity are characterised by additional complexity in hybrids, as a result of their dual logics. Finally, purpose, mission and identity are central to managing hybrid tensions and sustaining hybridity (Jay, 2013; Smith & Besharov, 2019). This picture highlights the impact of Finding Twelve and indicates that, for some organisations, building stronger purpose, mission and identity is an important first step.

6.3.3 Dysfunction relating to the social business model

In Case Study One there was evidence of the organisation running unprofitably to maintain their social mission. For example, additional activities supported earned income activities, and individuals went without earnings to keep the organisation going. In the SE interviews there was evidence of pricing strategies not being aligned to costs, directors feeling exploited, taking on significant responsibility and workload and working for inadequate pay. It was evident that individuals within some organisations were taking on additional burdens, undertaking additional activities to support the social business model and enable the continued creation of social value. This was identified as a dysfunction as the activities were not fully acknowledged as part of the social – business model and, with regard to reward and pay, there was evident dissatisfaction that indicated this was an unsustainable or disagreeable situation. This became **Finding Thirteen; Hybrid organisations may show signs of dysfunction relating to the social business model.**

There are few publications found in this review of the literature that focused on dysfunction of the social business model (Davies & Doherty, 2018). Hybrid tensions and mission drift are a bigger focus of the literature, but do not equate to social business model dysfunction. Hybrid tensions are distinct in that they describe the inevitable and potentially positive issues arising as a result of multiple logics. Mission drift specifically refers to the social mission and is distinct as it is more likely a symptom of a failure of the social business model or a failure to manage hybrid tensions. The failure of the literature

to date to capture evidence of social business model dysfunction makes Finding Thirteen important as it is new.

The implication of Finding Thirteen is that some hybrid organisations are failing to develop and implement successful social business models. The relationship between social business models and hybrid tensions was explored in Santos *et al*. (2015). They made links between particular configurations of social business model with particular challenges (Santos *et al*., 2015). In the research undertaken in this thesis, the organisations displaying dysfunction in the social business model in the context of Santos *et al*.'s (2015) work, are market hybrids, the type that should experience the least problems due to the alignment of their social business models. For example, Rebel Studios' dysfunction seemed to lie in the failure to price effectively to support business costs, including wages. In this case the social logic is dominating at the expense of the success of the social business model, which links back to an earlier proposition that commercial and social logics may be internalised to a greater or lesser extent.

This aligns with the findings of Davies & Doherty (2018) whose CaféDirect case study also revealed problems with the social business model. The problems at CaféDirect were linked to the social business model, in particular, the automatic value spillovers, but the root cause of the dysfunction was attributed to a dominant social logic within the board and leadership of the organisation (Davies & Doherty, 2018). The dysfunction at Rebel Studios seems to be around the pricing rather than the alignment of the internal logics. Decisions around pricing support social mission to the detriment of other factors. In summary, there was a lack of balance in the social business model, logics were not given equal recognition and, as a result, hybridity is weakened.

In other parts of the fieldwork, low or lack of wages was evident as a long term situation, indicating the business model was not sustainable. Again, decisions around pricing seemed to support the social logic before the commercial logic and were perhaps evidence of a dominant logic leading to dysfunction. The combination of a dominant logic and a weak hybrid identity could potentially explain this dysfunction. The impact of dominance of a logic is explored further in the discussion of Finding Fourteen below.

6.3.4   Dysfunction relating to the board and board activities.

Case Study One provided a range of indications of dysfunction within the board. This included a range of negative perceptions indicating tensions between the board and the executive. In addition, there were indications of dysfunction in the board in relation to its strength. For example, evidence of passivity, rubber stamping, lack of knowledge of social business model and failure to complete tasks. In the SE interviews there was evidence of poor relationships between the directors and the beneficiaries/users, and evidence of fear associated with appointing a board of directors. This became **Finding Fourteen; Hybrid organisations may show signs of dysfunction relating to the board and board activities.**

Finding Fourteen is supported by findings that fragility is characteristic of hybrid boards (Crucke *et al.*, 2015; Crucke & Knockaert, 2016; Bruneel *et al.*, 2020). According to the literature, board dysfunction could be explained by the complexity of the tasks involved in board membership in hybrid organisations or by board composition. Explanations offered in the literature are conflicting, there is no consensus as to whether dominance of one logic within the board is an advantage or disadvantage (Crucke *et al.*, 2015; Crucke & Knockaert, 2016; Bruneel *et al.*, 2020).

In Case Study One the board is dominated by social logic, this is evident in its composition. This could indicate that the finding aligns with findings in Bruneel *et al.*'s (2020) work where dominant logic led to dysfunction. Finding Fourteen could also align with explanations that link the strain on group dynamics related to hybrid logics proposed by Bruneel *et al.* (2020). Bringing together fieldwork in this study and knowledge in the field it seems likely that it is important that both logics are represented on the board, although there are multiple ways this can be achieved and the best approach will differ across organisations (Santos *et al.*, 2015).

It also seems likely that tensions arising in the board should be expected, and that board members should be ready to be active in engaging with internal logics and working with them (Wolf & Mair, 2019). The impact of this finding is that although as Wolf & Mair (2019) propose, board composition, is not the only factor in board effectiveness, it is the starting point. In Case Study One a weak and dysfunctional board are dominated by the social logic, this board will struggle to be the active, engaged and effective board the literature suggests is necessary (Ebrahim *et al.*, 2014; Wolf & Mair, 2019).

The dysfunctions found in this research support the findings in the literature around the demands of hybrid governance; that they are prone to relationship difficulties (Bruneel *et al.*, 2020). Bruneel *et*

al.'s (2020) work around board composition finds that it is power, in the context of the board's social structure, rather than representation that is important. This is supported by Finding Fourteen, where 'rubber stamping' and dominance were seen in the field. In order to make effective change across representation of logics it is necessary to dismantle the dominant groups that have formed over time and potentially apply a radical approach to rebalancing power within governance (Bruneel *et al*., 2020).

Finding Fourteen should be considered alongside discussion around the importance of governance to supporting and sustaining hybridity. Governance was found to be central to the success of hybrid organisations across the hybrid research as well as being implied by the nature of the solutions presented across the hybrid literature (Santos *et al*., 2014; Ebrahim, 2014; Bruneel *et al*., 2016; Smith & Besharov, 2019).

6.4   RQ 5. How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation?

Research Question Five, How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation? This is addressed by Finding Two: There may be low awareness of hybridity in some hybrid organisations. Low awareness of hybridity is identified as a characteristic of some SEs.

6.4.1   Low awareness of hybridity

There was little evidence across the fieldwork of awareness of the term 'hybrid' in relation to an organisational type or in relation to their own organisation. While organisations might identify as an SE, as different, as experiencing different challenges to traditional businesses, they did not seem to have a corresponding identity as a hybrid. The absence of this awareness became a finding through consideration during the analysis of what was not said as well as what was said. This became **Finding Two: There may be low awareness of hybridity in some hybrid organisations.**

The literature does not present any research exploring awareness of hybridity amongst hybrid organisations but hybrid identity is identified in the literature in the context of the composition of identity and as having a role to play in supporting hybridity (Smith & Besharov, 2019). However, Finding Two proposes that hybrids may have a limited awareness of hybridity, challenging

assumptions made in the previous work about the ability of SEs to engage in certain activities. If organisations have a low awareness of hybridity they are unlikely to be able to engage in the activities that could help support hybridity, engage with hybrid tensions and overcome hybrid challenges and avoid hybrid dysfunctions, e.g. accepting tensions, hiring and socialisation, continual sensemaking etc. This is supported Jay (2013) who proposed that reframing was more likely to happen when individuals were aware of hybridity. Jay (2013, p. 155) observed that reframing, not dissimilar to paradoxical reframing and others…, was more likely when those involved had the necessary vocabulary to describe it: *'[this] development seemed to occur to a greater degree when people were reflectively aware of latent paradoxes and had linguistic hooks,..'.* Whereas *'unaware of the shape of the paradox, people run aground on it and get stuck. Aware of it they can find creative routes.'* (Jay, 2013, p. 147). This demonstrates that low awareness of hybridity is of importance and should be addressed.

6.5   RQ 6. Do SEs identify with hybridity?

Research Question Six, Do SEs identify with hybridity, is addressed across three findings. Finding Three: Combining of social and commercial logics may be part of organisational identity, Finding Four: Hybrid identity, the combining of social and commercial logics, is visible within the ideas, purpose and motivations of those leading SEs and Finding Five: SE identity, in relation to social and commercial logics, may change over time.

