

# Entrepreneurship in the Name of Society

Reader's Digest of a Swedish Research Anthology

Edited by:

Malin Gawell

Bengt Johannisson

Mats Lundqvist



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In order to strengthen Sweden's ability to create value, the Knowledge Foundation wants the business sector, seats of learning and research institutes to jointly develop advanced knowledge and competence. We are an active financier – our goal is to create new potential, boost results and promote risk-taking.

Since the foundation was established in 1994, it has invested more than SEK 6 billion in over 2,000 projects related to the development of new seats of learning and institutes, competence development in the business sector, and ICT and learning.

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**Never doubt that a small group of thoughtful,  
committed citizens can change the world.  
Indeed, it is the only thing that ever has.**

**Margaret Mead**

## **We Need More Societal Entrepreneurs!**

**Societal entrepreneurship refers to initiatives which aim at improving what is lacking or non-functioning in society; new solutions intended at creating a sustainable society – economically, socially and ecologically – by applying entrepreneurial logic.**

**One of the Knowledge Foundation's major ventures is to raise the level of societal entrepreneurship in Sweden.**

Social innovations are one way of facing the present financial and climate crises. We need new ways of producing and consuming in a climate-friendly manner, as well as new forms of services and care and new sustainable business ideas. By thinking along new lines societal entrepreneurs can solve problems in society while simultaneously opening up new markets. In our opinion societal entrepreneurship holds the key to the future.

Many of today's social solutions were built for the structures of the industrial society when boundaries were more important – boundaries between nations, between the market and the public sphere, between work and leisure. The tough questions we are now facing: the climate threat, migration and segregation, globalization and unequal distribution, are boundless and far too complex to be solved by single actors. Societal entrepreneurs make use of entrepreneurial logic when grappling with the problems of society, demonstrating that it works perfectly to be both commercial and driven by ideals – developing society while creating one's own sustenance.

The Knowledge Foundation's Programme for Societal Entrepreneurship wishes to make space for individuals and organizations to take *innovative initiatives for the common good*. Over a period of nine years the foundation will invest some 11 million Euro to boost societal entrepreneurship in Sweden. We will invest in research on societal entrepreneurship; support the creation of competence development for societal entrepreneurs and work to make more people realize the value of societal entrepreneurship. This anthology is one of the programme's initial outcomes.

What then do we mean by societal entrepreneurship? Most people would agree that entrepreneurship is about *doing*; entrepreneurs create something new – sometimes by tearing down something old. Hence, for us, entrepreneurship is not restricted to starting companies, but has a wider scope: starting an activity or organization.

The obvious purpose of initiatives taken by the societal entrepreneur is to be of *advantage to society*. It may involve anything from rural services to producing ecological food or fair-trade clothes. It may also take different organizational forms: non-profit associations, shareholding companies, cooperatives or foundations. The Knowledge Foundation's primary interest lies in societal entrepreneurship that is *innovative* – i.e. developing functions and work methods that have not been available before.

This leads to the definition of societal entrepreneurship as standing for innovative initiatives for the common good. Since the concept is relatively new to Sweden, the definition will have to be a preliminary one so far.

In a number of countries societal entrepreneurship is a well known and established concept. The reason why the Knowledge Foundation prefers the term societal to social entrepreneurship is to emphasize that the former comprises more than just social issues. The different terms also illustrate the difference between ways of organizing society. The Swedish term is adapted to a developed welfare state where societal entrepreneurship is a question for the whole society, not only the traditional area of social issues.

Societal entrepreneurs tend to act in the borderland between traditional sectors – between non-profit and commercial, between the public sector and the private market, between academia and the world outside. The most innovative among them challenge our segmented society by questioning concepts like *market* and *profit* and by indicating new roads that are

about neither being dependent on subsidies nor on maximizing profits. “I create a salary for myself and a profit to society” is a typical line from a societal entrepreneur.

Societal entrepreneurs are the leaders of the future. They make up horizontal and non-hierarchical networks which are in essence glocal. This is why societal entrepreneurship has its given place in any discussion about growth. When we make room for initiatives emanating from societal entrepreneurship we will give them a substantial push forward, not least where local and regional development are involved.

In Sweden, there still remain plenty of obstacles to societal entrepreneurship. In practice, it is fairly complicated for initiatives for the common good to establish themselves and grow, since there are no functioning support structures as yet. The initiatives often get stuck somewhere “in between” – because they do not fit into the market structure of bank financing, risk capital and strict financial accounting, nor into the subsidy system of the public sector.

The Knowledge Foundation’s programme aims to improve the climate for societal entrepreneurship. To realize this, many more actors need to change their attitudes to innovative initiatives for the common good – such as companies, decision-makers at various levels or public authorities. It is also essential that more people are prepared to contribute actively.

The Knowledge Foundation’s Societal Entrepreneurship Programme rests on three legs:

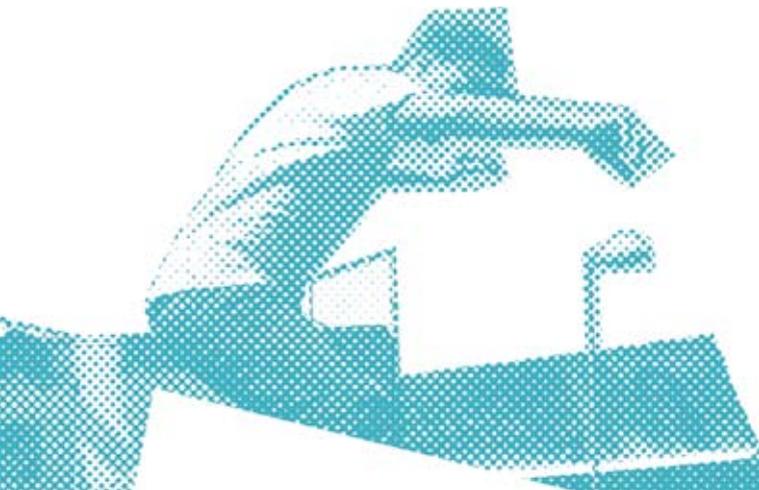
- **Research** – providing more knowledge about societal entrepreneurship and building a new academic field in Sweden.
- **Competence development** – offering more people the opportunity to develop as societal entrepreneurs through education, networks and counselling.
- **Establishing the concept** – creating an insight into the value of societal entrepreneurship and gradually improving its conditions by financing, infrastructure and positive treatment.

More information about the programme can be found at [www.samhallsentreprenor.se](http://www.samhallsentreprenor.se) and on the Knowledge Foundation’s website [www.kks.se](http://www.kks.se).

The long-term goals of the Knowledge Foundation's ventures are simple: more societal entrepreneurs and more societal entrepreneurial initiatives. By launching this programme we wish to create more space for innovative initiatives for the common good. Societal entrepreneurs will do the rest.

**Eva Moe**

Head of the Societal Entrepreneurship Programme



# Starting Points, Thought Styles and Text Frames

**Malin Gawell, Entrepreneurship and Small Business Research Institute (ESBRI)**

**Bengt Johannisson, Växjö University and Jönköping International  
Business School, Jönköping University**

**Mats Lundqvist, Chalmers University of Technology**

Swedish interest in societal entrepreneurship is not new. The famous 18th century botanist Carl Linnaeus has been used as an example of an entrepreneur whose main mission was the responsible utilization of natural resources. In our contemporary globalized economy we have learned that walls are difficult to build. A society striving for social, ecological and economic sustainability requires both a local and a global perspective. The challenges we face today ask for a diverse type of entrepreneurship. This book is guided by a vision of embracing such a variety. Starting with an historical account from the seventies and onward of Swedish research related to societal entrepreneurship, this introduction then paints a contemporary landscape of such an entrepreneurship with home-grown as well as imported flowers. Finally, societal entrepreneurship as a central mobilizing, innovative as well as value-creating driving force is discussed.

The purpose of the book is to identify and illustrate societal entrepreneurship as a phenomenon as well as describing how entrepreneurship can contribute to shaping opportunities of societal utility. Several theoretical examples as well as multiple diverse cases are presented. All authors in this anthology share the vision of expanding the concept of entrepreneurship. The book builds upon a prestudy commissioned by the Swedish Knowledge Foundation to Chalmers University of Technology in November 2006, with many Swedish researchers and practitioners partaking in workshops exploring opportunities for contemporary societal entrepreneurship.

# The Swedish Roots of Societal Entrepreneurship

In the late seventies researchers started questioning the “Swedish recipe” of large corporations and a strong central government. Structural transformations in society implied increased interests in conditions within local communities suffering from industrial decline. In the aftermath of changes in the seventies, the eighties to a large extent reflected a view of societal entrepreneurship as something reactive, defensive and place-based, occurring on the outskirts of society rather than in its core. Nevertheless, studies by Johannisson and others contrasted this view by showing the dynamics and potential of enterprising smaller communities, such as the famous Gnosjö region. The image of societal entrepreneurship being a development force beyond the survival of a place grew stronger during the nineties, supported in part by Putnam’s study of regional conditions in Italy, including the concept of social capital.

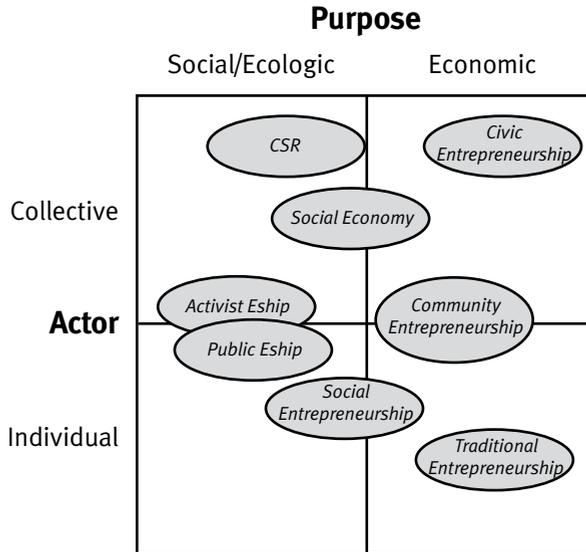
During the seventies and eighties discussions around the survival of local communities, on one hand, and of the social responsibilities of large corporations, on the other, were typically carried out in different arenas. However, when they occasionally coincided they typically linked together different strategies for locally anchored developments, thereby also introducing societal entrepreneurship as a phenomenon both for researchers and practitioners. These early streams of societal entrepreneurship research were also published internationally, although then referring to community entrepreneurship (not the more directly translated term societal entrepreneurship). Indicative of these early developments, the Swedish 1991 Encyclopedia when defining entrepreneurship also added a subdefinition of societal entrepreneurship as linked to creating local economic demobilization.

Social aspects of societal entrepreneurship increasingly complemented local economic job-creating aspects, as Sweden headed towards full EU membership in 1994. At that point in time, Sweden was also introduced to social economy, an official term within EU since 1989, but a tradition possibly related to old cooperative movements in the country. In 1998 the Swedish government proposed its own definition of social economy as consisting of organized activity, independent of the government-driven public sector, having societal objectives as its prime mission.

Since the nineties Swedish research on civil society made contributions towards societal entrepreneurship. Voluntary organizations, social movements, political engagements and social work were central aspects studied. Much of the research has been influenced by a strong Swedish tradition of popular movements (within politics (e.g. social democracy, etc.), sports, churches, etc.) stemming from the 19th century and characterized by broad democratic membership. In the 21st century foreign influences on societal entrepreneurship increased significantly.

## Swedish Societal Entrepreneurship Today

The prestudy mentioned above performed, for instance, literature reviews and conducted 59 interviews and 9 workshops with Swedish researchers and practitioners interested in societal entrepreneurship. Through these extensive interactive processes a contemporary map emerged in which several distinguishable concepts such as community entrepreneurship and social economy (both discussed above) appeared in parallel with more recent influences using labels such as social entrepreneurship, civic entrepreneurship and corporate social responsibility (notions of Anglo-American origin) as well as activist and public entrepreneurship (notions with Swedish backgrounds). These contemporary Swedish societal entrepreneurship movements together with traditional economic entrepreneurship are all interrelated in Figure 1, indicating differences as regards purpose and type of actor, but all with some type of societal focus.



**Figure 1.** Societal entrepreneurship as a phenomenon with many faces.

Social entrepreneurship in Sweden can be seen as being of Anglo-American influence, focusing on individual social entrepreneurs that experiment with new venture forms – packaging social good into private offerings. Actors attribute a combination of social/ecological and economic motives to social entrepreneurship as well as a stronger focus on the driving individuals behind a social venture.

Partly as a reaction against Anglo-American social entrepreneurship we see Swedish advocates of public entrepreneurship emphasizing a Swedish and mainland-European tradition of personal engagement in acts of solidarity without being transactional, as well as a balance between the role of individuals and engaged communities behind an initiative. We furthermore see a model of activist entrepreneurship challenging norms and at the same time creating views related to issues at stake and organizational practices.

Civic entrepreneurship – an imported American concept stemming from the rejuvenation of Silicon Valley, for instance – is close to an older Swedish community entrepreneurship in its focus on collective economic development. However, it also differs with regard to how much

civic society is engaged. Community entrepreneurship is paradoxically more oriented towards the civic sector, whereas civic entrepreneurship is more oriented towards the business, public and academic elites engaging in collective problem-solving. In Sweden the influence from civic entrepreneurship is promoted through organizations like the Swedish Agency for Innovation Systems (VINNOVA) and the Knowledge Foundation.

Corporate social responsibility (CSR) has become a concern for many established firms around the world. It can be seen as a collective – and of course corporate – form of entrepreneurship engaging in social and ecological issues. As already discussed in the introduction, traditional mainstream entrepreneurship is, by most governments, seen as at least indirectly contributing to society. It nevertheless ends up at the opposite end of CSR, the latter being a collective activity aiming at social and/or ecological value, whereas traditional entrepreneurship is typically depicted as individualistic and focusing on economic returns.

## A Force in Society

Societal entrepreneurship affects society in several ways: as a mobilizing force, as an innovative force, as a value-creating force, etc. Although these forces are often within the frames of society, they may also occasionally affect these frames, i.e. constitute forces of more radical societal change.

