ENTREPRENEURIAL FIRMS ENGAGING IN SOCIAL INNOVATION: NEW STRUCTURES, VALUES, AND MISSION (SUMMARY)

Raymond J. Jones III  
*University of North Texas, raymond.jones@unt.edu*

Manjula S. Salimath  
*University of North Texas*

---

**Recommended Citation**

Jones, Raymond J. III and Salimath, Manjula S. (2013) "ENTREPRENEURIAL FIRMS ENGAGING IN SOCIAL INNOVATION: NEW STRUCTURES, VALUES, AND MISSION (SUMMARY)," *Frontiers of Entrepreneurship Research*: Vol. 33 : Iss. 19 , Article 4. Available at: https://digitalknowledge.babson.edu/fer/vol33/iss19/4

This Summary is brought to you for free and open access by the Entrepreneurship at Babson at Digital Knowledge at Babson. It has been accepted for inclusion in Frontiers of Entrepreneurship Research by an authorized editor of Digital Knowledge at Babson. For more information, please contact digitalknowledge@babson.edu.
ENTREPRENEURIAL FIRMS ENGAGING IN SOCIAL INNOVATION: NEW STRUCTURES, VALUES, AND MISSION

Raymond J. Jones III, University of North Texas, USA
Manjula S. Salimath, University of North Texas, USA

Principal Topic

Social innovation (unlike traditional views of innovation) includes societal transformations and human behaviors. This research examines entrepreneurial firms engaging in social innovation from an organizational standpoint, i.e., through adoption of new organizational structures, blended values (economic, social, environmental), and socially driven organizational missions. Our main research question is: How does structure and context influence the ability of socially driven entrepreneurial organizations to deliver blended measures of performance? We examine entrepreneurial organizations interested in pursuing both social innovation and certification as B Corporations. These entrepreneurial firms have voluntarily selected blended value strategies and structures for the betterment of society and wish to have the appropriate legal status that would allow them to pursue these goals.

Method

The data includes an available subset of firms that have either fully or partially undergone the impact assessments for certification as a B Corp. Data sources include B Lab (the certifying organization), and the Center for the Advancement of Social Entrepreneurship, Duke University.

We tested hypotheses on the effects of mission, strategy and structure on blended measures of performance. The organizational mission includes being explicit in addressing social and/or environmental impact. The organizational structure construct includes: a) ownership/legal structure, b) formalized and distributed ethics policy, c) Socially beneficial Product innovation, d) Socially beneficial Process innovation. Organizational context includes: a) organizational size, and b) network of organization measured by external board members and relationships with community organizations. Finally, blended values performance is the triple-bottom-line of social, environmental, and economic impact.

Results and Implications

Results indicate that mission did have an impact on blended measures of performance and that certain aspects of structure had a greater explanatory power than contextual factors in predicting performance related to the triple bottom line. This research has potential to make several contributions. First, we examine organizational factors that could affect the success of social innovation in entrepreneurial firms. This is important as social innovation has evolved from being a novel phenomenon to being legally acknowledged and institutionally endorsed due to the options that allow firms to become Certified B Corporations. We contribute towards understanding of the organizational factors affecting social innovation, and entrepreneurial organizations that are interested in legal and institutional validation available through B corporation certification.

CONTACT: Raymond Jones: raymond.jones@unt.edu; (T): 9405654394; (F): 9405653803; Department of Management, College of Business, University of North Texas, 1307 W. Highland Street, Denton, TX 76201, USA.