6.5.1   Hybrid identity

Across all parts of the research there was evidence of the social and commercial logics being brought together. Here *brought together* means a single sentence or discussion point would connect aspects of the social and the commercial amongst the purpose, motivations and ideas expressed by interviews. This became **Finding Three: Combining of social and commercial logics may be part of organisational identity.**

In Case Studies One and Two, a combining of social and commercial logics in *ideas* was identified and, in the SE interviews, a combining of social and commercial logics in *ideas, motivation* and *purpose* was seen. These were identified as indications of the composition of hybrid identity and became **Finding Four: Hybrid identity, the combining of social and commercial logics, is visible within the ideas, purpose and motivations of those leading SEs.** Finding One is illustrated in the diagram below which shows organisational identity including social and commercial logics, but also with hybrid identity represented.
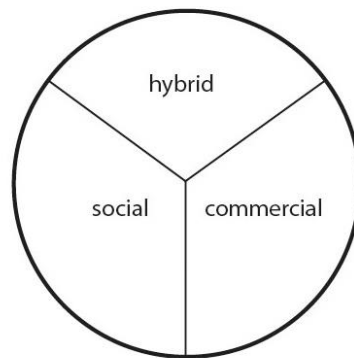
Figure 23 - Identity in SEs may include identifying as hybrid

There is an apparent contradiction here between Findings Two and Findings Three and Four. However, together these three findings describe signs of hybrid identity while also indicating limited hybrid identity. Finding Two highlights a lack of awareness of the term hybrid and/or the particular characteristic their organisation has because it is hybrid, i.e. being an organisation with two logics. Findings Three and Four, moreover, describe the combining of the social logics across ideas, purpose and motivation in ways that could indicate development of hybrid identity. The paradox here is that organisations were able to identify with both social and commercial logics separately, combine social and commercial logics in ideas about business, and implement practices that supported hybridity while having a low awareness of hybridity within their organisation. The literature does not present any research exploring awareness of hybridity amongst hybrid organisations, but hybrid identity is identified in the literature in the context of the composition of identity and as having a role to play in supporting hybridity (Smith & Besharov, 2019).

Finding Three proposes that organisations can develop hybrid identity alongside distinct internal logics. This supports researchers in this field whose research findings have implied that this might be the case. Smith & Besharov's (2019) propose that hybridity does not necessarily manifest in identities which compartmentalise the two logics separately or both at the same time but could do both simultaneously. This is based on data collected in the field which showed that individuals could be multifaceted and could passionately defend one logic while valuing the other and being committed to exploring both. Smith & Besharov (2019) express a need for further exploration of SE identities where social logic, commercial logic and both logics combined are present. The exploration of hybridity in this thesis locates social and commercial logics within organisational identity and finds them distinctly but also expressed together, indicating the potential starting point for hybrid identity.

Smith & Besharov (2019, p.26) described paradoxical frames as *'cognitive understandings of dual elements as contradictory and interdependent'.* Paradoxical frames are seen in the ideas expressed in Case Study Two and the SE interviews, in Finding Three, and are captured in the model of organisational identity in hybrids developed in this finding. Social and commercial logics are dual elements which are distinct, sometimes contradictory, but also interdependent. This is important as the duality found here is necessary for the flexibility in hybridity and organisational identity explored in other findings.

Earlier treatment of hybrid identity as being an option if integrated logics are rejected is undermined by this research. Smith *et al*.'s (2013) discussion around integrated or hybrid identity as a choice is an example of this, with research in this thesis showing that organisations can have both simultaneously.

In summary, hybridity is both distinct internal logics but identifying as a hybrid is about an awareness of the incorporation of both logics and of how they interact. Hybrid organisations in this research were seen to be thinking like hybrids, but only to a limited extent and were not necessarily aware of their own 'hybridness'. Developing a hybrid identity could help SEs support their hybridity and address hybrid tensions using the tools recommended in the literature. Developing a vocabulary around hybridity may be a useful starting point.

6.5.2   Changing identity

Case Study Two captured indications of movement and potential movement towards the commercial logic. These included future intentions such as willingness to learn about business, to recruit a board member to provide business expertise and also acknowledgement of changes in identity and attitude towards money on starting an SE. These indications of movement became **Finding Five: SE identity, in relation to social and commercial logics, may change over time.** Finding One is illustrated in the diagram below which shows organisational identity, with the arrows representing the potential to change.
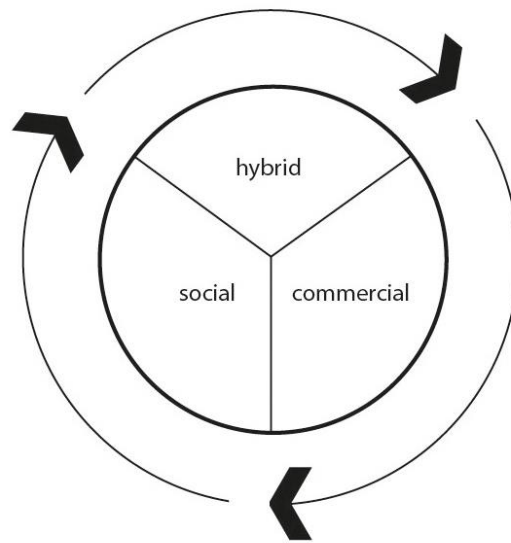
Figure 24 - Organisational identity can change over time

Finding Five means that there is the potential for change in how an organisation identifies with its internal logics. In the existing literature, Smith & Besharov (2019, p.29) describe hybridity as being both *'fixed and flexible';* this is supported by Finding Five. If an organisation's identification with hybridity changes, the nature of hybridity within that organisation is changed. The 'structured flexibility' model, proposed by Smith & Besharov (2019), relies on a concept of hybridity and, in particular, of identity, as flexible and being able to change over time. In addition, Besharov & Mitzinneck's (2021, p. 6) framework of organisational hybridity includes time as a factor, suggesting that over time the configuration of hybridity will change. Finding Five supports these ideas that hybridity, and identity in hybrids, is flexible.

The structured flexibility model (Smith & Besharov, 2019) describes movement towards and away from each logic, with continual interpreting and reinterpreting of identity being a part of the process of managing tensions. This recurrent movement, between the logics, is not a finding of this data. However, the finding that movement is possible goes some way to support the potential for this to happen. Smith & Besharov's (2019) work was based on observations of one in-depth case study; Finding Five adds support to the feasibility of their ideas.

Finding Five also supports Friedland & Alford's (1991) concept of internal logics, as being internalised and engaged with to suit the needs of the organisations. This concept of internal logics placed the organisation actively as the master of its own destiny in relation to the logics that determine its

identity and operation. This idea is supported by Finding Five which proposes that it is possible for organisational identity to change over time in relation to internal logics and hybrid identity.

Finding Five adds to the discussion about the role of flexibility and structure in hybrid organisations. This is an area of paradox within the field; organisational identity acts as an anchor, providing stability and acting against mission drift but also should be flexible in response to hybrid tensions (Smith & Besharov, 2019; Besharov & Mitzinneck, 2021). The need for simultaneous structure and flexibility is a recurrent feature within the hybrid literature. It appears that it is helpful to separate hybrid identity (identifying with the characteristics of a hybrid) and engagement with the social and commercial logics in identity. It may be that having a strong hybrid identity provides the necessary 'anchor' and that then the balance of engagement within identity between social and commercial logics is less important. The 'anchor' is at play for the organisation overall and Besharov & Smith's (2019) guardrails in the context of teams, smaller projects or activities. This scenario allows for the existing diversity in the SE field while still providing a means to maintain and support organisational hybridity.

Discussion now moves on to the final research question; What is the role of identity in SE hybridity?

6.6 RQ 7. What is the role of identity in SE hybridity?

Research Question Seven; What is the role of identity in SE hybridity? is addressed across three findings. Finding Three: Combining of social and commercial logics may be part of organisational identity, Finding Nine: Organisations' social values may support commercial competitiveness, and Finding Eleven: Board membership aligns with the organisation's dominant logic. These findings capture the role of identity in SEs as potentially being to support SEs' ability to overcome challenges, to support the organisational competitiveness and to provide stability in the context of board influence over engagement with logics.

6.6.1 Managing hybrid tensions through stronger hybrid identity

As described in the previous section, a combining of social and commercial logics in *ideas, motivation* and *purpose* was seen to different degrees across the fieldwork. These were identified as indications of the composition of hybrid identity and became **Finding Four: Hybrid identity, the combining of social and commercial logics, is visible within the ideas, purpose and motivations of those leading SEs.**

Pache & Santos (2013) found that building a strong hybrid identity can help overcome challenges of hybrid tensions and increase resilience. Similar findings and ideas are proposed by others in the field (Kraatz & Block, 2012; Jay, 2013; Smith & Besharov, 2019). Kraatz & Block (2012) proposed that developing a hybrid identity could be useful for hybrid organisations and present it as one of four possible ways organisations can address the challenges presented by hybridity.

Finding Four has potential impact as insights into hybrid identity, where it manifests and what forms it takes, will contribute to the potential to help organisations engage with hybridity and build a stronger hybrid identity. Social and commercial logics were brought together across purpose, motivations and ideas, but mostly across ideas. This means that ideas may be central to the development of a hybrid identity; this is important as it could determine an effective focus for activity / point of access in interventions in the field.

6.6.2 Supporting competitiveness

In Case Study One it was evident that the organisation undertook regular activities which did not provide earned income to fulfill social and commercial objectives. This took the form of investment (without payment) in relationship building in the community which then supported recruitment of community members to their adult learning and job placement schemes. Activities ranged from running a youth club that was funded by the centre and received no external funding to collecting young adults and taking them to interviews or to work to ongoing small gestures such as chatting to parents and providing assistance during crisis. This became **Finding Nine: Organisations' social values may support commercial competitiveness.**

There was more than one possible meaning attributable to this phenomenon. It could represent the use of the social mission to provide a competitive service which is superior to that which competitors can provide. These activities are part of the social mission and represent the implementation of the underlying value, to prioritise people. These activities are at least partly strategic and demonstrate how hybrids can use their social business model and their dual logics to their advantage.