### **Societal Entrepreneurship as a Mobilizing Force**

As already discussed, Swedish societal entrepreneurship has been strongly related to local mobilization, to employment, to the will and opportunity to remain in and reclaim a local context, and to mobilize around new business opportunities. In social economy and in the cooperative movement the mobilization is often beyond just the local context, and it has embraced all types of groups having difficulties establishing themselves on a regular labour market. Empowerment has become a key word in these movements and a variety of examples are growing around how people with any type of disability or with a criminal or drug abuse background, etc., are integrated into ventures with social or other missions.

In the Anglo-American literature focusing on social entrepreneurship the linkages to employment and empowerment are rarely emphasized. Here a discussion around mobilization and engagement, as well as attracting resources for societal good missions, is more prevalent. In a Swedish context, however, references are often made to people engaging in projects and ventures while at the same time having at least part-time employment in an established structure. Building upon one's professional role when more or less voluntarily engaging in societal entrepreneurship is a form of collaboration that is almost unrecognized in the social entrepreneurship literature with its focus on the individual, on business skills, and the "public good".

## **Societal Entrepreneurship as an Innovative Force**

Societal entrepreneurship is also driven by the desire to introduce innovations into society. This can most easily be seen within the academy. Many of the services and products we today take for granted within healthcare, information and communication technologies stem from research processes in which researchers have engaged in creating utility beyond what their role of being a researcher demands.

However, increasingly, what we call innovation is not just new knowledge from natural science, medicine or technology, transformed into products. Increasingly innovation is seen as social change and social creativity. The interaction between social change and concrete products and services is thus seen as increasingly essential, whether motives are more economic or more social/ecological. Succeeding commercially on the Internet or within mobile telephony services requires the ability to understand the social movements and practices of young people. Societal entrepreneurship thus helps to broaden the perspective on innovation beyond too narrow-minded technical solutions into considering more societal and social factors.

Much societal entrepreneurship builds innovation in ways that are difficult to anticipate in traditional economic terms. Although most people sense the importance of championing the notion that cultural, ecological, or technical functional values are necessary for a more commercial entrepreneurship to occur, we lack systematic understanding to link the aspects together.

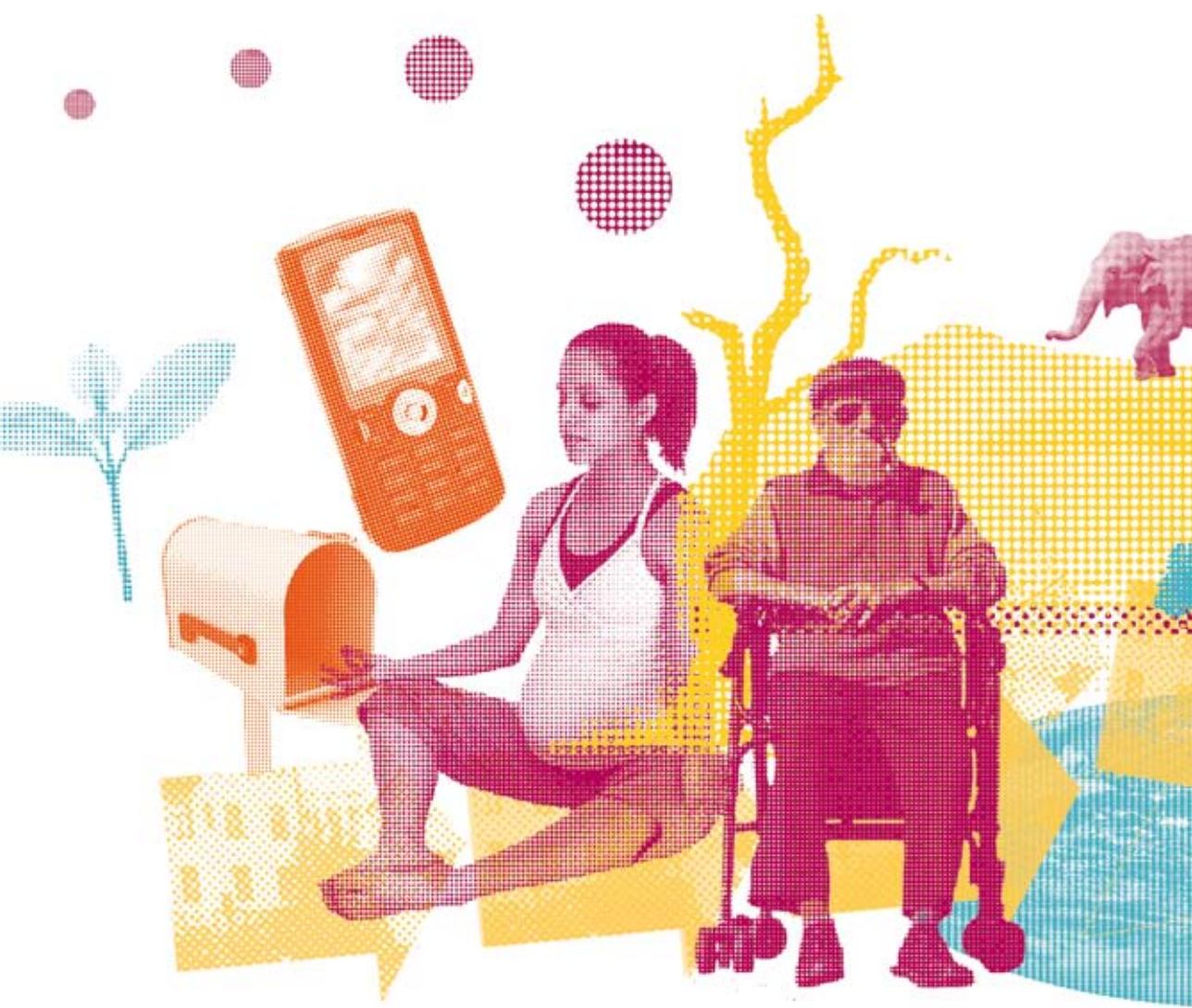
## Societal Entrepreneurship as Value-Creation

Societal entrepreneurship can be seen as stimulating new ways to create and measure value. Double and triple bottom lines – recognizing social and/or environmental outcomes – in accounting are examples of this. More radical changes might, however, be difficult to measure in such terms. What might be affected in entrepreneurship aiming for radical change is our perspectives on individuals and their driving forces, on society and/or on the environment – globally as well as locally. Today, in 2009, a “development and progress discourse” focusing on economic development is still prevalent in European and Swedish policies. Social and ecological values are still treated more modestly. Societal entrepreneurship might aim at creating value within such a discourse or at affecting the discourse as such. An important question is how society can learn to appreciate the more radical inclusion of values into the societal agenda.

## The Structure of the Anthology

The anthology is composed of independent contributions embedded by the editors through this introduction and through a final chapter. Work on the book started in January 2008. The Swedish full-length book was published in February 2009 (free copy available on [www.kks.se](http://www.kks.se)). During the year of production we twice organized authors’ workshops. Beyond that, the editors have commented on the contributions a couple of rounds. We have divided the book into three parts, well aware of there being contributions spanning over and beyond these parts:

- 1 Illustrations of and perspectives on societal entrepreneurship (five contributions)
- 2 Societal entrepreneurship as creative irritation (three contributions)
- 3 Paths to insights around societal entrepreneurship (four contributions)



# Part 1

Perspectives and  
Illustrations of Societal  
Entrepreneurship



**1** As we have already seen in the introduction, societal entrepreneurship presents itself in different ways. In this first part of the book we elaborate in five chapters on societal entrepreneurship with a focus on individuals, different sorts of organizations, and even entrepreneurial interplay on a national level. Each chapter deepens our understanding of different initiatives and alternative perspectives. They do not express a uniform view of societal entrepreneurship but rather elaborate on the diverse discussions that this exciting phenomenon touches upon. The contributions integrate different theoretical approaches and elaborate on their strengths and shortcomings. And they all relate to societal entrepreneurship!

The contributions all touch upon engagement and more or less commercial/non-profit entrepreneurial behavior. They all propose acting in different, sometimes new, ways. It is all about innovative societal initiatives.

These texts have all emerged during the year we have worked together. All authors, we as editors dare to say, have been driven by curiosity, been stimulated by the energy in the different cases, have wrestled with theoretical as well as empirical analyses. Contrasting views among the researchers have directed the specifying and strengthening of arguments. Assumptions have had to be reconsidered, part of the invisible has had to be made visible and the expected, as well as the unexpected, has been discussed.

# 1 : 1

## The Firm as Societal Entrepreneur

**Anna Blombäck, Jönköping International Business School, Jönköping University**

**Caroline Wigren, CIRCLE, Lund University and Malmö University**

Societal entrepreneurship is often described as the creation of a new organization focusing on social issues, i.e. for the improvement of society. Corporate social responsibility (CSR), on the other hand, refers to society-related activities carried out by existing profit-driven organizations. The two concepts are related. By bringing them together new insights are developed contributing to our understanding of both concepts.

Lately, social entrepreneurship has become a topic in vogue. It is included in higher education curricula, it is developing as an academic field and is emphasized by politicians and governmental actors. Generally speaking, social ventures aim to improve society rather than maximize profit. At the core we find the individual – identifying problematic situations in society and creating organizations aimed at improving these situations and/or solving the underlying problems.<sup>1</sup>

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<sup>1</sup> See for example: Mair, J and Marti, I (2006), *Social entrepreneurship research: A source of explanation, prediction, and delight*, Journal of World Business, Vol 41, pp 36–44.

Martin, R L and Osberg, S (2007), *Social entrepreneurship: the case for definition*, Stanford Social Innovation Review (spring), pp 29–39.

Yujucio, E (2008), *Connecting the dots in social entrepreneurship through the capabilities approach*, Socio-Economic Review, pp 1–21.

Corporate social responsibility embraces a wide variety of activities carried out by corporations, e.g. paying bills, following the law, taking responsibility for the environment, taking responsibility for suppliers' actions, sustainable development issues, developing the local community, and more philanthropic activities such as charity. CSR is often associated with activities carried out to improve a firm's relationship to stakeholders and its legitimacy on the market in order to also improve market value and increase profits in the long run.

In light of this, social entrepreneurship comes out as a phenomenon that represents genuine goodness, while CSR is depicted as something that occurs in the search for corporate profits rather than out of sincere concern for society. We argue that there are also CSR activities which originate in the intention to solve societal problems and contribute to a better society, for example activities that are distant from the core business, like a social-development project in a country where the firm has no business. Our purpose is to illustrate that the topics of social entrepreneurship and CSR are blurred and overlapping. We propose an extension of both concepts, arguing that existing firms can also act as social entrepreneurs. We illustrate this by introducing two empirical cases.<sup>2</sup>

## Two Empirical Examples

HelaPharma Sweden Ltd has 28 employees and a turnover of 9.7 million Euro. The CSR project we want to introduce here as an example of the fine line between social entrepreneurship and CSR is called "Zimlat for life" and was initiated in 1997. Poverty, starvation, malaria and HIV mark Zimlat, a village in Eastern Kenya. Of the 5 000 inhabitants, 60 per cent are children. The project Zimlat for life was introduced and is managed by the HelaPharma company and aims to contribute to a platform which in the long run can support the village towards an independent social and financial development. The first project was to dig a freshwater well, the second to build a school house. Today the school project has grown to include six buildings, accommodating approximately 800 pupils and employing 28 teachers. Zimlat for life also includes a food program for all pupils, a health clinic and financial support to higher education graduates. HelaPharma continuously finances the project through a share of the company's earnings. Nowadays Zimlat for life involves a number of other firms and private persons as sponsors.

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<sup>2</sup> The two cases are based on interviews.

Our second example is “Star for Life”, a project initiated by Danir Ltd, which has 5 employees and a turnover of 450 000 Euro. Danir is a holding company privately owned by Dan Olofsson, an IT entrepreneur. His philosophy of life comprises three phases: one where you educate yourself, one where you either run a business or have an employment, and a third where you engage in a life project. His life project is Star for Life, which he started together with his wife Christina. Star for Life is a high-school program developed for and introduced in Africa. Its objective is to contribute to teenagers’ chances of gaining a good education, AIDS-free lives and beliefs in their future. Dan and Christina faced the escalating problem when they had bought a game reserve in the epicenter of HIV and AIDS in South Africa. Since several of their employees had the disease they had a will to contribute to the development of certain parts of South Africa where AIDS is a major obstacle for the life opportunities of young people. They founded the project through one of Dan’s private firms, the small Danir company, which paid for the initial costs. Part of the cost has been financed by the South African government. The program is currently operating in 62 schools, involving approximately 62 000 pupils in South Africa and Namibia. The project is now run by the foundation started by Dan and Christina but financed through a number of firms and private persons. Several of the firms involved were founded and/or are owned by Dan.

## What We Can Learn from Our Examples

When defining CSR as activities that go beyond the core business we find, in line with the examples presented above, that it is hard to draw a clear-cut line between the two concepts of social entrepreneurship and CSR. They have, however, specific distinguishing characteristics. The essence of entrepreneurship is, for example, often described as creative destruction through new organizations, which is the focus of social entrepreneurship. In comparison, CSR builds on the assumption that a venture already exists and is profit-driven. However, the concepts have a great deal in common, e.g. the projects in focus aim at the improvement of society, profit is not the goal, creative organizing is needed no matter if the project takes its starting point from an existing or new organization, and there is a genuine will to contribute to something good.

Both examples above evolved within existing organizations. Later on, Star for Life became an organization of its own, managed from a foundation. The activities are boundless since

it is neither possible to link them to the core businesses of HelaPharma or Danir, nor to view them as separated from the business organizations. In essence, they fulfill the basic assumptions behind both social entrepreneurship and CSR.

Several unclear boundaries can be identified related to the two examples above. Why, for example, did the owners of Hela Pharma and Danir decide to engage in Zimlat for life and Star for Life? What are the driving forces, and do they get involved as members of society, corporate founders, or social entrepreneurs? As individuals we adapt to multiple roles, depending on the context we are part of – which roles are prominent when it comes to more philanthropic CSR activities and which identity becomes prominent.

When employees have decided to engage in the projects, which has happened in both cases, the firms have allowed for activities that go beyond the core business. According to Dan, Star for Life creates an engagement among the employees, and the project becomes part of everyday life in the organization, which implies that it can be seen as a mirror of organizational culture. The question about what impacts this type of projects has when it comes to employee loyalty and engagement could preferably be further investigated in future research. In both cases, the projects are now being used for marketing communication, within and beyond the firm, even if that was not the reason for engaging from the very beginning. In consequence, the projects can be seen as providing value both to society and the corporations involved, an interpretation which further complicates the possibility to distinguish the ventures as acts of either CSR or social entrepreneurship. We ask whether a special kind of values emerges from this type of hybrid ventures, for example in relation to employees.

