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RESISTING PRESSURE? LONGITUDINAL EVIDENCE ON MISSION-DRIFT IN HYBRID ORGANISATIONS (SUMMARY)

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≈ SUMMARY ≈

RESISTING PRESSURE? LONGITUDINAL EVIDENCE ON MISSION-DRIFT IN HYBRID ORGANISATIONS

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Principal Topic

The recent economic crisis has increased pressure on social enterprises to self-fund their activities through trading (selling services or products). Does this increased focus on economic goals lead to a decreased focus on social goals, i.e. mission-drift?

This paper reports a 1.5 year longitudinal study which addresses the following questions: Are hybrid organisations temporarily upgrading economic goals at the cost of social goals and; Are there underlying changes in the values of the upper echelon of the organisation?

This second question is important as upper echelons theory (Hambrick, 2007) suggests the values of upper echelons are particularly important in shaping organisational goals (also Schein, 1992) through focussing managerial attention (Ocasio, 2010).

Method

We interviewed 117 social entrepreneurs (67 Spain and 50 UK), defined as managing directors of hybrid organisations with a social aim, which self-generated some of their revenues through trading in the market place. Interview One was conducted in 2009, when the Spanish and UK economies shrank by about 4% and started to implement strong austerity measures. Interview Two was conducted on average 1.5 years later. Interviewers scored social enterprises goals (mission and vision). Social entrepreneurs reported on their values using the Schwartz Value Questionnaire (Schwartz et al., 2001). Data analyses included correlation analyses as well as repeated measures general linear modelling.

Results and Implications

The results indicate that social and economic aims along with self- and other regarding personal values are more independent of each other than previously thought. Like previous value change studies (Bardi et al., 2009), we found only small changes in social entrepreneurs' values, and these were consistent with a reaction to economic threat. Changes in organisational mission and vision were equally small, but indicated a pattern of goal adaptation in Spanish social ventures such that both social and economic goals were downgraded at time Two compared to time One. The findings emphasize the importance of context for social ventures. However, they do not support the notion of mission drift as the upgrading of economic to the detriment of social goals. We suggest a reconceptualization of mission-drift taking into account a) the underlying relationship of social and economic goals and b) different mechanisms of goal change evidenced in past research.

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