Santos *et al.*'s (2015, p. 51) 'Organisational Design for Social Business Hybrids' organises hybrids into types. Finding Nine supports this approach to organising but also challenges it. The organisation in Case Study One is, according to Santos *et al.*'s (2015) design, a market hybrid. Its beneficiaries and clients are aligned, it has an aligned social business model and, in addition, its social value creation is automatic: service users benefit as they use the service. Finding Nine demonstrates the benefits of

being a market hybrid (i.e. having aligned social business model and automatic social value creation). By improving the service to the users, social value is increased demonstrating that aligned business models with automatic social value spillovers see simultaneous social and commercial benefits. By focusing on the organisation's social values they can offer a competitive and superior service.

However, at what point do these additional activities become contingent value creation? Although the social business model here clearly creates automatic value spillovers it also relies to some extent on these contingent activities. A reliance on contingent activities could represent dysfunction in the social business model; see Finding Thirteen. This discussion highlights how the lines between the distinct hybrid types provided in Santos *et al*. (2015) can be blurred rather than distinct, and demonstrates that, when applied in the field, the types may be met with further complications.

Besharov & Mitzinneck's (2021) framework of organisational hybridity looks to explain diversity amongst hybrids and identifies *compatibility*, essentially the alignment of logics within the social business model, as one of four key factors. Besharov & Mitzinneck (2021) propose that the greater the compatibility the fewer tensions and the greater the opportunity for synergy. Finding Nine supports this, demonstrating that where the social and commercial logics are aligned within the social business model synergies can emerge. In the example described above the synergy is between the organisation's underlying value of prioritising people and competitive service provision. Identifying synergies such as this is important as it demonstrates that the social and commercial logics do not always create trade-offs and highlights ways hybrid organisations can scale up social good through alignment of the social business model.

It is worth mentioning Matzembacher *et al*. (2020) who propose that SEs can avoid hybrid tensions by ensuring that logics are in alignment. This observation, while accurate for some organisations, cannot be applied to all hybrids and is dependent on the social mission and the nature of the goods and / or services they bring to the market. There are multiple types of hybrids, organised across the configuration of the business model and internal logics and value creation. Alignment of logics is not possible in all SEs and, as Case Study One demonstrates, and as discussed in a previous section, these hybrid types are complex. There may be more going on in terms of contingent activities than appears on paper in the business model.

It appears there is a fine balance between activities which create and demonstrate synergy, where both the commercial and social mission are served, and where activities prop up an otherwise deficient social business model and add strain to employees.

6.6.3 Board influence on engagement with logics

Descriptions of board membership across the fieldwork reveal that board membership tends to align with the organisation's dominant internal logic. Here the dominant internal logic is indicated by the founder's motivation and background, organisation culture (where this is analysed), and the story of the organisation, in addition by the pen portrait. This became **Finding Eleven; Board membership aligns with organisation's dominant logic.**

In Case Study One the dominant logic is social; (see Findings Six and Seven) the board membership includes no member from a commercial background. In Case Study Two, the dominant logic is social, although there is a stronger hybrid identity and there are no members on the board with a commercial background. In Case Study Two, Create in OT, there was evidence of the intention to recruit someone with commercial / entrepreneurial experience to the board, but new appointments did not match up to this intention. In the SE interviews, Digital Now has a commercial focus and its board are all from a commercial background. This finding does not intend to make generalisations about hybrid organisations, its value lies in noticing these details and gaining a further insight into potential explanations and impact.

The meaning of this finding depends on the impact of aligning with the dominant logic, whether this influences ability to sustain hybridity and, if so, whether it is a potential benefit or hindrance. The literature is active and emerging and, at the time of writing, there is no consensus on best practice for board composition in SEs. Initial calls for stakeholder involvement in boards, advocating representation of the social logic, were responded to by research presenting the negative impact multiplicity in boards could result in (Larner & Mason, 2014; Ramus & Vaccaro, 2014; Crucke & Knockaert, 2016).

Bruneel *et al*. (2016) argued that hybrid governance was required for hybrid organisations and proposed composition reflected the logics of the organisation, included insiders and outsiders and elected a hybrid chair. The case explored in Bruneel *et al*. (2016) supports Finding Eleven; explanations for the recruitment of board members representing the social logic was not in-depth but it seemed in this case they were chosen to champion the social mission. The failure of the case study organisation,

Metalcon, was a result of board membership reflecting the dominant, in this case social, logic, to the detriment of hybrid sustainability. The CEO/chair and the board failed to oversee the financial side of the business and focused too much on the social mission (Bruneel *et al.*, 2016). This is an example of the negative impact of a dominant internal logic.

Bruneel *et al.* (2020) continue to develop ideas around hybrid governance for hybrid organisations using behavioral theory to highlight the barriers to substantive representative change in boards. This more recent work points out that, even where there is change toward a more balanced board composition, the greatest influence will be from the dominant logic and that, ultimately, change is slow (Bruneel *et al.*, 2020).

Finding Eleven is supported in contemporaneous discussion on board composition in the literature described above (Bruneel *et al.*, 2016; Bruneel *et al.*, 2020). Finding Eleven is relevant because the apparent tendency to align board membership with the dominant internal logic is problematic, can lead to organisational failure and is difficult to remedy. In Case Study One the board was passive, and there was evidence of rubber stamping and strong influence of management. This weakness at board level could be because the board represents the only the social logic, therefore, there is little to gain from the board for a market hybrid, where the social and commercial logics are aligned within the business model.

The only work that proposes optimum board composition needs to account for diversity amongst hybrids is Santos *et al.*'s (2015) work on hybrid types. Board composition is a minor, but practical part of their work and adds to the discussion of Finding Eleven in that none of the hybrid types would benefit from a board that reflects the existing dominance of the organisation. Santos *et al.* (2015) recommend adjustments to board composition for the hybrid types they identify. However, business expertise and a clear focus on the social mission is the starting point with the addition of elements supporting the social mission depending on the configuration of the social business model, e.g. social business champions, expertise in impact assessment (Santos *et al.*, 2015).

Finding Eleven in the context of the literature, highlights the importance of developing a balanced representation through the board. Developing a hybrid identity, which includes both the social and commercial logics and learning more about what hybridity is and what it means for an organisation could enable organisations to make better decisions when recruiting board members.

6.7   Chapter Summary

Discussion of research questions, themes and findings in the context of the existing literature highlight the value of this research to the field. With research questions focused on exploring hybridity within organisations and a sub focus on identity this study provides insights into the nature of hybridity, its manifestation within organisations and its role within organisational identity. While the field moved on to focus on hybrid tensions and managing hybrid tensions, this study returned to focus on hybridity and internal logics to better understand how hybrid organisations can thrive.

Findings indicate the potential for a diversity in the field around the degree to which hybrids are aware of, identify with and perhaps internalise logics. While the literature describes hybrids able to systematically manipulate their engagement with internal logics this study finds hybrids with low awareness of hybridity and who may not identify with two logics or have two logics underpinning their organisational culture. In addition, there are a range of factors inhibiting engagement with internal logics and so constraining organisations' ability to move freely in their engagement with internal logics.

Chapter seven moves on to provide the conclusions to this research, these focus on contributions to knowledge in the field, recommendations for practice and contributions to wider society. In addition, recommendations for further research are made and a researcher reflection is provided.

Chapter 7 Conclusions & Recommendations

This, final, chapter brings together this research, the literature in this field and previous discussion to address, for the final time, the research questions that led this thesis. Contributions are organised into three sections: Insights into hybridity and identity, Factors inhibiting hybridity and SEs' potential to succeed and incorporate the research findings, and Recommendations for practice. Research questions are inserted alongside the relevant conclusions to highlight how research questions were addressed in the field. Following that are conclusions for wider societal context and recommendations for further research. Final conclusions and a researcher reflection provide the conclusion of this thesis and include mapping of accomplishment of the aims and objectives across the content of this thesis. This chapter will form the basis for the contribution to knowledge for current research.

7.1 Contributions to knowledge in the field

This section presents conclusions that contribute to knowledge in the field. These are presented alongside key implications for knowledge and understanding. While the literature in the field has focused mostly on hybrid tensions and managing hybrid tensions, this research moves back to hybridity, exploring its nature and how it manifests in organisations. It finds that identity is a key factor in how hybridity manifests within organisations. This research finds factors that inhibit hybridity and a range of related dysfunctions, but also signs the potential hybrids have to succeed. Findings in this study come together to provide a richer picture of how hybridity may manifest within organisations with more tangible routes for engagement with hybridity and internal logics. This will support organisations in developing awareness of hybridity, taking command of their hybridity, becoming adept at managing hybridity and using hybridity to their advantage.

7.1.1 Insight into hybridity, logics and identity

The overarching research question posed in this research was *RQ 1: How does hybridity manifest within SE organisations?* What this research offers in response are insights into the way hybridity manifests within organisations' identity and culture. In a second iteration of research questions, hybridity became the focus of *RQ 5: How aware are individuals leading SEs of hybridity and the hybrid nature of their organisation?; RQ 6:. Do SEs identify with hybridity?;* and *RQ 7: What is the role of identity in SE hybridity?* Identity became the focus and more about identity and hybridity was found. Contributions of these questions are aimed at practitioners and researchers in the area of hybrid

organisations and SE organisations who are seeking understanding of the relationship between hybridity and organisational identity. Contributions are made to the literature relating to hybrid logics and hybrid identity.

This study found hybridity manifests in organisations' identity and culture. Social and commercial logics were found across purpose, ideas and motivation predominantly distinct from one another, but also combined, indicating existence of hybrid identity. This research found that internal logics are visible to different degrees within organisational identity in different organisations and that identity, in relation to internal logics, can change over time. Together these insights contribute to our understanding of hybridity and how hybridity's internal logics are manifest within organisational identity.