## Conclusion

The two cases can be seen as chameleons, possible to describe as CSR activities as well as social entrepreneurship activities, depending on which context we decide to depict them in. Putting a label on the activities is, however, of less importance – the most important thing is probably to emphasize the complexity of the two concepts and to make visible valuable activities carried out by social entrepreneurs within existing or new organizations.

# 1 : 2

## Societal Entrepreneurs in the Health Sector: Frontier Crossing Combiners

Malin Tillmar, Linköping University

Here I take particular interest in exploring everyday social entrepreneurship occurring across sectoral borders.<sup>1</sup> This will be explored through two individuals whose ambition is to work to promote better health and well-being by complementing local authority care and schoolbook medicine: Ulrika, yoga teacher and physiotherapist, and Åsa, midwife, water aerobics instructor and masseuse. The cases are built on interviews.

The questions explored are: What goals and strategies guide their entrepreneurial activities? What organisational solutions are used? How do the entrepreneurs manage to combine “health-driven” and “profit-driven” enterprises?

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<sup>1</sup> For a discussion on everyday entrepreneurship I refer to: Steyaert, C and Katz, J (2004), *Reclaiming the space of entrepreneurship in society: Geographical, discursive and social dimensions*, Entrepreneurship and Regional Development, Vol 16, no 3, pp 179–196.

# The Institute of Yoga

The Institute of Yoga is run by yoga instructor Ulrika, who is also a physiotherapist and works as a lecturer at the Faculty of Health Sciences. After completing her training Ulrika spent a few years in India and found Kundalini yoga. The driving force to start the yoga institute came from the desire to share this with others: *“To do this, I was forced to start my own business”*. However, she is convinced this will be possible within the county council in the future, and says *“I want to be part of it too. To build bridges. And to convey knowledge to both worlds.”*

The yoga classes are popular and Ulrika does not need to have two jobs. Thus, I ask her about the reasons for the part-time enterprise. She explains, *“I don't want to get into a position where I am dependent on getting customers. I want to be able to do this as a service, too.”*

Relaxation music, yogi tea and yoga mats are sold at favourable prices at the yoga institute. Recently Ulrika recorded a session on CD to make it easier for people to do yoga at home. This was also done on the initiative and request of the participants and Ulrika sees it as a service. On the back of the CD you can read: *“The profit from the sales of this CD will go to a children's home in India.”*

Even if Ulrika makes a clear distinction between her role as a university lecturer and her role as a yoga instructor her double competence is useful. One example is that within the framework of her employment at the medical school she has been in charge of a course in Complementary Alternative Integrative Medicine. As a yoga instructor, participants often ask her questions about general worries. Naturally, Ulrika often answers these using both her competence as a physiotherapist and her knowledge of Ayurveda and yoga.

# The Midwifery Clinic

Since Åsa started to work at the Women's Clinic, she has kept noticing room for improvement. The importance of exercise and movement during pregnancy was given too little room as was the need to talk about the approaching birth. Water aerobics for pregnant

women was difficult to realize within the local authority framework. Thus, Åsa started a business offering this to paying clients. Since then she has been employed by the Women's Clinic part time and run the company part time, and in both roles her point of departure is her midwife profession.

The 30 minutes per visit to the midwife that the county council offers is not enough, Åsa thinks. Åsa and her colleagues want to offer 40 minutes, of which about 15 should be used for tactile massage. Åsa explains: *"In the stressed, high tempo society in which we are living today, it is really important for women to have a chance to land, to be in their bodies and just be pregnant."* They currently hope to do this through an agreement with the county council.

A risk facing Åsa is that of being classed as a competitor to the county council and thus not being allowed to work both on the labour ward and in her clinic. This is important not only from the perspective of competence development, but also for Åsa and the others as individuals. *"To be with a woman and a man when they have a baby is so fantastic [...] You just can't stop."*

That Åsa's entrepreneurship has enriched the Women's Clinic and vice versa is clear. Åsa recommends women to have large Pilates balls as support for moving their bodies during the early stages of childbirth. As far back as 2003 I found out that Åsa had bought two such balls and donated them to the labour ward. That the county council would pay for these was something Åsa considered too unlikely to even bother asking. Her midwife colleagues laughed and joked with Åsa about her ideas. When more and more women who had been to the water aerobics used the balls and even bought their own and took them up to the labour ward when it was time to give birth, more and more of Åsa's colleagues caught on to the idea.

## Goals, Strategies and Organizational Solutions

Put simply, entrepreneurship is viewed here as seeing or creating the opportunity to realize an idea, and then doing just that. The idea does not have to be a product which has never before existed, but can build on new ways to combine existing goods or services in another

context. The entrepreneurs described here are frontier-crossing combiners in (at least) four ways. The combinations link together their goals, strategies and organizational solutions. The yoga instructor and the midwife combine:

1. *“Improving the world” AND running an economically viable business*

The business has not been an aim in itself but a means to reach the societal goal that can be given the collective name of “constructive promotion of the health and well-being of members of society.” Both the yoga teacher and the midwife have their commitment to providing access for local and regional citizens <sup>2</sup> to the kinds of health promoting services that are offered.

2. *Their professions AND complementary medicine*

The midwife is the person who most clearly takes her profession into the business. She really practises her profession in her capacity as a midwife and incorporates methods such as massage, meditation and motion into that role. In the role of yoga instructor, the physiotherapist derives great advantage from her professional competence, and in her teaching role in the physiotherapy programme she benefits from her knowledge of yoga and Ayurvedic medicine.

3. *Bridge building AND challenging*

To incorporate new, constructive models into the healthcare provided by the county council are explicit goals for both of them. The strategies, as I see them, are to build bridges but also to challenge a little by little. An example is the way in which the use of Pilates balls during the labour phase was introduced into the university hospital.

4. *Running a private business AND being publicly employed*

Both entrepreneurs have organized their work through two different organizations. They practise their professions by being employees of the state and the county council, while at the same time offering health-promoting services through their business activities. The midwife in this way keeps in touch with what is central to her work. To the yoga teacher not giving up her job is a conscious strategy to enable her to maintain the social motive.

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<sup>2</sup> For further discussion of the role of the community: Johannisson, B and Nilsson, A (1989), *Community entrepreneurs: Networking for local development*, Entrepreneurship and Regional Development, Vol 1, no 1, pp 3–19.

# Opportunity Exploitation or Self-Exploitation

In mainstream research the entrepreneur is seen as a person who discovers an opportunity and (then) acts to exploit it – often in a market. In working life research, the term exploitation can have negative connotations, for example, the exploitation of workers. As running a business is labour-market behaviour, the term self-exploitation is also relevant for our understanding of what self-employed means. In this final section, these terms are used in a reflection of the possibilities of combining “health-driven” and “profit-driven” enterprises.

In our cases there are obviously opportunities, but the descriptions show that there are also traits of self-exploitation. A great deal of the midwife’s energy has been spent on discussions with people from the authorities and with senior management. It is not impossible that their relatively subordinate professions have played a role in this. There is a very large grey area between what the entrepreneurs consider to be work and what they consider to be meaningful spare time; something that is so often the case with entrepreneurs. Both Ulrika and Åsa have found “their thing” and invested their time in what also gives them something in return – even if it has not always been in the form of money. It should, however, be noted that both entrepreneurs are situated in professions and branches with a female hallmark where, according to previous research, the potential to make a profit is often lower than in businesses with a male hallmark. The future will show if this constructive societal entrepreneurship will obtain enough resources to stay sustainable.

# 1 : 3

## The University of Technology in the Societal Entrepreneurship Arena

**Mats Lundqvist, Chalmers University of Technology**

In this chapter the potential contribution of the technical university to a contemporary societal entrepreneurship is analyzed. Societal entrepreneurship is in this context defined as innovative initiatives with societal utility, which individuals within the university carry out beyond their ordinary roles as students, professors, researchers, etc. It can be about efforts in developing countries, about inspiring teenagers about mathematics, about environmental innovations, etc. The technical university is not necessarily a self-evident contributor to societal entrepreneurship where technical competence is not the starting point and where there are no established markets and industrial actors. At the same time, societal entrepreneurship may be the most tempting developmental opportunity for a progressive technical university wanting to exercise leadership and contribute to sustainable development in tangible ways.

Here the focus is on five concrete examples of societal entrepreneurship as well as on underlying supportive structures and how these structures are enabled or disabled by the historical characteristics of technical universities. The method is partly self-biographical, where cases of societal entrepreneurship and developments around Chalmers School of Entrepreneurship as a supportive structure within Chalmers University of Technology, in Gothenburg Sweden, are described and related to the traditions of technical universities of having been the pillars of an industrial society as well as of an increasingly globalized market economy.<sup>1</sup>

# Comparing Five Examples

The five examples of societal entrepreneurship – Minesto, NetClean, Insert Africa, BITE and Intize<sup>2</sup> – all have societal utilities as attributes linking to the technical university. When comparing the examples, apart from two private ventures and three associations, one also finds differences in the way they emphasize societal utility. Minesto with its promising and seemingly lucrative tidal water energy innovation has the least “need” to emphasize societal utility. The company could in principle have marketed itself on strictly business and financial terms, having customer utility in focus. Nevertheless, Minesto – like the other examples – chooses to emphasize the societal good stemming from their innovation. This attracts appreciation from wider circles as well as public R&D money and collaboration with Chalmers and other universities.

The second private venture, NetClean, started in 2003, providing solutions for identifying and blocking the illegal downloading, handling and circulation of child pornographic materials. In comparing NetClean with Minesto, which started in 2006, it is clear that they both have had communicated values as regards society, customers and the business itself (i.e. being a viable investment opportunity). Nevertheless, initially many people at Chalmers saw NetClean more as a charitable venture rather than as a venture that combines all three utilities. Today NetClean’s combination of social and economic objectives is much more appreciated. For Minesto and multiple other high-tech ventures stemming from Chalmers School of Entrepreneurship and elsewhere this shift in perspective has implied new opportunities in how one chooses to communicate value and scale up a venture. Without having to abandon the focus on customer and company value, societal values are now often clearly communicated and sometimes they even become the main message, as in all the five examples.

The BITE, Insert Africa and Intize associations all have similarities with the company examples Minesto and NetClean. All systematically strive to build a brand, developing new

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<sup>1</sup> For more around Chalmers and entrepreneurial transformations of the Swedish university system see Jacob, M, Lundqvist, M A and Hellsmark, H (2003), *Entrepreneurial transformations in the Swedish University System: the case of Chalmers University of Technology*, Research Policy, 32, 1555–1568.

<sup>2</sup> For further information about the examples please visit [www.minesto.com](http://www.minesto.com), [www.netclean.se](http://www.netclean.se), [www.insertafrica.org](http://www.insertafrica.org), [www.intize.org](http://www.intize.org). BITE – an association linked to Chalmers School of Entrepreneurship [www.entrepreneur.chalmers.se](http://www.entrepreneur.chalmers.se) – has no website currently. BITE inspires teenagers about entrepreneurship, technology and science.

methods of work and offerings, as well as involving and interplaying with other stakeholders. What constitutes a difference is the focus on organizational and customer value. The groups that are targeted in the offerings of these three non-profit associations are not paying customers. Instead, society and sponsoring companies give grants under CSR or societal types of motives.

## Enabling Societal Entrepreneurship While Building upon Past Strengths

Chalmers School of Entrepreneurship can be seen as having enabled societal entrepreneurship in many ways. The original idea behind the school was to utilize promising research into ventures otherwise “stuck in the lab”. This is a societal mission beyond research for the sake of research. The pedagogy at the school has been action-based in that a large part of the drive and responsibility involved in a venture is taken over by the selected student team, whose members thereby develop their own entrepreneurial identity while also producing utility. Underlying this pedagogy rests the insight that practical action and venturing develop totally different competencies than what would be produced in traditional education with a more static view of knowledge.

The continuous development of Chalmers School of Entrepreneurship into other non-technical subject areas has also contributed to students today feeling more comfortable in analyzing and communicating societal challenges. Included in this expansion is also a humanistic knowledge ideal, in which students, through development talks, coaching, etc., receive rich opportunities to reflect upon their potential, their lives and life balance, and upon their “missions”. Altogether, the environment nurtures individuals thinking beyond a logic from an industrial and market-oriented history where the questions primarily asked have been “what’s good for the company?” and “what’s good for the customer?”. Added are now also the questions: “what’s good for me?” and “what’s good for society?”. In short, this helps to shape an entrepreneurial identity more capable of Schumpeterian<sup>3</sup> “creative destruction” than a more within-the-structure engineering and managerial identity traceable back to Penrose through Drucker<sup>4</sup>.

The technical university as an arena for societal entrepreneurship needs to be analyzed as an opportunity in light of its historical path of serving industrialization for over a century and then some decades of serving a more market-oriented globalized economy. Chalmers School of Entrepreneurship has often made reference to early industrial entrepreneurs – such as Gustav Dahlén (AGA) and Sven Winquist (SKF). At the same time the school has since its inception championed team-based entrepreneurship, as well as actively trying to counter-balance the gender bias that such reference to traditional male entrepreneurship causes. In conclusion, the opportunity for a technical university to become an arena for contemporary societal entrepreneurship seems to lie in the ability to reuse and reformulate experiences gained when the university helped build the Swedish welfare state during the days of industrialization, and at the same time build upon experience stemming from a more market-oriented era in being closer to the user, customer or partner, wherever s/he is in the globalized world.

## Challenges and Opportunities for the Technical University

There are several challenges and opportunities for societal entrepreneurship in a technical university beyond the realm of an entrepreneurship school, like the following:

- A technical faculty needs to work trans-disciplinarily both in courses and projects to analyze and capture societal needs and utilities.
- It also needs to avoid being too one-sidedly engaged in collaboration with established firms.
- Project- and action-based learning needs to be applied more within basic but especially within graduate education.
- It should build upon a well-established constructive and experimental type of engineering methodology while including more societal analysis and concern.

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<sup>3</sup> Schumpeter, J A (1934), *The Theory of Economic Development*, Cambridge, MA: Harvard University Press.

<sup>4</sup> Penrose, E (1959/1995), *The Theory of the Growth of the Firm*, New York, N.Y: Oxford University Press, and Drucker, P (1985), *Innovation and Entrepreneurship: Practice and Principles*, London: Heinemann.

Altogether, the technical university partaking in an arena for societal entrepreneurship may prove to be a critical opportunity to seize and potentially turn around a negative trend of marginalization. The engineer can be a key person, too, not only in offering problem-solving to industrial firms, but also in building together with other competences innovative ventures with societal utility where established structures are lacking.

# 1 : 4

## Care in SMEs – The Hidden Social Entrepreneurship

Elisabeth Sundin, Linköping University

In Scandinavian public and political debate the word entrepreneur is often used for someone establishing a firm and/or working as self-employed. As a representative of a dominating standpoint follows Venkataraman's definition<sup>1</sup>, stating that "Entrepreneurship is about the discovery and exploitation of profitable business opportunities for the creation of personal wealth and, as a consequence, for the creation of social value". Using the Venkataraman definition as a background I will discuss conventional commercial entrepreneurship versus social and societal entrepreneurship.

A fundamental question concerns the social dimension in social entrepreneurship. Sometimes, the social parts come as an unintended, but valuable, consequence. Since I find that too wide I will add, as many others, a social intention to social entrepreneurship.

Societal entrepreneurship is a concept elaborated in Scandinavia stating collectivity and permanence. It is often used in space and/or place contexts. The community is often used as the adequate object of societal entrepreneurship.

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<sup>1</sup> Venkataraman, S (1997), *The distinctive domain of entrepreneurship research*, in Katz, J, Brockhaus, E (eds), *Advances in entrepreneurship, firm emergence, and growth*, Greenwich, CT: JAI Press.

The main arguments in this chapter are:

- that there is social entrepreneurship in traditional commercial entrepreneurship
- that there is a distinction between social and societal entrepreneurship

Comparisons between social, societal and commercial entrepreneurship can proceed along many lines. Here a few distinctions will be highlighted. One is that social entrepreneurs do not want to “protect” their idea, but rather the other way around – to invite many to share. Another is the context dependency. The “impact of the context on a social entrepreneur differs from that of a commercial entrepreneur because of the way the interaction of a social venture’s mission and performance measurement systems influences entrepreneurial behaviour”.<sup>2</sup>

The social dimensions often give associations to *care*. For parts of the labour market the “rationality of care” concept has been used to describe behaviour in working life that has seemed to be irrational from a conventional economic perspective but rational when other logics are used.<sup>3</sup> The care concept also seems appropriate for entrepreneurship, as will be illustrated below.

## Social Entrepreneurship and Societal Entrepreneurship in Conventional Enterprises

Conventional commercial enterprises which have started because the initiator cared – cared for vulnerable individuals, cared for the locality, cared for work mates and cared for their family – are presented in the cases. The cases were found in research projects with other purposes than those of finding care.

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<sup>2</sup> Garud, R, Hardy, C, Maguire, S (2007), *Institutional Entrepreneurship as Embedded Agency*, Organization Studies, Vol 28, No 7, pp 957–969.

<sup>3</sup> Waerness, K (1984), *The Rationality of Care*, Economic and Industrial Democracy, Vol 5, No 2, pp 185–211.

## Care for a Vulnerable Group

The Midwife had in her professional work been convinced of the need for sexual education for young retarded men and women. The topic was taboo, although it was obvious that the retarded were, and should have the right to be, sexually active – but not sexually used and abused. Her first thought was to convince her employer, the county council, to take the responsibility. The tough economic times made them refrain. Therefore the Midwife started a firm of her own and offered the services she found absolutely needed. Her market was the young ones and the payers were parents, group homes, compounds etc. It was a social entrepreneurship concealed behind a conventional enterprise.

The Librarian was employed by a municipality as manager for a small library in a village in the periphery. After a reorganisation the municipality wanted the library to move to premises far away from the local school and the local village centre. They also wanted her to reduce the opening hours. The aim of the decisions was to reduce costs. The Librarian found the requirements impossible! Her mission was to give reading experiences to all “her” inhabitants. The changes would prevent her from doing that. To start a firm of her own and give a bid was her only chance to fulfil her mission. She did that and was given the tender. It was a social enterprise concealed behind a conventional enterprise.

## Care for the Locality

Many firm owners feel deeply for the place where they live and work. Examples can be found in many studies. Here I will give examples from the education sector. In Sweden it is not unusual that municipalities use economic arguments to close small schools in remote areas and make the children travel to bigger schools in the neighbourhood. To prevent that parents start enterprises in the school sector with the only mission to operate the school further. It is a social enterprise concealed behind a conventional enterprise.

## Care for the Workmates

Employees starting firms of their own is a well-documented phenomenon all over the world. The established enterprise I found was triggered by an employer deciding to fire all cleaners and buy the cleaning-service on the market. To avoid unemployment for them-

selves and their workmates the cleaners decided to establish an enterprise together. It is a social enterprise concealed behind a conventional enterprise.

## Care for the Family

To have a firm for family reasons is not unusual either. In a study of all women working in firms of their own twenty years ago “the possibility to combine work with family obligations” was the most often mentioned reason for establishing an enterprise.<sup>4</sup> New studies indicate that this is still the case. Care for the family is a strong social argument concealed behind a conventional enterprise.

To summarize: the examples given show care and social entrepreneurship in a number of enterprises registered as conventional commercial enterprises. The “figures and facts” from Nutek – the Swedish Agency for Economic and Regional Growth on new starters in Sweden indicate, at a closer look, strong elements of social entrepreneurship behind many new starters. The dominating discussion on SMEs and entrepreneurship exemplified by the opening quote from Venkataraman can therefore be seen as far from reality.

## Theoretical and Practical Conclusions

The enterprises presented as cases are all registered as conventional commercial organisations – but started for reasons of care and with social intentions. But they differ in some ways. Here I will restrict myself to the societal dimension. The idea, the intention as well as the resources required and the time perspective are of relevance from that perspective. The Midwife is both a social and a societal entrepreneur, as she wants to change the lives of individuals and change the perception of retarded human beings in the whole of society. The other case enterprises may also be described and interpreted in collective terms – but they are all narrower in space or time, so to say. It seems as if the differences between social and societal entrepreneurship can be found on a sliding scale rather than in opposite positions.

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<sup>4</sup> Sundin, E and Holmquist, C (1989), *Kvinnor som företagare. Osynlighet, Mångfald, anpassning*, Malmö: Liber.

Other differences found are that the social dimensions for some of the case enterprises are a necessity and strength and for others a weakness. Care has a positive image in society – but maybe not so on the market. It may be necessary to hide the social motives from the market behind cleaning, for example. For others, like the Midwife and the Librarian, the social idea must be explicit and stable. Otherwise the entrepreneurs cannot keep their legitimacy.

Finally, I want to include a reminder of the context dependency of social and societal entrepreneurship. One important part of the context, found also in some of the cases presented, is the construction of the welfare state. Even if what is care and what is social is eternal – what is societal is not – it has welfare-regime characteristics. This has implications both for theory and practice. The concepts elaborated in other contexts cannot be imported without adequate “translations”.

# 1 : 5

## Societal Entrepreneurship for the Wealth of Nations – the Ireland Case 1985–1995

Per Frankelius, Örebro University

Jan Ogeborg, Actido

A number of approaches are available to political leaders in their attempt to develop domestic welfare. One of these (based on what we call mindset A) concerns the development of welfare systems *within* existing economic resources, involving policies of economic distribution and tax-funded development of hospitals, etc.

This presupposes that there are sufficient resources to distribute, but that should not be taken for granted. The following quotation by the popular Irish singer Bono is worth considering: “I do remember the unemployment in Ireland in the 1970s. Throwing away the prosperity that we are enjoying is more dangerous than we think.”<sup>1</sup> The ability to develop social welfare must be based upon economic fundamentals. In contrast, mindset B is about encouraging the development of the foundations that lead to *the generation of new resources*. A common strategy for doing that is economic macro policy. Another way is innovation system policy focusing on research valorisation. But there are other ways. One such way is addressed in this study.

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<sup>1</sup> BBC, News report from the World Economic Forum, 24 January, 2008, by Tim Weber.

Our aim is to describe a special form of societal entrepreneurship at the national level. We made an analysis based on the initiatives aimed at attracting new businesses to the Republic of Ireland between 1985 and 1995. That was part of the rescue action to save a nation in crisis.

In 1988 *The Economist* published a special report on Ireland under the headline “The Poorest of the Rich”, its front cover showing a destitute down-and-out. Nine years later, in 1997, a new special report was published, now headlined “The Celtic Tiger: Europe’s shining light”. The most important factor in this transformation was the Industrial Development Authority (IDA), under the leadership of Padraic White. IDA launched a range of initiatives in order to attract foreign companies to establish, and thus create job opportunities, in Ireland. The result was impressive: More than 994 new company establishments took place in Ireland as a result of IDA initiatives carried out between 1987 and 2007.

## Key Factors for Success

Four key factors have been identified as instrumental to the success. These are:

1. **The conviction that development and change are necessary.** The motivating factors behind societal entrepreneurial initiatives differ from each other in several ways. In the case of Ireland, society was on the edge of a total collapse. The first key factor is that a transition must take place, from the real necessity into an *insight about this necessity* (it must be perceived), and furthermore, to an *insight into any possible actions* to fulfil the perceived necessity. A thorough understanding of the time is required in order to gain an understanding of the motivating factors behind the decisions and actions taken. The “spirit” as reflected in any particular period of time is usually referred to as the “Zeitgeist”; however, this does not tell us anything about the level of current needs or necessities. Therefore, we take the liberty to suggest the concept of “Bedarfgeist” to interpret the situation level of need, and the actual emergency at any certain time and place.

2. **Possibilification through boundary-crossing leadership.** A great deal of societal entrepreneurship is basically concerned with being able to convince other people that there are problems in society which must be dealt with. In fact, understanding and awareness of the problems is essential to fuel the motivation for change. However, understanding and aware-

ness is not always sufficient. People must also believe that there are, indeed, applicable solutions, and that the proposed initiatives are meaningful. Therefore, societal entrepreneurship also involves actively searching for possible solutions and viable possibilities. Furthermore, a consensus is, in most cases, required concerning any viable possibilities: i.e. a collective vision – to which all actors are committed – is central to the kind of complex societal entrepreneurship we are discussing here. Therefore we can establish a second success factor: *boundary-crossing leadership*. This includes the ability to override traditional and established areas of responsibility. However, the majority of the current management literature assumes that leadership is about a formal manager of a certain organization (not a collective of organizations) attempting to get the support of his or her organization in order to reach some specific and defined goal.

**3. The right tools.** Advanced development processes require in-depth analyses of the problems and possibilities involved. This requires the use of advanced and special tools and techniques (or methods). As the processes we focus on involve complex and boundary-crossing contexts, they require tools suitable for processing and handling the many dialogues involved in order to correlate and coordinate this complicated work. One example of such a tool is computer software for the management of contacts, activities and time (CRM systems). Other examples are the tools and methods used for specific business intelligence and environmental scanning analyses.

**4. Action power.** There is a long way between the will to act and the action, as shown by Peter Drucker.<sup>2</sup> Therefore, an acceptable strategy is often required for the immediate implementation of the social changes wanted. An underlying theme in the case of Ireland is thus about the *power and competence of action*. Neither practical knowledge nor scientific theory is sufficient in the most complicated cases, which also require the kind of knowledge described by Aristotle as *Phronesis*.<sup>3</sup> This refers to knowledge in the form of an understanding of what is needed to be done, or having an overall insight into what must be done in the actual present situation.

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<sup>2</sup> Drucker, P (1966), *The Effective Executive*, London: HarperCollins.

<sup>3</sup> Aristotle (350 B.Ch), *Nicomachean Ethics* (Book VI). See translation by Rowe, C (2002) with philosophical introduction and commentary by Broadie, S, Oxford: Oxford University Press.

# Definition of Societal Entrepreneurship

Besides the key factors of success, we have derived a definition of entrepreneurship in the name of society: Societal entrepreneurship is about initiating and realizing collective, entrepreneurial and often (but not always) innovative processes aiming to strengthen a definable part of society in such a way that the large majority of its citizens may freely (or at a marginal cost) enjoy the results of the processes – with the assumption that such processes are not concerned with traditional social policies or any existing public administration.

The word "realization" is important, alluding to the marketing operations carried out by the IDA to attract new investment and companies to Ireland, in contrast to, for example, decision-making at a high political (and abstract) level. Central to our definition is that the motive behind the action is the development of society (rather than individual companies), and that the result of the action must benefit the large majority in society. By collective we mean "crossing the boundaries between different juridical instances".

## Two Different Public Leader Spirits

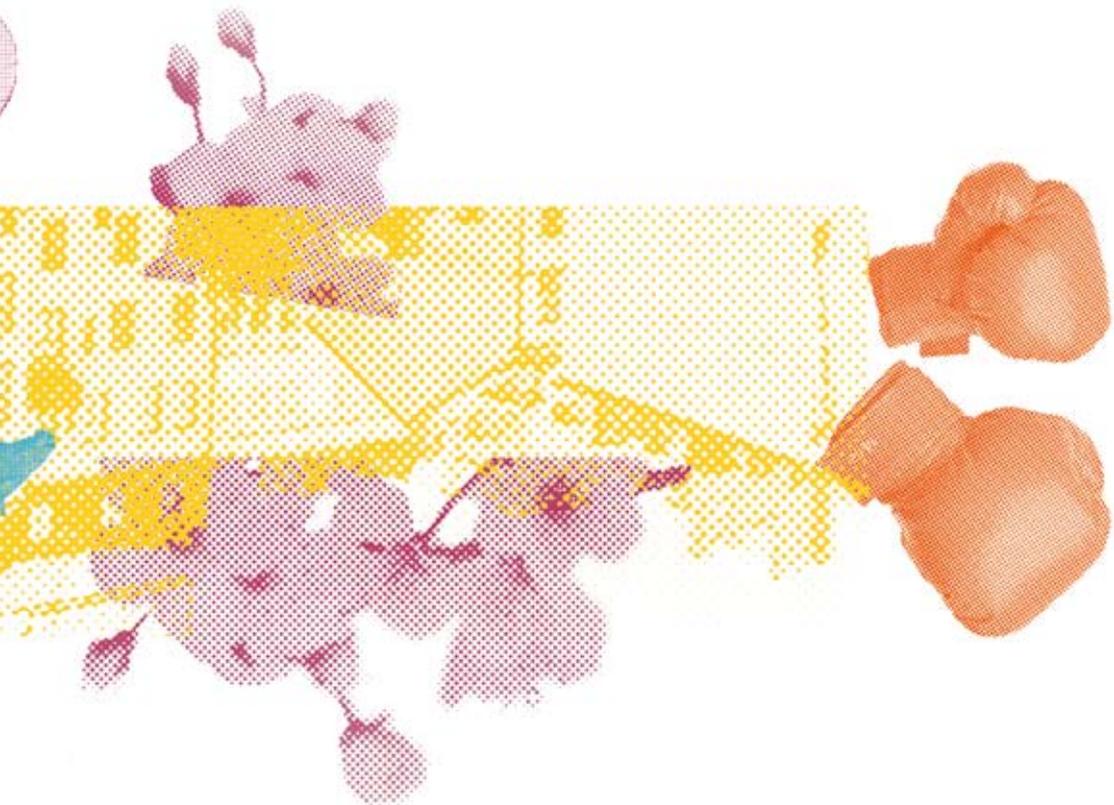
Actions from the public leaders of a society may be either of an entrepreneurial or of a non-entrepreneurial kind. In the case of Ireland, the distinguishing and pervasive theme was the entrepreneurial attitude of the public actors, who are characterised by their ability to identify and relate to the overall problem, distinguishing between causes and symptoms.