Hybrid identity has been suggested as a means to support hybridity (Kraatz & Block, 2012; Jay, 2013; Pache & Santos, 2013; Smith & Besharov, 2019). The implications of the contributions of this research, hybrid identity found within the ideas, purpose and motivations, demonstrates the potential for organisations to further develop hybrid identity. It also provides a tangible starting point for intervention. Ideas described by interviewees in all organisations were found to include combined social and commercial logics. Even though these were sometimes 'ideas' that did not support hybridity it points to 'ideas' being a potential starting point for exploring hybridity and building awareness.

Recommendations for practice include interventions with organisational leaders to work with and explore ideas around social and commercial logics. Building an awareness of hybridity by thinking about social and commercial logics together abstractly but also in the context of social business and their own business. There were instances in the data where ideas about the hybridity were evident but were negative. There was evidence of skepticism about the potential for hybrid organisations to be successful. Interventions could work with awareness but also ideas and knowledge to provide those that lead and govern hybrid organisations with examples of success.

Although this study does not claim to be representative, an observation can be made in the data that organisations with stronger hybrid identity had fewer apparent dysfunctions that related to hybridity. This contributes to an understanding of the role of hybrid identity in hybrid organisations. **A second recommendation that hybrid organisations should actively seek to identify with their hybridity.**

The heterogeneity found across SE organisations in this study aligns with the heterogeneity found across SEs organisations in general but identifying this within identity is new (Defourny *et al.*, 2014). This study found that variation exists in the degree to which the social and commercial logics were found within identity; some organisations may identify strongly with only one of two logics. It was also found that internal culture may be founded on only one of the two logics. This means that some organisations are functionally hybrid but internalise logics to a greater or lesser extent. For example, it could be that an organisation internalises only one of the two logics. They may have hybrid social business models and behave like hybrids but they may have internalised only one of two logics. The implications of this are around the differences found across hybrid organisations and, therefore, the suitability of solutions suggested in the literature for all hybrids.

This leads to the proposition ***Commercial and social logics may be internalised to a greater or lesser extent.***

Finally, this research found indications that organisational identity, in relation to social and commercial logics, may change over time. Changes were not identified within the data, this would require a longitudinal approach, but changes in identity, particularly in relation to ideas, were described in the data in relation to increased aware through starting a business. The potential for organisations' identification with logics to change means that identity is not static and could be manipulated by organisations. The ability of SE identity to change over time is important in the context of addressing hybrid weaknesses at the level of identity, which is part of the findings and discussion across this research.

Change in identity in hybrids is a feature of the solutions proposed in the literature (Jay, 2013; Skelcher & Smith, 2015; Smith & Besharov, 2019; Ismail & Johnson, 2019). An area of ongoing uncertainty, the field was around the role of organisational identity,whether organisational identity acts as an anchor, providing stability and acting against mission drift or whether it should be continually reframed enabling flexibility in the response to hybrid tensions (Smith & Besharov, 2019; Besharov & Mitzinneck, 2021). The need for simultaneous structure and flexibility is a recurrent feature of the hybrid literature.

What this research offers is, firstly, an insight into the factors which impact how much control hybrids have over their identity, how it might change, and how ready they are to 'work with identity' as suggested in the literature (Jay, 2013; Skelcher & Smith, 2015; Smith & Besharov, 2019; Ismail &

Johnson, 2019). Bringing together the research in this study with the literature and previous discussion, it appears that it is helpful to separate hybrid identity (identifying with the characteristics of hybridity) and engagement with the social and commercial logics in identity. It may be that having a strong hybrid identity provides the necessary 'anchor' and that, then, the balance of engagement within identity between social and commercial logics is less important. The anchor is at play for the organisation overall and Besharov & Smith's (2019) guardrails in the context of teams, smaller projects or activities. This scenario allows for the existing diversity in the SE field while still providing a means to maintain and support organisational hybridity.

7.1.2 Factors inhibiting hybridity

This research posed the question, *RQ 4: What are the barriers to sustaining hybridity?* What this research offers in response are insights into the factors that inhibit engagement with one or other logic. Contributions of these questions are aimed at practitioners and researchers in the field of hybrid organisations and SE organisations who are seeking understanding of the relationship between hybridity, identity and how to support hybridity in the field. Contributions are made to the literature relating to hybrid logics, hybrid identity and managing tensions.

This research proposes that an organisation's identification with logics may be inhibited by a range of factors. This finding provides new knowledge to the field and implies that there are potentially limiting factors acting on hybrid organisations and their interaction and engagement with logics. These factors include never intending to start, and not aspiring to lead, a business; not seeing their business as a legitimate business; loyalty to community, and not knowing much about business. This insight adds to the overall picture of heterogeneity amongst hybrids with regard to how logics are internalised and highlights that, for some organisations, the extent to which logics are internalised may not be purposeful. The implications are, again, around organisations' readiness to support hybridity, manage hybrid tensions and implement some of the solutions provided in the literature.

This research also proposed that board membership may tend to align with an organisation's dominant logic. This contributes to existing discussion in the literature but also adds to overall conclusions around hybridity and identity from the previous section (Santos *et al*., 2015; Bruneel *et al*., 2016; Bruneel *et al*., 2020). Bringing together the literature in the area and the findings in this research, it would appear that boards reflect and are created by the existing dominant logic within organisational identity may limit an organisation's ability to support hybridity.

Incorporating findings around hybrid identity and board membership with discussion in the literature this study **recommends SE organisations make decisions about board membership on the basis of the alignment of logics in their social business model, recruit board members with both social and commercial awareness and that they build hybrid identity within the board through activities and discussion.**

Overall, a picture emerges, between the contributions of this research and the existing literature, showing that hybrid organisations may not be active in determining the logics they engage with and, in addition, there may be barriers to that engagement. This is important as organisations' readiness to engage with some of the proposed solutions for managing tensions may depend on their ability to overcome factors inhibiting identification with one or other logic.

This research adds to the discussion in the literature related to dysfunction in hybrid organisations (Smith *et al.*, 2013; Santos *et al.*, 2015; Crucke *et al.*, 2015; Crucke & Knockaert, 2016; Davies & Doherty, 2018; Bruneel *et al.*, 2020). Dysfunction identified is not new, relating to mission, purpose and identity, and also social business model and board activities, but it supports the overall picture in the literature that hybrids can struggle with hybridity and that research into best practice is of value.

7.1.3   The potential to succeed

This research posed the questions, *How do SEs engage with hybridity? (RQ2) and How do SEs respond to hybridity? (RQ3).* What this research offers in response are insights into the interaction between social and commercial logics within the business model and also proactive responses to hybridity. Contributions of these questions are aimed at practitioners and researchers in the field of hybrid organisations and SE organisations who are seeking understanding of the hybrid business models and also how to support hybridity in the field. Contributions are made to the literature relating to hybrid logics, managing tensions and social business models.

This research found that organisations' social values may support commercial competitiveness. It demonstrates that social and commercial logics do not have to be working at odds to one another and requiring compromise. This supports findings in the literature around alignment of logics (Santos *et al.*, 2015; Besharov & Mitzinneck, 2021). The research also found that hybrid organisations can be proactive in supporting hybridity. The implications of these findings are, firstly: that hybrid

organisations combining social and commercial logics can be successful and, secondly: that organisations have the potential to support hybridity. This is important because it adds confidence to the feasibility of solutions provided in the literature to supporting hybridity and managing hybrid tensions in the context of the lack of readiness identified in other findings.

Although the SE and hybrid literature and this research identify challenges and weaknesses hybrids experience, potential to succeed is also found. The challenge, then, is to find explanations for particular challenges and weaknesses and provide solutions organisations can use to overcome them. Bringing together all the findings of this research and discussion in the literature it is evident that hybrid identity is a key factor in supporting hybridity (Kraatz & Block, 2012; Jay, 2013; Pache & Santos, 2013; Smith & Besharov, 2019). In Case Study Two, where the strongest evidence of hybrid identity was seen, the organisation was also proactive in its support of hybridity and did not have any dysfunctions relating to hybridity. This was not a piece of research claiming findings represent a wider population, but they do provide an indication of possible relationship between a strong hybridity identity and more successful managing of hybrid tensions.

The combined findings of this study suggest that there may not be one ideal type of hybrid or hybridity identity. What may be more be important is developing an awareness of hybridity and a hybrid identity. In addition, this study simultaneously identifies evidence of potential within hybrid organisations but, also, a lack of readiness to adopt solutions offered in the literature to overcome the well-established demands of hybridity. Increasing awareness may help organisations accept and understand and manage the hybrid tensions they encounter. Developing a strong hybrid identity may be the way to ensure logics are activated and engaged with and help them support ongoing hybridity.

7.1.4   Limitations of the research

This work was undertaken in the realism paradigm and adopted in-depth reflexive methods of analysis. It does not intend, and was not intended, to stand up to positivist scrutiny. The research techniques used in the field each had associated limitations; these were addressed in the relevant subsections of Chapters Three and Four. The reliance on interviews and the limited number of organisations included in the study also limit the findings. However, there are always practical limitations to the size and scope of fieldwork and, so long as depth and breadth are in balance, this does not present a problem. The options for fieldwork for this research were limited by the Covid-19

pandemic. However, the adapted research design offered opportunity to include a wider range of organisations which was of benefit to the diversity within the data.

Much of this work is based on the interpretations, perception and judgements of the author and is subjective. Subjectivity is a positive attribute in the context of the primary method of analysis used in this research and within reflexive research practice (Braun & Clarke, 2022). Engagement with methods and with the thematic analysis process mitigates the limitations of this research.

7.2   Implications for the wider societal context

Just as Battilana (2018, p. 1278) proposed that social enterprise organisations could be thought of *'…as laboratories to understand hybrid organising.',* hybrids could be laboratories for understanding how other organisations can meet the challenge of expanding their logics. Lessons learnt in the exploration of hybridity in social enterprises can be transferable to the wider business community.

In the context of climate change, organisations of all types will need to factor in sustainability in increasingly integrated ways. Consumer demand for value driven and ethical products and services are growing; commercial organisations responding to this will potentially be moving towards a hybrid model. The implications are that many more organisations will be navigating the more complex world of hybridity. The findings and recommendations of this research can contribute to a better understanding of how organisations can succeed in incorporating multiple internal logics, how they can identify the advantages of multiple internal logics and contribute to a better world.

7.3   Recommendations for further research

This research has provides insights into the nature of hybridity and how it manifests in social enterprise organisations. It also highlights issues that needed further attention. The following research questions could benefit the field:

- *How can hybrid identity be strengthened within SE organisations?*
- *How can internal culture be harnessed to support hybridity?*
- *How does hybrid identity develop and change over time?*

In relation to methodology, the following approaches could benefit the field:

- *Longitudinal studies that can analyse changes over time in relation to identity development.*
- *Action research project where the value of interventions can be explored.*

Other related fields of research

- *Exploration of other hybrid types in, for example, the growing field of business sustainability.*

7.4 Final conclusions

Hybridity has been identified as an organisational feature that is both potentially productive and open to weaknesses. In order to sustain hybridity it is necessary first for scholars to better understand its nature and for those leading and governing hybrid organisations to have a stronger identification with their own 'hybridness'.

In conclusion, these findings deepen our understanding of hybridity and identity. They paint a picture of a heterogeneity in relation to identity, with variety in the ways logics are incorporated into identity and the extent to which organisations identify as being hybrid. They also highlight the potential weaknesses within organisations around identity. It is possible that organisations do not identify strongly as being hybrid and, at the same time, identify much more strongly with one of the two logics. In practice this has implications for organisations' ability to support hybridity and manage hybrid tensions. Some organisations may not be able to adopt the tools proposed by the existing literature. An important first step for them may be to nurture a hybrid identity. This study simultaneously identifies a deficit of readiness to adopt solutions offered in the literature, but also potential solution and evidence of potential amongst SE hybrid organisations to achieve that.

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Appendices

Appendix 1 – Ethical approval

University of
Salford
MANCHESTER

Research Centres Team
G.03 Joule House
Acton Square
The Crescent
Salford
M5 4WT
Tel: 0161 295 7012
AMC-Research@salford.ac.uk

13 May 2019

Katherine Rostron
University of Salford

Dear Katherine

**Re: Ethical Approval Application – Social Enterprises and their Social Objectives:
an exploration of social value and business culture**

I am pleased to inform you that based on the information provided, the Research Ethics
Panel have no objections on ethical grounds to your project.

Yours sincerely

Julie Connett

Julie Connett
On Behalf of the Research Ethics Panel

University of
Salford
MANCHESTER

Salford Business School
The University of Salford
The Crescent
Salford
M5 4WT

14th February 2019

Project title: Social enterprise governance – is it fit for purpose?

Dear

My name is Kitty Rostron. I am a doctoral candidate in the Salford Business School at the University of Salford. I am conducting a research study as part of the requirements of my studies and I would like to invite you to participate in phase one of the study.

I am studying social enterprises and social enterprise governance. If you decide to participate, you will be asked to meet with me for an interview about the organisation you work for/manage. In particular, you will be asked questions about the way the organisation is governed day to day and we will discuss your experiences at work. The meeting will take place at a mutually agreed upon time and place, and should last between 45 minutes and 1 hour. The interview will be recorded so that I can accurately reflect on what is discussed. The recordings will only be reviewed by me, and transcribed professionally and analysed. The digital recordings will then be destroyed. You do not have to answer any questions that you do not wish to. Although you may not benefit directly from participating in this study, we hope that others in the community and society in general will benefit by the insights gained with research.

Participation is confidential. Study information will be kept in a secure location at the University of Salford. The results of the study may be published or presented at professional meetings, but your identity will not be revealed. Taking part in the study is your decision. You do not have to be in this study if you do not want to. You may also decide to leave the study at any time or decide not to answer any question you are not comfortable answering.

We will be happy to answer any questions you have about the study. You may contact me at mob. 07855 220216 and k.rostron@salford.ac.uk or my supervisor Kevin Kane at k.kane@salford.ac.uk if you have study related questions or problems.

Thank you for your consideration.

With kind regards,

Kitty Rostron

Appendix 3 – Participant information letter

University of Salford — MANCHESTER

Salford Business School
The University of Salford
The Crescent
Salford
M5 4WT

03.09.18

Social enterprise governance – is it fit for purpose?

Dear

You are being invited to take part in a research study. Before you decide whether or not to take part, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully.

What is the purpose of the study?

In the context of growth in social enterprises in the UK and worldwide and growing interest in social objectives in traditional businesses. This study aims to explore how social enterprises govern themselves and the role of social enterprise governance in the simultaneous pursuit of social values and commercial viability.

The fieldwork will be collect over a 12 month period and will involve multiple phases including interviews, questionnaires and focus groups. You are being invited to participate in phase one, in-depth interview.

Why have I been invited to participate?

You along with other individuals have been chosen to participate in phase one because you sit on the board of directors in a social enterprise in the Salford area.

Do I have to take part?
It is up to you to decide whether or not to take part. If you do decide to take part you will be given this information sheet to keep and be asked to sign a consent form. If you decide to take part you are still free to withdraw at any time and without giving a reason.

What will happen to me if I take part?
The meeting will take place at a mutually agreed upon time and place, and should last between 45 minutes and one hour. The interview will be recorded so that I can accurately reflect on what is discussed.

What are the possible benefits of taking part?
By taking part in this study you will be helping to increase our understanding of social enterprise governance, the challenges they encounter and the solutions they have found. This may inform the aspects of policy relating to social enterprise such as how to best support them in the future. You may not benefit directly from the project but you will be given access to the completed PhD thesis when it is complete.

Will what I say in this study be kept confidential?
All information collected about participants in the project will be kept strictly confidential (subject to legal limitations).

University of Salford
MANCHESTER

Research data will be kept securely at all times. All digital copies and paper copies will be stored on my PC in my office or in a locked cabinet in my office at the University of Salford. Interview data will be recorded onto a mobile device and then transferred to my PC at the earliest convenience. Once data has been transcribed it will be anonymised and the original recordings will be deleted.

Data generated by the study must be retained in accordance with the University's policy on Academic Integrity. Transcripts generated in the course of the research must be kept securely in paper or electronic form after the completion of a research project.

Anonymised research data may be shared and stored in a repository, such as the UK Data Service.

What should I do if I want to take part?
If you wish to opt in to this study please complete the consent form at our first meeting.

What will happen to the results of the research study?
The results of the research will be published my PhD thesis, they may also be published in shorter academic articles in business journals. You will be kept informed of any publications and you will have the opportunity to access a copy of the PhD thesis.

Who is organising and funding the research?
I am conducting this research as a student at the Salford Business School, University of Salford.

Who has reviewed the study?
This research project has been approved by the University Research Ethics Committee, University of Salford.

Contact for Further Information
For further information please contact me, Kitty Rostron at k.rostron@salford.ac.uk or 0161 2954149 or my supervisor Dr Kevin Kane at k.kane@salford.ac.uk . If you have any concerns about the way in which the study has been conducted you should contact the Chair of the University Research Ethics Committee on A&M-ResearcherEthics@salford.ac.uk .

Thank you for taking the time to read this information sheet. Please keep it for further reference.

Appendix 4 – Participant consent form

Consent Form for *'Social Enterprise Governance'*

Please tick the appropriate boxes	Yes	No
Taking Part		
I have read and understood the project information sheet.	☐·	☐·
I have been given the opportunity to ask questions about the project.	☐·	☐·
I agree to take part in the research. Taking part in the research will include being interviewed and recorded (audio or video).[1]	☐·	☐·
I understand that my taking part is voluntary; I can withdraw from the study at any time and I do not have to give any reasons for why I no longer want to take part.	☐·	☐·
Use of the information I provide for this project only		
I understand my personal details such as phone number and address will not be revealed to people outside the project.	☐·	☐·
I understand that my words may be quoted in publications, reports, web pages, and other research outputs.	☐·	☐·

*Please choose **one** of the following two options:*
I would like my real name used in the above ☐·
I would **not** like my real name to be used in the above. ☐·

Use of the information I provide beyond this project		
I agree for the data I provide to be archived at the UK Data Archive.[2]	☐·	☐·
I understand that other genuine researchers will have access to this data only if they agree to preserve the confidentiality of the information as requested in this form.	☐·	☐·
I understand that other genuine researchers may use my words in publications, reports, web pages, and other research outputs, only if they agree to preserve the confidentiality of the information as requested in this form.	☐·	☐·
So we can use the information you provide legally		
I agree to assign the copyright I hold in any materials related to this project to [name of researcher].	☐·	☐·

_____ _____ _____
Name of participant [printed] Signature Date

_____ _____ _____
Researcher [printed] Signature Date

Project contact details for further information: Names, phone, email addresses, etc.