Entrepreneurial leaders in society usually have great visions, know how to manage and implement boundary-crossing leadership, and are driven by the desire and possibility of the power of concrete action. They probably have a strong dedication to creating a better world for the citizens within their society. One kind of societal entrepreneurship, illustrated by the Ireland case, is the creation of growth and prosperity for the people in a country by means of brilliant business intelligence, sharp strategy and proactive marketing related to inward investments. The entrepreneurial spirit found in the Irish case can also be applied to many other areas than inward investment.



# Part 2

Societal Entrepreneurship  
as Creative Irritation



**2** In Sweden, where centuries of peace and decades of social engineering have built an advanced welfare state, the challenge for initiatives associated with societal entrepreneurship is not just to further elaborate on a caring institutional texture. Its values and practices, although appropriate in an industrial era where stability ruled, not change, have rather to be challenged in order to be able to deal with an already present information age and knowledge economy. In order to manage a future Swedish society, as well as that of many other countries, help is needed in order to break out of the mental iron cage that traditions have forged. Then a different kind of societal entrepreneurship is called for, whose main concern is not about enforcing existing institutions but about challenging them. Not only are present institutions less capable of dealing with a future society, they may also disempower minorities while supporting the majority.

The kind of societal entrepreneurship that keeps society on its toes by questioning what it takes for granted has to mobilize entrepreneurial energy among those who voluntarily marginalize themselves. That is individuals and groups who are not afraid of standing out using that self-confidence for defending values that contrast against the dominating ones. We will find them among performing artists and “extreme” entrepreneurs who make society itself a target when trying to instigate change. Another even larger group that wants to make a difference are young people trying to enact a future world for themselves and others that is more concerned about human values than the present global society ruled by the market.

# 2 : 1

## The Societal Entrepreneur as Provocateur

**Bengt Johannisson, Växjö University and Jönköping International  
Business School, Jönköping University**

**Caroline Wigren, CIRCLE, Lund University and Malmö University**

Usually the societal entrepreneur is juxtaposed with the traditional entrepreneur, the latter then being ascribed the identity of a rude guy who forcefully superimposes his ideas and practices on the market. However, when the focus of the entrepreneurs is not on the market but on the social norms and values which embed economic activity, their task to challenge what is taken for granted, their provoking identity, becomes as much social as economic. Thus, the societal entrepreneur as provocateur makes every established institution a target for her actions. The only principle that guides the provoking societal entrepreneur is that she questions whatever principle society nurtures, whatever is taken for granted. In contrast to entrepreneurs in the market, who appreciate institutions since they provide basic “rules of the game” to an unknowable environment, provocative societal entrepreneurs are “extreme”, questioning even formal institutions.<sup>1</sup> Their motivation is a generic obstinacy and they want to be recognized for making citizens aware that institutions do not just provide comfort but also seduce citizens to becoming passive, in other words, they produce indifference.

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<sup>1</sup> “Extreme” entrepreneurs are thus different to “institutional entrepreneurs” who build or renew institutions, cf. Garud, R, Hardy, C and Maguire, S (2007), *Institutional Entrepreneurship as Embedded Agency: An Introduction to the Special Issue*, *Organization Studies* 28 (7):957–969.

In an ongoing research project eight Swedish extreme entrepreneurs are studied.<sup>2</sup> Three of them will be presented and reflected upon here. *Ulla Murman* is a pioneer in Sweden's manpowering industry. Bored as an employed secretary and inspired by her sister living in the USA, she launched her business in Stockholm as early as the 1950s. She was guided by a strong work ethics founded in her youth and driven by a passion for social justice, to give women an entry into the Swedish pension system that was based on salaried income. Ulla Murman's radical initiative created convulsions in the extremely well-regulated Swedish labour market and she was accused of exploiting others out of greed. She herself presents her venture as an illegal activity that went on for 37 years. Twice she was brought to the Supreme Court, "charming events" as she herself puts it. With the media as an ally she managed to defend her mission and pursue her entrepreneurial activities until she handed over the business to her son.

As the founder of High Chaparral, a Wild Western amusement park, *Bengt Erlandsson* in rural Gnosjö in southern Sweden is a pioneer in the experience industry. The region where High Chaparral is located is well known as a small business region where strong social ties and the associated entrepreneurial spirit have created economic sustainability that has lasted for centuries. "*Big Bengt*", a nickname produced by a journalist, which has given him a national identity, started his business career in manufacturing. Soon enough he became a dealer in used machinery, supplying several generations of new local entrepreneurs. His versatile business practices bricolage where making do is a generic principle. Such a practice easily challenges written laws as well as existing norms and values, in the local community as well as in Swedish culture in general. Accordingly, Big Bengt has spent some time in jail and in the region his business practices are used as examples of what one should *not* do. Being himself an outsider, Big Bengt invites marginalized people both as employees and as visitors.

*Lars Vilks* started his professional career, including a doctorate, as a conventional artist that attracted a large audience. A life crisis, a metamorphosis, however, made him turn into conceptual artistry, made to challenge and provoke. His most visible contribution is a set of sculptures in driftwood and concrete on the waterside on Sweden's west coast. They were

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<sup>2</sup> See Johannisson, B and Wigren, C (2006), *Extreme Entrepreneurs – Challenging the Institutional Framework*, in Christensen, P R and Poulsen, F (eds) *Managing Complexity and Change in SMEs: Frontiers in European Research*, Cheltenham: Edward Elgar, and Johannisson, B and Wigren, C (2006), *The Dynamics of Community Identity Making – The Spirit of Gnosjö Revisited*, in Steyaert, C and Hjorth, D (eds), *Entrepreneurship as Societal Change*, Cheltenham: Edward Elgar.

constructed without a building permit on other people's premises, too close to the waterfront according to state regulation and also on ground that is part of a natural reserve. He has been fined for his law-breaking only to establish a company selling shares to the general public and using the money to pay the fines. Lars Vilks deliberately enacts different dramas, making the boundaries between these and realities be perceived as fuzzy, and he generally approaches life as a soap opera. Dissolving the boundaries between different understandings of reality, he has founded the nation of Landonia, only existing in the virtual world. A recent contribution to his many installations is his proposal to put Muhammed's head on one of the dogs decorating roundabouts in Sweden.

## Characterizing Societal Entrepreneurs as Provocateurs

The three extreme entrepreneurs share some features which contribute to the crafting of a provoking societal entrepreneurial identity. First, extreme entrepreneurs are insiders as well as outsiders in society. On one hand, they are well informed about and persistently reflect on ongoing processes in society, e.g. relating very concretely to the national context and its many institutions. On the other hand, they appear as marginal in the same society that they are so devoted to. This marginalization puts the strong public searchlight on them, enforcing their unique identity, while other citizens can organize their own front stage appearance by stating that they are certainly different from these extreme societal entrepreneurs. This relentless search for making, even epitomizing, a difference implies that the societal entrepreneur is constantly on the move.

Second, extreme entrepreneurs operate on the national and not on the international arena and are in addition particularly attached to their own local community. Although ready to cross any boundary in mental space they stick to their physical origin. That is, they do not separate their provocative from their local identity. Ulla Murman was dedicated to making it possible for other women to make a living in their home district. Big Bengt never left the farm but rather made it a basis for radically new ventures, and Lars Vilks created his sensational constructs very close to his place of living. However virtual his Landonia may appear, it still represented a nation, or a territory. All the extreme entrepreneurs balance their local

identity with a fascination for a contrasting culture, that of the USA, possibly because there their initiatives would be considered less spectacular.

Third, in their provoking mission in present time, societal entrepreneurs span the past and an emergent future. Ulla Murman contributed to the liberation of women which in Sweden, as in many other countries, only started in the early twentieth century. Big Bengt foreboded the experience industry when recalling the challenges that emigrating Swedes met when contributing to the making of the present USA. In their ambition to actively contribute to the enactment of the future societal entrepreneurs do not hide their light under a bushel but promote their cause not the least by collaborating with the mass media, using them as a megaphone for their controversial initiatives.

## The Societal Entrepreneur as Jester

What then makes authorities and further members of the controlling establishment accept the provoking societal entrepreneurs? They certainly are not constantly complaining dogmatists or terrorists hating the existing order. They rather appear as jesters within the firm foundations of society. In the same way as the court jester in medieval times could communicate revealing truths by dressing them in an ironic and witty language combined with a creative performance, the provocative societal entrepreneurs offer amusing manoeuvres and pleasurable experiences to make their case and enact their visions even when they challenge basic societal institutions. In this ambition they ally themselves with the media as the fourth estate. On the one hand, this means that they use one power centre in society to control other ones, on the other, that they become exposed as proxies for all of us who want to question Swedish Big Brotherism but who do not have the guts.

# 2 : 2

## Societal Entrepreneurship for Global Justice

**Malin Gawell, Entrepreneurship and Small Business Research Institute (ESBRI)**

Earlier we have seen societal entrepreneurship expressed through different sectors in society. In this chapter, furthermore, societal entrepreneurship is related to activism in a civil society tradition of engagement and action for “a better world”. Discussions are primarily based on a study of entrepreneurship for social change that was conducted in years 2000–2006.<sup>1</sup> In the study the creation of the new organization Attac Sweden<sup>2</sup> was in focus, conceptualized as an entrepreneurial process. Here it is first and foremost discussed from a societal entrepreneurship point of view, elaborating on engagement, organizing innovative action and finally a few words on societal good – all cornerstones for societal entrepreneurship.

### Entrepreneurship for Global Change – the Case of Attac Sweden

The first Attac organization was launched in France. In December 1997, Ignacio Ramonet, chief editor of *Le Monde Diplomatique*, wrote in an editorial: “Why not set up a new world-

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<sup>1</sup> The study is further presented in the dissertation Gawell, M (2006), *Activist Entrepreneurship. Attac'ing Norms and Articulating Disclosive Stories*, Stockholm University ([www.su.se](http://www.su.se)).

<sup>2</sup> Attac Sweden: [www.attac.se](http://www.attac.se). Attac's international website: [www.attac.org](http://www.attac.org).

wide non-governmental organization, Action for a Tobin Tax to Assist the Citizen (ATTAC)? With the trade unions and the many social, cultural and ecological organizations, it could exert formidable pressure on governments to introduce this tax at last, in the name of universal solidarity". The response was large, and in June 1998 the Attac association was founded in France by citizens, associations, trade unions and newspapers. During the first two years the association had 25 000 paying members. The idea of Attac spread to several other countries. But it was not set up as a copy of the French organization. In each country a slightly different organization was created, yet with the same overarching goals.

Attac Sweden was instigated in January 2001. Before that a number of people had taken a number of different initiatives like starting discussions, meetings and mail lists, partly grounded in different experiences in Sweden as well as internationally, and partly out of different interests. A core group emerged. Some of the participants knew each other from before, while others came from different networks. At a time people met in a kitchen in the district of Kungsholmen in Stockholm. Through mail lists, interviews and articles, posters, leaflets, debates etc., they reached out to a wider public. The idea was open networking, direct influence and democracy, and action. And the interest was great! People got in touch. They turned up at meetings. First 8, then 16, 32, 64, 128... and at the constituting meetings in Stockholm and Gothenburg there were hundreds. Media was also very interested in Attac before and after its launching. This was a great help but also a problem – especially right after the protests at the EU top meeting in Gothenburg in June 2001.

Many of those engaged were young, between 15 and 25. But there were also older people with years of experience from engagement in solidarity work, other associations and/or political work. During the first year Attac Sweden received over 5 000 members. Since then the membership number has shifted between 1 500 and 3 000. They share an interest in working for a *world* with global justice and democracy. They also share an interest in organizing in a partly alternative way compared to practices in many established organizations.

## Engagement and Different Initiatives

We can identify people's initiatives when they talk and act in other ways. But it is not obvious *where it all starts*. In the case of Attac Sweden some traced part of their own engagement back

to childhood but even more often to specific experiences making them aware of what they saw as unjust conditions. The experiences referred to varied and at the same time there were many similarities. It was obvious that there was also an overarching framing “force” that people, in spite of all differences, related to. They were influenced by, and part of, the global justice movement that engaged in protests in Seattle in 1999, Prague in 2000 and then Gothenburg in 2001.<sup>3</sup> Furthermore, many of them shared stories about organizing a civil society organization grounded in a Swedish tradition of popular mass movements.

The social movement contributed to an overarching understanding of what was important, good/bad and right/wrong. This is a basic condition for organizing and therefore for creating an organization. But without action and concrete initiatives there is no entrepreneurship. To articulate the idea, to call for meetings, to set up a mail list and a web site, to write statutes, to organize and chair constituting meetings, to carry the organization’s cell phone (the organization had no office for many years) and last, but not least, to do research on issues at stake, to conclude, articulate arguments, discuss and engage in debate. To start with, all arguments were not totally thought through. But as time went by the stories became more and more coherent.