Appendix 5 – Verification of transcript

Verification of transcripts

You have taken part in an interview as part of research undertaken by a student at the University of Salford. The transcript attached has been typed up by a professional typist from the original audio recording. I have then listened alongside the audio recording and made amendments where necessary. However, there may still be inaccuracies, or you may wish to change or remove parts of the text for some reason.

Please read through the transcripts of your interview. Please type comments into the box above detailing the changes you want to see. Use the line numbers to make refer to where changes are needed.

Signed: Print name:
Date:

If you have any questions about the research process, please let me know by emailing me at k.rostron@salford.ac.uk .

<div align="center">Thanks again for taking part in this study.</div>

Appendix 6 – Fieldwork notes (Case Study One)

LIST OF VISIT (NAMES HAVE BEEN CHANGED)

Visit Number	Date	Hours	Activities
1	26.9.18	2	Interview Nigel (interview 1)
2	3.10.18	3.5	Worked with the learning team
3	10.10.18	3.5	Interview AA (interview 2)
4	17.10.18	3.5	Work with the learning team
5	31.10.18	3.5	Work with the learning team
6	6.11.18	1.5	Interview C (Creche manager) (interview 3)
7	7.11.18	3.5	Visit wetlands project with AA and Daisy Interview Daisy (interview 4)
8	14.11.18	3.5	Chat with Nigel Accessed documents and records Interview Samantha (interview 5)
9	5.12.18	3.5	Chat with Nigel and document review
10	12.12.18	3.5	Interview Griff (interview 6) and document review
-	17.12.18	-	No more visits to the trust after this point as one week cancelled due to sickness and then Christmas holidays. Emails exchanged between Nigel and AA and me.
11	24.1.19		Interview Karen
12		1.5	Interview/chat with AA and Nigel about insider and outsider researchers
13	??.06.19	3	Presentation at the University of Salford Research Festival
14	25.02.20	1	Interview Karen (at Salix Homes offices)

List of participants

Nigel - Chief Officer
AA - Deputy Chief Officer
Griff - Head of Youth
BB – Manager of the Creche
Samantha – Chair of the Board
Daisy – Board Member
Karen - Deputy Chair of the Board and ex Chair
Janeane Crook – Board member

Field notes

Visit 1. 26.09.18
I met Nigel for the first time today emailing to organise the interview. We chatted briefly before I realised that we were getting onto topics that should be in the interview so I started the audio recording. Nigel is a 'character' and approached the interview with huge confidence, humour and vigour. He seemed to want to talk about the centre, governance as a topic appear to be of interest to him. The only point during the interview when Nigel seemed to react was I asked what involvement the board has (I was trying to redirect interview back toward the scope of my research), he replied pointedly *'as little as possible'.* However, he was very happy to talk.
Afterwards Nigel showed me around the building and introduced me to staff. We went into the Creche and a toddler ran up to him and clung to him shouting papa papa. Everyone laughed, Nigel said he had never met that boy before and asked if everything was okay for him at home. During all our conversation that day business/profit/strategy were not mentioned people are the centre of the work done at the Trust.
After the recording… *"It [governance] restricts you, it holds you back. But without it you've got nothing. Its like the Devil on your back, you want to get rid of it but when it's gone there's nothing to protect you. I suppose it gives you something to work to."* Nigel on governance.

Reflection: In the first interview I didn't use the questions I had developed. They were too formal. They didn't work, they weren't usable in that context. The environment of the Centre is informal. Swearing and humour are the norm and suddenly my style seemed completely out of place. I made that choice because instinctively I wanted to adapt to a style more similar to interviewees. Is that the right approach? Although questions had been thought through and planned, most questions were not used. It will be interesting to see how questioning develops through the research. It seems likely that unstructured interviewing relies largely on interviewing skills and responding to the discussion as it occurs. It is important to have the objectives of the interview in focus at the outset but perhaps less important to have question wording planned.

As for removing bias, the organic nature of the discussion made this difficult to achieve while maintaining a natural flow. However, an awareness of the ways in which questions can lead an interviewee and being mindful of the techniques to reduce that were helpful i.e. asking for clarification, reusing the interviewees words and allowing discussion to start broad and become more focused to avoid leading and allow topics to emerge in interviewees own words. There is no real desire to remove bias from the interview process, more to conduct interviews that gain as much from the participant as possible.

Visit 2. 3.10.18
Humour is an important part of communication between the employees at the trust. Employees are informal, familiar and direct.
Audio reflection: I met with CC and worked with her team and researched an area of Salford where they were finding it hard to recruit. It went fine. It was interesting to see the problems they were working with. That was the first thing they asked me to do.
I dropped in to see Nigel and in the very short chat we had he immediately started talking about governance because he knows that's what I'm interested. But he did say two interesting things. He's quite outspoken. 1. Nigel said he wouldn't really know much about governance because he doesn't really give it any time, the attitude that he doesn't really value governance came through strongly again and he talked about the CVS Salford, that are one of the external regulators of the Centre, are really into governance which he thought was really bad, they're the enemy, he said that being so adhering to governance meant they weren't flexible and weren't able to change direction quickly. These were practical reasons that he doesn't value governance.
I think they're wondering how helping them 3 hours a week will help me do my PhD but they seem to accept that I just want to learn more about the organisation that I've never had that experience and that that's a good thing. I dressed quite casually and I have been quite low key, I don't think they know I'm a lecturer at the university I think they think of me as just a student which suits me quite well. Because I think its easier to fit into the team so that's good. Nigel seems to understand really well that I'll be coming in each week, I didn't take up any of his time today.   He said next week you might want to interview AA, he's suggesting people who might be good to interview, he is switched on to what I need and so hopefully both our expectations will be met.
Today didn't do calculated observation but will read more about that and this week I read about immersing yourself in organisation. I reflect that it is really difficult to identify what the culture is in an organisation. Planning to think about artefacts and values.
So far… Very friendly, informal, value people…
Hopefully over the weeks will be consistent and pick up more.

Visit 3. 10.10.18
Worked with the learning team and Interview with AA. Team mentioned floods in a previous winter and the damage caused.
Tea and coffee making is definitely important part of office culture. Offer to make drinks are frequent and I help. Reflecting on the interview. Annoyed that the recording partially failed. This interview was so useful. AA is responsible for governance within the exec and so offered a great insight into its function. She spoke less about the people involved but more about why its useful. Governance as protecting the trust's assets/employees and allowing them to make judgements and take risks by employing people who need a second chance. This provided an interesting contrast in attitude toward governance. Diane described being pinned against a wall (!) by previous boss over being meticulous about governance and doing things correctly. This was shocking.

Visit 4. 17.10.18
Discussion about personal life and intimate details of family lives and challenges are discussed openly beside me and with me. Sharing the details of personal challenges seems to be important. This can't be explained only by them being close workmates as I was new to that group. I feel conflicted as I am there as a researcher and part of my interest is in the culture of the organisation. Therefore, when the individuals are revealing personal

Reflected on the 'rules of the game' at Nigel – I notice that on the staff have a negative attitude toward regulation/governance/bureaucracy. During a chat with the learning team and a hourly paid trainer (Dave) and myself I mention I am researching governance and DD says *"[governance] tell me if you find any!"*. The negative attitude is communicated through humour and 'brushing' it aside. I reflect that the discussion is all about people and materials and approaches to training (that interested me) were not discussed.

I notice differences between the three main offices. The learning team are very messy, there is a lot of paperwork on desk, there is a chaotic atmosphere. Music is playing, lots of chatting, phones ringing. Team discuss what they are doing as they do it. In contrast the youth them office is very tidy. There is virtually no paperwork visible. Desks are clear. The main office is 'normal' somewhere between the two.

I ask Griff (head of Youth Team) about this difference – he explains that there are data protection issues for youth and they don't keep anything. Once a projects over they get rid of everything. Partners keep digital copies. I felt this perhaps provides a partial explanation but perhaps not whole story.

Visit 5. 31.10.18

Worked with the learning team. Today I felt a little bit like I was in the way. I had finished the report DD had asked me to complete and not been given any other task to complete. Instead I type up some notes. I reflect on my role as a researcher and feeling like an intruder. The teams are in their own offices at different ends of the building and Nigel's office is half way between the two ends of the building, next to the kitchen. Nigels office is small with a desk facing into the building toward the door with chairs in front. Reminiscent of a surgery. There are three other offices; AA and the admin staff, the youth team and the learning team.

Visit 6. 6.11.18

After I turned off the audio recorder C said a few other things; with regard to ratios and children/adult - -it used to be ofsteds decision and they would follow the order, but now they have to make their own decisions. She said she always does extra so she's always covered.

Visit 7. 7.11.18

Visited the wetlands. AA emailed me few days before I was due to come to the Centre and invited me to go with her to the Wetlands project. That was really thoughtful. Daisy and AA and I went together. I didn't record the conversations as this seemed too formal and would have been a very long transcript. The topic of conversation was mainly about the land, what it was before, historical, the need for the wetland and flood plane, the flooding that had devastated the local area some years before and the response from the Centre. Discussed the changes in the area, the social problems in the nearby housing and the change that has occurred over the last few years. Interviewed daisy

Visit 8. 14.11.18

"Board members they come and go like the seasons" Nigel

After last week I am aware that I am not really needed in the learning team. They don't seem to have work to give me and are perhaps too busy to organise anything. I am also aware that I should look at the organisation's documents and records. But I feel cautious about asking for this access. Although when I initially discussed with Nigel about the Centre being a case study for my research I had mentioned it because of the informality of Nigel style I wasn't sure. So I ask Nigel if I can spend my time developing a report on governance at Centre and have access to all the docs and records. He says would be very useful and asks the CC (office admin) to give me access. She is initially surprised that I can look at everything and needs to be told twice. She then shows me the laptop where digital copies are kept and the hard copies and explains that they are also accessible on a shared file. I am given access to the shared file. I notice that it feels much more natural to be working on some task either for the learning team or now on a 'report'. I have regained legitimacy.