All interviewed have referred to creativity, intensity and energy during the entrepreneurial phase. As one young woman said: *It was hysterical! I probably worked 30 hours a week voluntarily with Attac beside my full time job with similar issues. My whole life was about globalization.* The feeling of meeting others with similar ideas about the world, a similar drive to do something about it as well as having similar ideas about how to do it, combined with the sense of acting according to one’s beliefs towards a better world, has been expressed as meaningful and important.

## Organizing Innovative Action

The degree of innovation varies between different entrepreneurial initiatives. In the *Activist Entrepreneurship* study two types of innovation appear. One is related to issues at stake, and

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<sup>3</sup> See further discussions on social movements in general and specifically the global justice movements in: Melucci, A (1989), *Nomads of the Present*, Philadelphia: Temple University Press; Della Porta, D (2007), *The Global Justice Movement*, Boulder: Paradigm Publishers.

the other to organizational practices. These innovations are not to be understood as new products or services. Neither are they easily translated into economic values (see further discussions below). But both cases challenge assumptions, approaches and practices. Some people have been provoked. Others embrace the new ideas and try to apply them in everyday life.

People could have engaged in established organizations instead of engaging in creating a new one. Time and energy would have been saved. But one of the reasons for creating a new organization may be the gap between experiences or images of established organizations and the expectations of how an organization should work. It can also be a question of what one wants to do or what kind of activities one wants to engage in. Several people within Attac promoted activism, a concept that provoked many established organizations and/or persons, even though many carried their own traditions of demonstrations and/or advocacy work. People within Attac supported many established organizations' statements on solidarity and visions for global justice, but they were many times critical of what they expressed as compromising issues at stake and instead favored established norms and structures. They criticized hierarchical organizational structures and expressed experiences of not being able to influence these organizations. The sensed difference between how it *was* and how it *could be* can be seen as anomalies related both to issues at stake and to organizational practices and important reasons for engaging in the creation of a new organization. People expressed a perception of necessity to do something as well as opportunities to get something done.

## A Few Words about the Societal Good

Societal entrepreneurship refers to initiatives that in different ways relate to societal, or common, aims or goals. In this chapter the focus is on changing society both through creating a new venture and through contributing to creating a (slightly) different society. This is not easy to value or measure in traditional economic ways, nor through socio-economical reports or social auditing, even though these methods have developed in rather sophisticated ways. The case of Attac also addresses values and visions about what kind of society we want, rather than how values within established norms are created and evaluated.

The case of Attac uncovers normative discussions that are so often silent, or even silenced, in public debate and research about entrepreneurship. Development and value creation

have positive connotations. Who wants to be a reactionary drag? But what kind of entrepreneurial initiatives have contributed to creating a development that many of us see as positive today, engaging in issues such as children's right to be respected, women's right to ownership, to vote or not to be beaten by their husbands? It is a challenge for the emerging field of societal entrepreneurship to problematize and to develop both theory and practice to be able to cope with societal entrepreneurial initiatives, both those acting according to established norms and those provoking these norms.

# 2 : 3

## The Thought-Provoking Art of Being a Social Entrepreneur

**Lasse Ekstrand, University of Gävle**

**Monika Wallmon, Uppsala University**

In Swedish industrialisation and social development, bruk or manufacturing estates have played a central role in their generally rural setting. We would even go so far as to claim that as physical and social constructs they are unique to Sweden. The nearest possible equivalent would be the industrial towns or working class communities common in Britain, and especially in the country's once-booming mining areas. Popular films such as *Brassed Off* (1996), directed by Mark Herman, reproduce this coal-grimed world in its proletarian hey-day.

The role of the manufacturing estates has been an ambiguous one. They were crucial for industrial growth and production – thus far a positive contribution. Yet, at the same time life on the estates had its downside in the *works mentality* it engendered – a term subsequently generalised and applied metaphorically to a particular kind of defensive, “careful” mentality.

Terms such as works mentality and *learned helplessness*<sup>1</sup> are firmly entrenched in many people's ideas of what characterises manufacturing estate communities and their inhabitants.

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<sup>1</sup> Seligman, Martin and Maier, S (1967), Failure to escape traumatic shock, *Journal of Experimental Psychology*, 74, 1–9; Overmier, B and Seligman, M (1967), Effects of inescapable shock upon subsequent escape and avoidance responding, *Journal of Comparative and Physiological Psychology*, 63, 28–33.

Many who visualize a manufacturing estate immediately see something enclosed. Works mentality and learned helplessness *might* be the interpretative keys to understanding how the inhabitants thought and felt, to explaining why things did not happen when we think they ought to or must have. They *might* be able to explain why phenomena such as entrepreneurship and enterprise are not widespread. What line to take on this lingering mentality, problematic as it is? The patterns of thought it reproduces act as a brake on more forceful courses of action.

It is in order to break with the above thinking, blocking action and counteracting a more creative attitude, that we have turned to the German artist and project maker Joseph Beuys, drawing inspiration from his definition of art as it was expressed in thought-provoking actions.<sup>2</sup> Our thesis is that the provocations of radical artists are needed to shake deeply rooted thought patterns; intellectual argument, however powerful, well founded or rhetorically convincing it may be, is not sufficient. To this end there are a variety of possible thought-provoking and inventive actions, of which we will provide some examples.

## Joseph Beuys: "Jeder Mensch ein Künstler"

The German artist and social visionary Joseph Beuys (1921–1986), who grew up in the Third Reich with its far-reaching totalitarianism and absolute claim to "own" the individual, stubbornly, not to say polemically, defended his motto "Jeder Mensch ein Künstler" – Every Human Being an Artist. This did not mean an artist in the conventional sense of one who paints pictures or carves sculptures. Every human being, according to Beuys, is intrinsically creative and possesses creative potential. Beuys saw the entrepreneurial in the human. Yet, many deny their own creative ability and have no belief in themselves. We risk being our own worst enemy.

Circumstance encourages this self-denial, reinforcing the impression that we are not free to act. Industrial society and the factory ethos – wage slavery – with its emphasis on obedience and dependency is a clear example of one such circumstance. Once subordinate to the factory system and waged work, you are "let off" being an active subject. In this sense

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<sup>2</sup> Cf. Ekstrand, L (1998), *Varje människa en konstnär – Livskonstnären och samhällsvisionären Joseph Beuys, [Every Human Being an Artist – The Artist of Life and the Society Visionary Joseph Beuys]*, Bokförlaget Korpen, Gothenburg.

the phenomenon of *learned helplessness* introduced above is a social construct, the result of waged work and industrial society's socialisation process with all its strongly hierarchical practices. In the course of adaptation to waged work and industrial society, power relationships are established where some people are accorded a subordinate position in which they are expected to be "helpless". This is not the result of an individual choice; it is something allocated to them, a social role they are expected to play, with the threat of sanctions if they dare to exceed it. Therefore, in our view learned helplessness is *a condition that is more sociological than psychological*.

Beuys spoke of *social art*, meaning something that happens outside established institutions; something that opposes those institutions, openly or obliquely; something that challenges and goads them. "My objects are to be seen as stimulants for the transformation of the idea of sculpture [...] or of art in general. They should provoke thoughts about what sculpture can be and how the concept of sculpting can be extended to the invisible materials used by everyone. THINKING FORMS – how we mold our thoughts, or SPOKEN FORMS – how we shape our thoughts into words, or SOCIAL SCULPTURE – how we mold and shape the world in which we live: SCULPTURE AS AN EVOLUTIONARY PROCESS; 'EVERY HUMAN BEING AN ARTIST'."<sup>3</sup>

## The Art of Provocation Meets Thought-Provoking Art

Historically, the role of the artist has varied. At one time art was unsigned and used for official embellishment, as we can see in churches, for example. Gradually a market for art emerged, initially for commissioned portraits, and the artists began to appear by name. Then there were artists who were directly financed by patrons of the arts, as in the case of the best-known member of the Skagen school, Søren Krøyer. And finally we have the postmodern artist in the image of Andy Warhol: talented brand manager, assiduous sensationist, attention-seeker; the artist as "celebrity" in the public limelight, all too aware of the requirements of the experience economy.<sup>4</sup>

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<sup>3</sup> Beuys, J (1979), *Introduction, as quoted in Energy Plan for the Western Man – Joseph Beuys in America*, compiled by Carin Kuoni, Four Walls Eight Windows, New York, 1993, p. 19.

Beuys, for his part, wanted to transcend all of these roles, and instead launched and defended the idea of the *social* artist. Here is an artistic role particularly well suited to the social circumstances of our day. Here is an artist who is outgoing and socially aware; who wants to intervene in social developments, to exert influence, to hasten the pace.

He did not hesitate to suggest: “Only on condition of a radical widening of definition will it be possible for art and activities related to art to provide evidence that art is now the only evolutionary-revolutionary power. Only art is capable of dismantling the repressive effects of a senile social system to build a SOCIAL ORGANISM AS A WORK OF ART. This most modern art discipline – Social Sculpture/ Social Architecture – will only reach fruition when every living person becomes a creator, a sculptor, or architect of the social organism.”<sup>5</sup>

Academics and social artists could stage actions jointly outside social insurance offices and job centres, on the streets, in shopping centres, in cafés. Why not perform the symbolic burial of industrial society – complete with priest, coffin, funeral music and all – to draw a firm line under that particular past? Why not call on choreographers to mount a street performance of Paul Lafargue’s classic wage-slave pamphlet, *The Right To Be Lazy*?<sup>6</sup> Or why not be inspired by Christo and Jeanne-Claude and wrap the remaining factories in pretty paper to sell or give away as presents to the deserving? It comes down to using different means to address, inspire, invite, provoke and tempt. Only our imaginations set the boundaries of what is possible.

Every human being is after all an artist. Each and every one of us is responsible for forming our own insights. While there is every reason to say the situation is hard to judge, we cannot afford not to join in, to refuse to exert our influence, throw out ideas, show enthusiasm, stir things up. The world needs social artists, enthusiasts with an eye to the next project. Post-industrial society demands an end to adaptation and subordination, replacing them with the continued search for new, liberating social forms – social entrepreneurship.<sup>7</sup> Beuys’ social artist is our social entrepreneur.

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4 Pine II, Joseph, B and Gilmore, J (1999), *The Experience Economy: Work is Theatre and Every Business a Stage*, Boston, Mass, Harvard Business School.

5 Beuys, J (1973), *I am Searching for Field Character*, as quoted in *Energy Plan for the Western Man – Joseph Beuys in America* – compiled by Kuoni, Carin, Four Walls Eight Windows, New York, 1993, p. 21.

6 Lafargue, P (1883), *The Right To Be Lazy and Other Studies*, Saint Pélagie Prison, transl. Kerr, C and Co., Cooperative, Online Version Lafargue Internet Archive (marxists.org) 2009.

7 Ekstrand, L and Wallmon, M (2008), *Basic Income beyond Wage Slavery – In Search of Transcending Political Aesthetics*, in Grindon, G (ed.) *Aesthetics and Radical Politics*, Cambridge Scholars Publishing.



# Part 3

Paths to Insights about  
Societal Entrepreneurship



**3** In this third part we focus on methods and processes that give us new knowledge about societal entrepreneurship. The methods we apply when we are societally entrepreneurial have a large impact on the results, on the ability to scale up initiatives, and not the least on the engagement and empowerment of partaking individuals. Societies consist of their citizens, so entrepreneurship with society in focus, more than perhaps any other entrepreneurship, needs to be aware of how it includes and involves human energy and experience.

The editors and several of the contributing authors are convinced that societal entrepreneurship is especially suited for interactive research approaches implying that the researcher partakes from the inside rather than observes from the outside. Such methods also allow researchers to partake in building solutions for the future rather than reporting historical events. Interactive methods can also amplify promising initiatives by giving legitimacy and recognition as well as affecting the learning processes as such, thereby emancipating creativity, ensuring that different perspectives – e.g. gender perspectives – are offered participants, etc. However, methods do not need to be interactive or empirical; they can also be theoretical, such as when proposing a more institutional perspective on societal entrepreneurship than is normally the case.

The first two chapters deal with researchers engaging in local economic development, and public-private partnerships, respectively, while the third chapter explores the importance of social capital, especially that between societal sectors, for societal entrepreneurs. The final chapter elaborates on interactive methodology as applied to the care of elderly.

# 3 : 1

## Societal Entrepreneurs for Local and Regional Development

**Carina Asplund, Mid University and Trångsviksbolaget**

Here I will describe and discuss how societal entrepreneurs can contribute to local and regional development. The text begins with an introduction of Trångsviken as an empirical context for community development. Then there is a section that theorizes on societal entrepreneurship but also illustrates the concept by linking it to the Trångsviken case. After a brief presentation of how the team of societal entrepreneurs planned and carried out their work follows how this spontaneous organizing has evolved into a new company whose purpose is to act as an incorporated societal entrepreneur. Finally, I discuss what further development of concepts of societal entrepreneurship and social entrepreneur the findings in Trångsviken may generate.

### Trångsviken – a Challenging Case

Trångsviken is a small community in the interior parts of northern Sweden. It is a community with about 400 residents and 80 businesses. The geographical location is relatively favourable, close to both the mountains and the regional centre, to European route 14 and only

half hour by car from the airport. The community is a unique place with respect to its entrepreneurial culture and positive business climate. About twenty new businesses have started in the last 10-year period. During the same time the number of households has increased by 20 percent. The people in the village have since the early 1980s worked hard to preserve the important functions of society such as a post office, a library, a school and a bank. To give an idea of how societal entrepreneurship and societal entrepreneurs function in practice the researcher has to be able to do close-up studies and get backroom information. Here I believe interactive action research to be appropriate. Interactive research is concerned with development where the researcher works closely with the practitioners but still maintains a critical perspective with the ambition to contribute to long-term theory development.<sup>1</sup>

## Conceptualizing Societal Entrepreneurship – Lessons from Trångsviken

This section provides a description of how the concept of societal entrepreneurship can be elaborated by the Trångsviken example. I relate different theories that have been developed concerning the concept by a report on how the societal entrepreneurs in Trångsviken have organized their work and how it has developed.

The people involved make a difference to societal entrepreneurship.<sup>2</sup> They are responsive, have strong bonds to the community, are able to build networks and to interact with other societal actors. Through a dialogue with the people concerned local needs were identified and work started from a local perspective (bottom-up). As Westin writes, societal entrepreneurs often work on a local basis.<sup>3</sup> In Trångsviken the societal entrepreneurs built a new community centre which became a platform for the involvement of rural people and a supportive structure for the subsequent initiatives for business development. The premises meant that the non-profit association could support new ventures for rural and business development. Trångsviken's societal entrepreneurs, as Johannisson describes it, also have a strong

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<sup>1</sup> Svensson, L, Brulin, G, Ellström, P-E and Widegren, Ö (2002), *Interaktiv forskning – för utveckling av teori och praktik*, Arbetsliv i omvandling 2002:7, Stockholm: Arbetslivsinstitutet.

<sup>2</sup> SOU 2006:101, *Landsbygdsutredningen*.

<sup>3</sup> Westin, S (1987), *Samhällsentreprenörer i lokal näringslivsutveckling*, Umeå Universitet.

commitment to place and an elaborate personal network. Using these assets they have managed to stimulate the creation of new businesses and an attractive community. They have seen a challenge to reverse the negative development spiral that so many other places in the Swedish countryside and perhaps the interior of northern Sweden in particular have experienced.<sup>4</sup> With Trångsviken as a starting point they have also acted for the development of other parts of the county of Jämtland. Realizing that basic social services are important, also for businesses, has meant that initiatives such as saving the food store, keeping the school and making the bank branch office stay have been pressing issues to engage in. The companies and the community have evolved side by side. The Trångsviksbolaget company was inaugurated on March 19, 2000, as “a country club for the soul but with a good financial strength.” 65 individuals, 24 companies and 2 compounds together invested around 3.6 million SEK. The conversion of the non-profit business association into a limited company mainly aimed at broadening the ownership. In the beginning the objective of the company was to pursue development projects to improve the living conditions and invest in infrastructure such as broadband and facilities for new industries. Today the company’s main operation is about renting out premises and functioning as support to businesses in the area. “Entrepreneurship for all ages” is a motto they live by, and therefore the company from the very beginning committed itself to the development of an entrepreneurial school, an entrepreneurial youth camp and a special company to care for adults with business ideas. Trångsviksbolaget’s efforts in connection with ownership and generational shifts in business have meant that entrepreneurs who want to exit can contact the local development company before they approach a broker.

## What Can Be Learnt?

The experience of the societal entrepreneurs in Trångsviken obviously cannot be directly applied to other localities. Each place has its own specific conditions. By way of an external evaluation of the village’s problems and opportunities and by maintaining a dialogue with people in other rural areas the local needs in Trångsviken could be identified and the work could start from a local perspective. The new community centre became the supporting structure and the arena needed for channelling the local inhabitants’ commitment. They saw

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<sup>4</sup> Johannisson, B (2005), *Entreprenörskapets väsen*, Lund: Studentlitteratur.

a challenge in the negative development spiral that went on in the rural areas in the interior of northern Sweden. They decided not to allow themselves to be “victims” of any “higher power” but to take charge of their own development. An important characteristic of a successful work as a societal entrepreneur is the ability to collaborate and maintain a dialogue with other stakeholders, both private and public. This is a strength if there are several people to team up and manage the operations, all of them bringing their particular knowledge and their personal network. Still, they should be able to delegate responsibility. Like all entrepreneurship societal entrepreneurship is genuine collectively.

EU projects have created the conditions for business development, have had a catalytic effect on the development and attracted many other activities and investments, which have thus been financed in various ways. Knowledge of different forms of financing, such as EU structural funds provides great opportunities for local and regional development. Using an EU project to build one’s own broadband network has eliminated many of the disadvantages of a peripheral location. The importance of individual initiatives to create a positive development has become evident. New forms of cooperation have emerged as a result of joint projects between public agencies, businesses, schools, NGOs and the local population. On the basis of the example of Trångsviken we can see that societal entrepreneurs may play an important strategic role in local and regional development.

# 3 : 2

## Development Partnership as Societal Entrepreneurship

**Erik Lindhult, Mälardalen University**

Societal entrepreneurship often involves networking and partnerships across several sectors of society. The purpose of this chapter is to clarify the significant role of partnership in societal entrepreneurial activity. The development partnership Dropin is used as an example and a basis for reflection to clarify the partnering role in societal and community-oriented entrepreneurship. In the growing international literature on social entrepreneurship a starting point is commonly taken in the civil society or the private economic sectors of society as a complement or alternative to the public domain. An important point that the example of Dropin shows is that the public and the public sector also have important roles to play in societal entrepreneurial activity.

### The Dropin Partnership

The Dropin partnership operated 2005–2007 in the county of Västmanland in the middle of Sweden, where the author participated as interactive researcher. Dropin was part of the EQUAL program within the EU Social Fund, aimed at finding new ways and solutions to

problems of different groups that are vulnerable to exclusion and discrimination in the workplace. Dropin focused on discrimination-related ill-health at the individual and institutional levels and has been an experimental workshop in finding new methods and trying to facilitate the transition between school and working life for young people with incomplete secondary education. Dropin promoted the prevention and combat of high school drop-outs and ill health in young people. It is an example of the organizing of change efforts of a societal nature as a partnership. Dropin was a broad mobilization of many organizations to deal with this problem, examine methods that can assist this group of young people, as well as identify and influence discriminatory structures in their path towards employment. The problem area is the ill-health and risk behaviours often exhibited by young people leaving secondary school without high school grades, partly as a result of exclusion from the labor market.

A point of departure in the work as interactive researcher in Dropin was to clarify the entrepreneurial character of this kind of socially-oriented development work in a partnership form. Since the work was mainly conducted in non-commercial forms, there were reasons for using the literature on “social entrepreneurship” as a starting point.<sup>1</sup> By utilizing Dropin as an experiential basis for reflection, the special character of the relation of societal entrepreneurship to social entrepreneurship could be clarified.

Network and partnership have an additional significance for socially oriented entrepreneurship. One major reason is that the sources of financing entrepreneurship with the purpose of creating social value, not providing return on investment, are more limited. This leads to resource mobilization by other means than buying them in a market becoming more important. Many stakeholders that in different ways contribute resources are also supporters of the social vision and purpose that the entrepreneurial activity is focused on. They do not primarily expect a return on their resource input, but rather a “moral” return to certain values and practices promoted. In this way, many actors contributing to a socially oriented entrepreneurial initiative are more or less active partners in the entrepreneurial activity.

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<sup>1</sup> E.g. Nicholls, A (eds) (2006), *Social Entrepreneurship. New Models of sustainable social change*, Oxford: Oxford University Press; Mair, J, Robinson, J and Hockerts, K (eds) (2006), *Social Entrepreneurship*, New York: Palgrave Macmillan; Steyaert, C and Hjorth, D (eds) (2006), *Entrepreneurship as Social Change*, Cheltenham, UK: Edward Elgar.

# The Public Dimensions of Entrepreneurship

The analysis of Dropin shows the character of the public dimensions of societal entrepreneurship, also indicating how the social dimension can be distinguished from the societal. The dominant understanding of social entrepreneurship compared with traditional commercial entrepreneurship is that the focus and purpose are social – not profit-oriented. Societal entrepreneurship may instead be linked to the private-societal/public dimension, where the societal element is determined by the extent to which entrepreneurship is based on and focuses on the creation, recreation and transformation of “society”. The context of entrepreneurship is seen here as organized in communities, social institutions and more or less formal organizations, where entrepreneurship is aimed at the creation, modification and improvement of this society. What is “public” in the entrepreneurship is not in the first place that it is included in the public sector, but that it is aimed at activities involving everyone in a particular social context (for example, a district or region) or is considered of common/public interest in the social context considered.

Furthermore, socially-oriented entrepreneurship cannot substitute for sustained public involvement in important social issues and therefore it should see government agencies as essential partners and also have a connection with, or in its organization build on, the public democratic conversation among those concerned. Otherwise, morally very worthy and deserving work, based on many people’s confidence and willingness to help, can often lose its legitimacy quickly when it is exposed to the public light. The strength of societal entrepreneurship is the ability to build a development momentum to combat social problems such as poverty, exclusion, marginalization or environmental degradation. But without a clear basis for a wider discussion among the interested parties more inclusive and integrative solutions often fail to be achieved.<sup>2</sup> Dropin relates instead to participatory democratic points of departure focused on the broad participation of various partners, coordinating through public democratic discussion processes pursuing both innovation and a structural impact. Democratic dialogue and rational communication therefore constitute an important basis for socially oriented entrepreneurial activity.

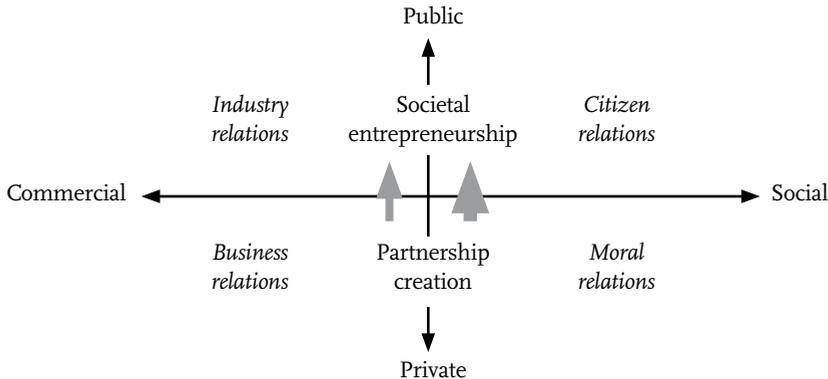
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<sup>2</sup> Cho, A (2006), *Politics, Values and Social Entrepreneurship Research*, in Mair, J, Robinson, J and Hockerts, K (eds), *Social Entrepreneurship*, New York: Palgrave Macmillan.

Studies of Dropin and similar partnerships can help to show more societal options of entrepreneurial practice, namely how broad social-entrepreneurial partnerships can be formed between different sectors of society, where the public systems can operate as an organizational guarantee for the sustainability of change over time when no civil society or business entrepreneurial organization can achieve this on its own. But public agencies often cannot handle this type of issue themselves, e.g. creating job opportunities for groups who have difficulty in entering the labour market. Although partnerships are often designed to promote business or increase the labour supply, the experience is that industry participation tends to be limited. But in many companies there is, in addition to a desire to develop their own company, an interest in contributing to local and regional development. To find a synergy in the partnership based on both of these interests provides a good basis for a sustainable relationship with industry. More generally, an issue that arises in Dropin and EQUAL is who are the “right” partners that are especially important to have in the partnership to achieve change.

## A Perspective on Societal Entrepreneurship

Figure 1 synthesizes a development of the perspective on societal entrepreneurship.



**Figure 1.** Societal entrepreneurship, social entrepreneurship and different relations.

It implies a movement towards public dimensions, contextually anchored in a communal setting.<sup>3</sup> Societal entrepreneurs need to convince others of the public interest, or to federate to “communalize” the venture. It is important to involve others as partners, supporters or donors of resources. Here federating and partnership creation form a key strategy to “communalize” and legitimize societal entrepreneurial “ventures”. Partnering implies establishing relations between actors. Societal entrepreneurship involves a movement towards the public by the driving agencies, where private relations of a moral character are complemented by relations among actors as concerned citizens, partnering to improve the social context they are part of and identify with. The efforts of movement towards the public also imply that business relations are complemented by industry relations where companies and other economic actors consider the public role of economic activity in contributing to community values or societal institutions in order to build a better society. Societal entrepreneurship with its need for building relations and partnering is a quite complex and demanding task. But it is often the only way to successfully deal with complex, societal problems to build better societies. So let loose the societal entrepreneurs!

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<sup>3</sup> An early conceptualization of community entrepreneurship as “contextual entrepreneurship” with a federative focus is Johannisson, B and Nilsson, A (1989), *Community entrepreneurs: networking for local development*, Entrepreneurship and Regional Development, Vol 1, no 1, pp 3–19.

# 3 : 3

## Societal Entrepreneurship and Social Capital

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This chapter deals with the significance of *social capital* to societal entrepreneurship. One fundamental thought is that social capital can have positive as well as negative effects on entrepreneurship with regard to what norms and values social capitals include and what networks support them. While “common” entrepreneurship is usually limited to one sector in society, societal entrepreneurship is here seen as something often embracing and affecting several societal sectors. Society is generally classified into three sectors: the private and the public sectors and “the third sector” (which I here prefer to call civil society). However, in modern growth theories academia, too, is usually seen as a specific sector, and in this chapter I concur with this view. The different societal sectors have different purposes and have over time developed different norms and principles for their activities. This can be expressed in terms of having developed different social capitals. Political measures to strengthen societal entrepreneurship must take this into consideration. To promote the growth of social capital with common values and networks across sector boundaries is in this perspective a major challenge to politics wanting to strengthen societal entrepreneurship.

What, then, is social capital? A definition which most people will probably agree with is that *social capital consists of social networks/relations and norms and values, e.g., confidence created, accumulated and diffused in these networks.*<sup>1</sup>

# New Growth Theories

In accordance with the new *endogenous growth* paradigm defined in the 1980s, ever greater importance has been attached to concepts like knowledge production, knowledge diffusion, innovation and entrepreneurship. This has also found its expression in theories like those on national and regional innovation systems, clusters, industrial districts and triple helix. A common denominator for these theories is their emphasis on knowledge diffusion between various actors as well as the modification and application of this knowledge in various commercialisation processes. For these processes to start and move forward various forms of entrepreneurship are required, i.e., *the ability to identify opportunities and utilise them*.

Knowledge diffusion and commercialisation are processes that imply interaction between a number of various stakeholders. The management, processing and application of knowledge in innovative processes require good social relations, i.e., a social capital among the stakeholders involved. Constellations characterised by intense rivalry, lack of confidence and distrustfulness render the exchange and processing of knowledge necessary for the creation of innovations more difficult. Social capital had no tangible significance on the assembly lines in industrial society. However, in the innovation processes of a knowledge society contingent on entrepreneurship it is of crucial importance.

What stakeholders, then, act entrepreneurially in innovation processes? In line with several of the above-mentioned theories, contribution is usually required from universities, which create new knowledge through research, from the public sector, which creates arenas and often provides finance, and, of course, from the business world. In the new growth theories universities are seen as a sector in its own right by the side of industry and the public sector, whereas civil society is seldom noted in these theories.