Documents and records are kept in three places;

Laptop (for ISO900)

Physical copies (access for all staff on request)

Shared file (access only for managers)

The filing is immaculate on the shared drive – see snapshots.

It is interesting how perfectly the governance docs and records are kept – this supports comments made by AA in her interview but is in contrast with Nigel's attitude.

I also interview Samantha today – chair of the board.

Visit 9. 5.12.18
Ofsted are in the creche today. The Christmas tree has been put up. I work in the board room on the report, looking through the docs/records.

Visit 10. 12.12.18
Today Nigel opened up to me about governance in a way he had not done before. I suggested I should interview one of the directors with a commercial rather than community background. He went through each board member citing reasons why it would be a waste of time (jokingly). EE (university trustee) because she's an academic (joke about the point of academics).
I ask who he thought was the best member of the board. Janeane – from the Saxon Homes housing association. Because she works for a business, with budgets and with the social good.
KR   Oh they're like you, in that way?
Nigel   well they're good but they're not as good as us...they will evict people they're not as good as us. (emphasis on good). I mean caring forgiving. If I evicted someone I'd end up taking them home. They are better than a private landlord but they will evict.
He says they used to have a board member for many years from one of the housing associations. But after a restructure he left and since then they change frequently. This guy had a wealth of experience, he would sign things off. Now they don't know the details. Here Nigel is referring to the new board members who change frequently and so don't really know what's going on in the business. Nigel said he selects the board personally and approaches them first and then if they agree he writes to the board and they can accept them if they want to. One of the housing associations (NorthWest) he is not keen on and says they will only get on the board if the board invite them, he will not invite them.
Nigel describes the relationship between the housing associations and the Centre and explains that they are motivated to be on the board because it is part of the job descriptions/and the organisations remit but also because they are part of the community the Centre serves. If there is better youth provision and employment among their tenants, they will face fewer challenges.
He pointed out a typed letter on the wall and explained it was a redundancy letter addressed to him signed by Karen and Samantha (two of the directors). He laughed and winked, 'I wrote it, they wouldn't have known what to write'. I joined in the joke asking if it was hard doing everything himself… 'yes' he replied.
Also interview Griff today.

Visit 12 June 2019
Nigel, DD and I meet to a presentation we've agreed to deliver at the University Research Festival. This was a discussion and a planning session and was not recorded. The conversation we had was one of the most useful to me as a researcher in considering the impact of being an outside researcher and better understanding the perceptions of the researched.

Key:
Text in back relates directly to the case and to data

Appendix 7 – Activitity log (Case Study One)

Activity log (ALL NAMES HAVE BEEEN CHANGED)

It was agreed to volunteer in the Centre for three hours each week for 10 weeks between September and December 2018. Volunteering provided a legitimate reason to be inside the organisation for extended periods of time. Fulfilling some need for the trust was intended to earn good will within the organisation and build a rapport between the researcher than key individuals. It also provided an opportunity to observe the organisation day to day and increased opportunities for useful encounters, chats with the Chief Officer. The table below provides a list of visits to the trust.

Visit No.	Date	Hours	Activities alongside working with learning team.
1	26.9.18	2	Interview Nigel (interview 1)
2	3.10.18	3.5	Worked with the learning team.
3	10.10.18	3.5	+ Interview AA (interview 2)
4	17.10.18	3.5	Work with the learning team
5	31.10.18	3.5	Work with the learning team
6	6.11.18	1.5	+ Interview BB (Creche manager) (interview 3)
7	7.11.18	3.5	Visit wetlands project with AA and Daisy Interview Daisy (interview 4)
8	14.11.18	3.5	+ Chat with Nigel + Accessed documents and records + Interview Samantha (interview 5)
9	5.12.18	3.5	+ Chat with Nigel and document review
10	12.12.18	3.5	+ Interview Griff (interview 6) and document review
-	17.12.18	-	No more visits to the trust after this point as one week cancelled due to sickness and then Christmas holidays. Emails exchanged between Nigel and AA and me.
11	24.1.19	1	Interview Karen

Table 100 – List of fieldwork visits

On some visits there are no activities relating to data collection. However, a log was kept each week where observations, reflections, communications were documented. Across the twelve weeks the time spent in the Trust was key in developing trust, gaining an understanding of the organisation culture and gaining access to data.

Appendix 8 – Cultural analysis process

Appendix 9 –Interview Schedule for Case Study One

Interview Schedule

Section A – non-leading (no mention of governance)

1. *How did you come to be working for / involved in the organisation? (warm up question)*

2. *Can you tell me about a time you have felt positive about working for/with an SE?*

3. *Can you tell me about a time you have felt negative about working for/with an SE?*

Section B – focusing on governance (these questions are designed to elicit information about governance and specific areas of governance without leading the interviewee too much)

Follow up on any of the previous answers if they mentioned governance, if not

4. *Can you tell me about how you are involved in governance in this organisation?*

Follow up on any of the previous answers if they mentioned specific aspects of governance, if not the next questions will focus on eliciting information about specific aspects of governance;

    a. *How do the board and the managers work together?*

    b. *How do you recruit board members?*

    c. *What are the organisations objectives?*

    d. *How do you manage both social and commercial objectives?*

    e. *Who else is involved in governance?*

Where possible the interviewee will lead the interview with prompts from the interviewer to encourage them to continue/focus or clarify e.g.; *could you tell me more about…?, what did you do then…?, you mentioned X, what do you mean by that?*

Section C – direct questions (providing some definitive answers, placed at the end of the interview to avoid impacting the previous interviewee led discussion)

5. *In your opinion, what's the point of governance?*

6. *Do you think governance is effective in your organisation*

Appendix 10 –Interview Schedule (Case Study Two and the SE interviews)

Semi Structured Interview questions
Research questions
RQ 1. How does hybridity manifest within SE organisations?
RQ 2. How do SEs engage with hybridity?
RQ 3. How do SEs respond to hybridity?
RQ 4. What challenges are experienced that may link to hybridity?
RQ 5. How aware are individuals involved in SE gov. of hybridity and hybrid nature of their organisation?
RQ 6. Do SEs show evidence of identifying with hybridity?
RQ 7. What is the role of identity in SE hybridity?

Strategy is to ask questions that might demonstrate level of knowledge/awareness and impact hybridity has in the governance of SE.

Interview questions -
Hello, how's it going... how is ….............adapting to the current crisis? (warmer)

The business
Tell me a little bit about your background and how you came to work for/start/join the board at…...........? (warm up and organisational / individual story)
How would you describe [insert organisation name]? (RQ5 and RQ6 - opportunity to elicit description referencing hybridity before the concept is presented and to see how its described i.e. business, charity, SE other)
In what ways is [insert organisation name] different from other organisations who offer same services? (RQ 5,6,7 – opportunity to talk about what's different may show understanding of organisation type, and possibly also other RQs)
How do you measure success at [insert organisation name]? (RQ5, 2 – lead to discussion of aims/goals/growth)
How does [insert organisation name] make money? (RQ2, 3, 4, 5 – and provide info on the business model and hybrid type)
How does [insert organisation name] create social value? (RQ2, 3, 4, 5 – provide info on the business model and hybrid type)

The board
Can you describe the [insert organisation name] board? (RQ1, 2, 3 - reveal whether hybridity is evident in composition of the board and RQ3 – lead to comparison between hybrid types)
… Who's on it? How are they chosen? (RQ1 – reveal whether board is put together to address hybridity)
What contribution do the directors make? (RQ1, 2 – reveal whether boards contribution includes anything relating to hybridity RQ4,5 – lead to comparison between hybrids)
What's the biggest challenge for directors at [insert organisation name]? (RQ4 – reveal whether challenges relate to hybridity and RQ3, 6 – allow comparison between hybrid types)
Which is the biggest challenge becoming financially stable or making social value? (RQ1, 4, 5 – another opportunity to identify knowledge/understanding of hybridity and RQ2 – encourage discussion which may reveal hybrid tensions)
Which do you feel receives the most attention from the board, achieving financial stability / creating social value? (RQ1, 2, 3, 5, 6, 7 – encourage discussion which may reveal hybrid tensions)
Tell me about a time since you started up when you felt negative board? (to bring out further stories/discussion of any of the RQs)

Tell me about a time since you started up when you have felt positive about the board? (to bring out further stories/discussion of any of the RQs)

Where RQ's are not addressed directly but any answers that relate to identity (personal or organisational) will be followed up on.

Appendix 14 – Quotes to final themes mapped

Quote	Code	Concept	Categories	Initial theme	Final theme /s
From case study one: '…we are embedded within the community…well and truly now.' (Karen). 'It's for the community.' (Karen). 'I like to think that we're here for the community.' (Daisy). '…the whole ethos is around supporting people, not just into employment but also…um people…finding an outlet for people who are socially isolated, helping people to access services.' (Janeane). '…because we are community based and all of the staff here live within five miles of this place. These aren't just beneficiaries, they're neighbours, they're the residents. They see them in the supermarket, the pub, dropping the kids off at school. So, there's another connection. There's an empathy.' (Nigel).	Purpose is for the community	Being social value led	Identity informed by social logic	Hybridity in identity and organisational identification (case study one)	Theme one: Don't cross the streams: distinct internal logics in organisational identity
From case study one: 'young people coming in, just walking through the door.' (Nigel). 'so we went from the worst ward in the city for engagement in education to the best' (Nigel). 'I'd like to have enough resources to meet the demand and the need that we have, I wouldn't particularly like to grow' (Nigel). 'There is nothing wrong with actually finding a size that fit organisationally… Big enough to be effective, small enough to be flexible.' (Samantha).	Success linked to meeting needs				
From case study one: 'seeing somebody's face when they finally get fractions, and you think, that done its job' (Nigel). '…there's an empathy with what they are going through, but there is also a tough love that's say, "no you've got to do this if you want to progress."' (Nigel). '…it [job club] was set up…to stop them being sanctioned when they bought in the welfare changes.' (Nigel).	Motivated by creating positive change				
From case study one: 'we ran contracts that don't work and we've lost money on' (Griff), 'I think we'd have to become more business like [to bring in income]' (Daisy).	Not being commercial				
From case study one: 'Their demands, their wants all change and all come in with some kind of issues.' (Nigel). '…the young people that we work with… they might have low confidence, lack of self-esteem, lack of experience…once they've been in work they've got all that or they won't last in work.' (Griff). Now that [a failed work placement] means there's something else that we have to do with that young person, but until we get to that point we don't know what it is…because that young person does not know.' (Griff). '…you deal with people in itself it is difficult, isn't it? Because people are difficult.' (Nigel).	People as complex individuals				

From case study one: *'So we operate in this zone where we're sort of large enough to be contracted to deliver work city wide, but we're still small enough to have that sense of place…'* (Samantha).	Being different because of size				
From case study one: *'…you know Barry Matthews [name changed] considers me one [a social enterprise] cos I get invited to all the dos. So he considers me a social enterprise, but then you don't know whether or not they want you in there to swell the numbers or if you are genuinely a social enterprise.'* (Nigel). *'…we fall between those two camps kind of thing…'* (Karen).	Being difficult to categorise	Being different			
From case study one: *'… like the Group X [name changed] and the others, they work for profit, they might work in this sector but they are still for profit so there is always that ethos…'* (Karen)	Being different because not for profit				
From case study one: *'No-one's moved from this organisation. I've been here what since 2009 and everyone who comes here stays here.'* (Griff)	Being different because employees are loyal				
From case study one: *'…we had overzealous DWP staff, who really didn't give a shit, and just did it because they could, and they certainly did.'* (Nigel). 'so why aren't they [young Salford people] on the programme? Because they don't know 'em, they haven't got a clue who they are…' (Griff). 'They're [other similar organisations] not arsed about the fall out. They're not arsed about the issue has on the young person who ends up going to the same Prince's Trust course and bumps into some of the kids who used to bully him at school, right, and he goes home absolutely devastated…' (Griff).	Other organisations don't know or care about their users				
From case study one: *'…you're paid by how many students complete the course…so a lot of these things, like payment by results…can be really good…you know make a good profit on that…'* (Daisy). *'…we do work we are commissioned to deliver, rather than given a grant to do…once you've started doing contracts which pay…you make surpluses [happy] which is unrestricted funds…'* (Samantha). *'…for an organisation like this one, having the flexibility that comes with doing a certain amount of contracting has significant advantages.* (Samantha). *'…cause I very much look at this, this youth even though I'm working with young people and changing lives as commercial 'cos if the commercial element wasn't taken care of, I wouldn't be sat here waffling to you now.'* (Griff).	Idea that there are advantages to a commercial approach	Ideas around potential of social business models	Identity informed by commercial logics		
From case study one: *'I think if you spoke to the [Centre] they would probably agree…you can't combine the two [social and commercial]. You can*	Idea that there is a trade-off between social and commercial	Ideas around challenge of social business models	Ideas inhibiting commercial logic		

combine them but your social value would have to be a much smaller part of the business' (Janeane). 'There's a danger that if you get too much sort of "heads down you've got to be making money" that that [helping people] sort of drops off...' (Daisy).					
From case study one: *'I don't, I don't believe it to be honest with you...[possibility of achieving both social and commercial objectives]. I'm a bit of a cynic, but I don't. I think there's a lot of profitable organisations that provide social value but not to the extent that you would accept... that the Broughton [Centre] provides.' (Janeane).*	Idea that social value and commercial success cannot be created together				
From case study one: *'...I don't know if they will ever become self-sufficient to be honest with you because of the nature of the work they do.' (Janeane). '...I sometimes think that one day they are going to have to fold because they're just not going to be able to...it's impossible to sustain, to become self-sustaining, delivering what they deliver.' (Janeane). 'Uh, in this type of organisation it is difficult for us to have something that will earn us money, um it is not like we have a shop where, you know, we sell second-hand goods or anything like that...' (Karen). 'I just don't think it's possible actually [achieving both social and commercial objectives] ...not unless you are producing something that you can actually physically sell.' (Janeane).*	Idea that social enterprises can't achieve earned income				

Appendix 15 – Research questions and findings mapped

Iteration of RQs	Research question	Fieldwork	Findings	
	RQ 1. How does hybridity manifest within organisations?	All	Hybridity is visible in social and commercial logics within SEs. It is seen in the purpose, motivations and ideas described by those that lead them and part of the identity of the organisations. Hybridity is also visible in SE practices, decision making and strategies (proactive and reactive). Hybridity is also visible in the challenges SEs encounter. Hybridity looks different in different organisations; this may depend on the social value model but also the extent that social and commercial logics are internalised. The logics that together make an SE hybrid may be more or less part of the organisation's sense of identity or integration of both logics with a sense of identity formed around the incorporation of both social and commercial logics (it's hybridity). Identity is fluid and there can be movement between the two logics over time. There may be links between hybrid identity and an improved ability to handle the challenges associated with hybridity.	
Iteration of RQs	Research question	Fieldwork	Detailed findings	Findings
First iteration *RQs 3 and 4 continued to be targeted in phase 2. RQ 2 is replaced with more focused questions around how SEs engage with hybridity in RQs 5,6 & 7. RQ 8 is largely explored in the cross-case analysis.*	RQ 2. How do SEs engage with hybridity?	Case Study One cultural analysis	Organisational culture may be founded on only one of the two logics and may outwardly reject the other.	One or other of the logics may form part of organisational identity rather than the two logics together. Two logics may be brought together in ideas. *Preliminary findings*
		Case Study One interviews	One of the two logics may be internalised and part of the identity of the organisation. In this case the social logic e.g. being social value led and being different. One aspect of one logic may be strongly maintained e.g. social purpose. One logic may not be internalised e.g. commercial logic, Logics are brought together in ideas	
	RQ 3. How do SEs respond to hybridity?	Case Study One	SEs develop strategies for success e.g. prioritising people, being flexible and adopting commercial practices, actively managing the board	SEs respond to hybridity through design, decision making, strategy and support. SEs respond both proactivity and reactively.
		Case Study Two	SEs respond both proactively and reactively to support/maintain hybrid balance Evidence of proactive responses visible in design and support of the board Evidence of reactivity visible in response to challenges caused by hybridity	
		SE Interviews	SEs make hybridity work in a variety of ways though decision making, strategy and support.	
	RQ 4. What challenges are experienced that may link to hybridity?	Case Study One	Dysfunction linked to SE in general Challenges in governance	Hybridity is visible amongst the challenges and dysfunction encountered
		Case Study Two	Challenges relating to managing the board Challenges relating to being SE	
		SE Interviews	Dysfunction relating to mission and purpose Dysfunction relating to social business model Other dysfunction relating to being SE	
Second iteration (phase two) *the RQs for phase two were formed in response to the findings of phase one.*	RQ 5. How aware are individuals involved in SE gov. of hybridity and hybrid nature of their organisation?	Case Study Two	No evidence of awareness of the term hybridity Low awareness of the hybrid nature of SEs Low awareness of the hybrid nature of the organisations they run/govern	SEs may have no or low awareness of the term hybridity. SEs may have low awareness of the hybrid nature of SEs, and the hybrid nature of the organisations they run/govern.
		SE interviews	No evidence of awareness of the term hybridity Low awareness of the hybrid nature of SEs	

			Low awareness of the hybrid nature of the organisations they run/govern	
	RQ 6. Do SEs identify with hybridity?	Case Study Two	Social and commercial logics internalised Logics visible separately and together (purpose, motivations and ideas) Evidence of movement between logics and ideas combining logics.	Logics are distinct but also combined and in tension. Identification with logics (separately and together) can change over time. Identification with hybridity is subject to factors inhibiting engagement with one or both of the logics.
		SE interviews	Social and commercial logics internalised Logics visible separately and together. Hybridity is subject to factors inhibiting engagement with one or both logics.	
	RQ 7. What is the role of identity in SE hybridity?	Case Study Two	Identity is linked to logics. Hybrid identity is evident in ideas combining social and commercial logic. Identity is fluid and can change.	Identity is linked to logics. SEs may identify only one of other of the logics. Identity could include 'hybridness'. Identifying with both the commercial and social logics equally and/or as identifying as a hybrid could help those involved in governance respond to challenges hybridity presents.
		SE interviews	SEs identify with the social logic, the commercial logic and hybridity in a variety of combinations; a. identifying more with social logics, b. identifying more with commercial logic, c. identifying with both social and commercial logics quite equally, d. identifying as a hybrid organisation.	