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<sup>1</sup> For a discussion about the concept of social capital and its connections to issues connected to economic development, see Westlund, H (2006), *Social Capital in the Knowledge Economy: Theory and Empirics*, Berlin, Heidelberg, New York: Springer.

# What is Societal Entrepreneurship?

New opinions, lifestyles and trends continually appear in civil society. These phenomena also affect innovation processes, both as obstacles and as inspiration. This implies that the scope of innovations and entrepreneurship is linked not only to the traditional industrial productive inputs of labour and capital but also to circumstances in which stakeholders from the university, the public sector and civil society are active – *and to the social capitals that these stakeholders have generated within and between themselves*. What, then, determines whether an organisation or a stakeholder in any of the four sectors acts entrepreneurially? In the terms used in this chapter, the answer may be that this is determined by the degree of independence from three factors:

- Established, non-entrepreneurial functions, i.e., independence from established economic, administrative, technological and social networks
- Established norms and values
- Established formal regulations and institutions

Consequently, in line with this reasoning, entrepreneurship is a function of the degree of independence from what is established and non-entrepreneurial. What, then, in addition to these matters, characterises whether an initiative is also *societal* entrepreneurial? One answer might be that it is a new activity aiming at – or an existing activity expanded to – a production of utilities that benefit not *only* stakeholders in one's own societal sector but also stakeholders in other sectors of society, and that this production is linked to stakeholders in other societal sectors.

## An Important Problem for Growth Policies

Growth policy in Sweden as well as the rest of the Western World is characterised by a focus on innovations and entrepreneurship. Entrepreneurship policy is almost exclusively aimed at business. Innovation policy, on the other hand, centres on collaboration between three sectors: universities as producers of knowledge, the public sector as a provider of beneficial institutions and development resources, and business as a provider of resources and knowledge for commercialisation. However, a seldom noticed problem is that the three

sectors – or, including civil society, the four sectors – base their activities on fundamentally different exchange principles, reflected in essentially different networks, norms and values. This is a problem that must not be neglected by a future policy for the promotion of societal entrepreneurship.

With Karl Polanyi's famous book *The Great Transformation*<sup>2</sup> as a basis it can be argued that private companies found their business on a market principle according to which profit is a necessary goal. The public sector, which is founded on political power to exact resources and redistribute them, builds its existence on a principle of redistribution. Universities, in Sweden and many other countries principally financed via the public sector, are historically dominated by a third principle, reciprocity, which in this case comprises a reciprocal exchange of knowledge and ideas. Civil society is also founded on a reciprocity principle, but in this case not predominantly regarding knowledge and ideas but rather actions – actions benefiting the group or society and from which the actor consequently can expect an indirect benefit in the future.

Organisations in sectors with such fundamental differences naturally generate very different social capitals – different types of networks with different types of stakeholders and with different norms and values. A policy for societal entrepreneurship that requires organisations and stakeholders to cross sector boundaries and create something new must manage these differences in social capital in order to be successful. Organisations may of course have various reasons to collaborate across sector boundaries, but without some type of “common denominator” it is very doubtful whether “innovative initiatives of advantage to society”<sup>3</sup> can develop and bear fruit. From a stakeholder perspective, on the other hand, we can establish that there are societal-entrepreneurial individuals who are capable of acting as “brokers” by residing and being active in various spheres and who are engaged in the translation and compilation of different institutional contexts.

Just as the social capital of organisations can be both an obstacle and a basis for societal entrepreneurship, so can the formal institutions and regulations of organisations. These are constructed in order for a certain type of activity to be performed in a certain way, thus promoting stability, which facilitates planning and reduces risks for the stakeholders concerned. At the same time, established regulations and stability are in many ways contrary to

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<sup>2</sup> Polanyi, K (1944), *The Great Transformation*, Boston: The Beacon Press.

<sup>3</sup> See Holmberg, L, Kovacs, H and Lundqvist, M A (2007), *Samhälls-entreprenör – en förstudie på uppdrag av KK-stiftelsen*, Stockholm: KK-stiftelsen. [www.kks.se](http://www.kks.se).

entrepreneurship, the nature of which is to challenge and expose established organisations to competition and eventually generate the “creative destruction” of old methods, attitudes and principles. While the debate on the promotion of entrepreneurship in the business sector is almost exclusively concentrated on problems created by the regulations of authorities, a focus on societal entrepreneurship means that the institutions, regulations and social capital of other types of organisations must also be taken into consideration.

A policy that wants to promote societal entrepreneurship must be aware of this.

# 3 : 4

## Societal Entrepreneurship as an Interactive Process

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Entrepreneurship is not restricted to creating new companies but can also be oriented towards public welfare, create innovation and stimulate action. Here we draw upon a newly emerging research methodology called “Participatory and Appreciative Action and Reflection” (PAAR).<sup>1</sup> PAAR is used to describe a development from more conventional forms of action research (AR) and from participatory action research (PAR) to a more explicitly “appreciative” form. PAAR adds a new dimension to action-based methodologies, called appreciative intelligence. PAAR can be distinguished by the main research questions it asks. For example:

- Action research (AR): What is the practical problem I need to address in my work?
- Participatory action research (PAR): What can we do together to change the situation here?
- Participatory and appreciative action and reflection (PAAR): What is currently working well and how can we amplify this in order to build and sustain a better future from aspects of the positive present?

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<sup>1</sup> Ghaye, T (2008), *Building the Reflective Healthcare Organisation*, Oxford: Blackwell; Nielsen Aagaard, K and Svensson, L (eds) (2006), *Action and Interactive Research- Beyond Practice and Theory*, Amsterdam: Shaker Publishing.

Our central argument is that when trying to improve work and working lives, thinking and conversations often get stuck with vocabularies of human deficit. In doing so we fail to unlock the creative potential of those involved. Deficit-phrased questions lead to deficit-based conversations. These in turn lead to deficit-based actions. Participatory and appreciative action and reflection (PAAR) is a style of research which requires us to use our appreciative intelligence to focus on the best of what is currently experienced, seek out the root causes of this, and then design and implement actions that amplify and sustain this success. PAAR thus does not celebrate problem-solving as the only way to improving social situations. PAAR does not perpetuate the belief that problem-solving should be our priority and that successes can simply look after themselves. First and foremost PAAR is about identifying and playing to our strengths.

## PAAR in Practice

PAAR is illustrated by two case studies. The first one focuses on how PAAR can be used to develop and sustain ways that enable elderly people to feel more empowered to exercise their right of self-determination. The work was undertaken<sup>2</sup> in the context of home healthcare in northern Sweden. The data for this work was drawn from two days of workshop activities with 35 homecare staff working in the municipality of Luleå, Sweden. The workshop was one outcome of the e-Home Health Care @ North Calotte (eHHC) Project of 2003–2005. The PAAR approach enabled all who participated in the workshops to: (a) deepen their understanding of the practice of participation (dialogue) and one important intention of it (empowerment) in the context of healthcare service improvement; (b) how to positively reframe traditional views of the relationships between research and practice, and of stakeholder roles, and as a consequence, open up new possibilities for understanding how elderly people's lived experiences can be a positive force for service improvement; (c) the use of storyboards as an appreciative approach to enable frontline staff to reflect on their work, to share and to learn together.

The second case study illustrates connections between ageing well and maintaining a good quality of life as a general societal goal. Within the context of experienced-based service

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<sup>2</sup> Melander-Wikman, A, Jansson, M and Ghaye, T (2006), *Reflections on an appreciative approach to empowering elderly people in home healthcare*, *Reflective Practice*, Vol 7, no 4, pp 423–444.

design, the study aimed to understand what ageing well meant for a group of elderly people. At the heart of this study was the analysis of ten in-depth interviews with elderly people living at home, with homecare and safety alarms. By drawing upon the PAAR principles of participation, appreciation, ethics and empowerment, the study wanted to find out whether Information and Communication Technology (ICT) could be supportive of their well-being. The core category of “*ageing well or learning unpretentiousness – a living contradiction*” was deduced. This comprised four sub-categories that illustrated the significant parts of elderly people’s conceptions of well-being. They were *social networking, psycho-social wellbeing, physical capacity and empowerment*. Data suggested that ageing well was linked with elderly people learning to get more unpretentious as they got older. In developing new information and communication technologies for ageing well, this case suggests that it is important to take this learned unpretentiousness among elderly people into account, so that their needs can be fully appreciated. One consequence of this is that elderly people need to have the opportunity, and be sufficiently empowered, to actively participate in the development of services that are designed to meet their needs. This is particularly important in the development of new services based on mobile ICT. Using the principles and processes of PAAR enabled this learning to become more visible.

## Elaborating PAAR – Gender Knowledge as a Potential for More Democratic Processes

The dominating entrepreneurship research is often “gender blind” in the sense that it does not integrate – and problematize – the gender dimension. If the emerging concept of societal entrepreneurship claims to be an “inclusive democratic concept” that incorporates women’s as well as men’s experiences and resources, it is necessary to include a gender perspective. Therefore we introduce two gender-sensitive tools that we see as a point of departure for such an integrative process.

The first tool is the concept of “reflective gender reminders”.<sup>3</sup> This concept can be used along the whole entrepreneurial process. It highlights possibilities and restrictions between women’s and men’s different conditions for participating in an entrepreneurial process. The other tool is a model grounded in “the doing gender perspective in organisations.” This model makes visible how gender is done on different arenas in an organisation. To incorporate these gender-sensitive tools in the participatory and appreciative action methodology creates a new framing for the methodology and brings about a more democratic and innovative dimension. It is promoting new thinking as well as a broader and more holistic societal view.

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<sup>3</sup> Gunnarsson, E (2006), *The Snake and the Apple in the Common Paradise*, in Nielsen Aagaard, K and Svensson, L (eds) (2006), *Action and Interactive Research – Beyond Practice and Theory*, Amsterdam: Shaker Publishing; Gunnarsson, E (2007) *Other Sides of the Coin. A Feminist Perspective on Robustness in Science and Knowledge Production*, International Journal of Action Research, Vol 3, no 3, pp 349–363.

# Need for a Multi-Faceted Image of Societal Entrepreneurship Acknowledging Variation in Society

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Sweden does not rank very high as regards the portion of the adult population that is involved in business venturing. This does not necessarily imply that Sweden is entrepreneurially underdeveloped. As this report tells us, the Swedes may invest a considerable portion of their entrepreneurial energy in different activities in the private and public sectors or in the popular movements which dominate the Swedish voluntary sector. Accordingly, our collective social capital is considerable, reflecting generic cultural features. Societal entrepreneurship in Sweden has, however, not been as loud and visible as entrepreneurship in the marketplace, presumably because societal entrepreneurship cannot allow itself to be as simplistic as regards means, ends and organizing.

Swedish research concerning societal entrepreneurship as reported here includes understandings of entrepreneurship which seldom appear at the international research frontier. One distinctive feature of societal entrepreneurship in Sweden is its orientation towards the collective. The international discourse on societal entrepreneurship, like that on conventional entrepreneurship, focuses on the individual. This particular Swedish feature of societal entrepreneurship comes through especially strongly in the chapter by Elisabeth Sundin and

Malin Tillmar as entrepreneurship closely related to the public sector. This does not mean that individuals are completely absent on the typical Swedish palette of different images of societal entrepreneurship. Those who Bengt Johannisson and Caroline Wigren introduce as “extreme” entrepreneurs have to stand up for their own values and behaviours in order to play a much needed role as provocateurs in society. Overall, the book communicates the message that Swedish societal entrepreneurs are pragmatic in trying to balance social and economic concerns. All of them are also carried by a strong commitment to societal values.

Obviously, there are many roads to societal entrepreneurship. Sometimes the directions come from above, which also often means from outside, sometimes from below/inside. Often these pressures combine. Only in some cases, for example that of national mobilization presented by Per Frankelius and Jan Ogeborg on the Irish turnaround, does the force come straight from one direction (above). However, whatever the origin of societal entrepreneurship, soon enough forces from above and below combine, as Erik Lindhult’s report on the empowerment of young people distinctly illustrates. When social concern carried by favoured Swedish corporations is used to support marginalized groups in developing countries an initiative from above-outside is much needed and in the interest of the recipients. Lasse Ekstrand and Monika Wallmon propose in addition that societal entrepreneurship may also be “laterally” triggered, that is neither initiated from above or from below, but through a created move from an unexpected direction. When artists turn into social agents they may help people locally to break out of their mental iron cages and take over the initiative.

Until recently the scientific discourse on entrepreneurship was dominated by the male initiating individual as a norm. Furthermore, the field has been controlled by male researchers. Obviously, this book provides a more balanced view in both respects – the female contributors are as many as the male ones. In the entrepreneurial processes presented and reflected upon activity fields dominated by women, e.g. the social and healthcare sectors, come to the fore. Here the authors point out that societal entrepreneurs practise their own rationality, that of care. Presenting themselves as representatives of “homo curans” these entrepreneurs are more concerned about others’ well-being than about their own. Some authors, e.g. Ewa Gunnarsson and Tony Ghaye, explicitly bring up gender issues, but in most chapters such reflections are tightly associated with impressions gained during fieldwork.

On one hand, the broad variation of societal entrepreneurship sends invitations to many potential initiators of entrepreneurial processes. On the other hand, this complexity signals that local initiatives may need support from established structures in order to be able to enact

their (social) ambitions. As easy as it is to amplify voluntary initiatives, as quickly may inertia in formal institutions erode the emerging commitment. Mats Lundqvist demonstrates that a university (of technology) may not only support but also itself take the initiative to create societal entrepreneurship. As demonstrated by Carina Asplund, community development can be enforced by building alliances with the regional university and draw attention in the EU context.

The roots of societal entrepreneurship in Sweden go back to local community development in the early 1980s. Since increasing urbanization implied reduced societal services in sparsely populated parts of the large country collective action was called for. While Swedish societal entrepreneurship today often spans boundaries in space – whether physical, social or mental – this global commitment often combines with retaining one’s attachment to (local) place. One possible explanation is, as Hans Westlund indicates, the rich access to social capital. This proposes a generic “glocal” development strategy in the same way as localized clusters in the economy build global competitiveness, often by building an alliance with a university. The social dimension of the glocal strategy can be represented as embedded in economic activity – as in the practice of corporate social responsibility reported by Anna Blombäck and Caroline Wigren, or provide a core activity – as proposed by Malin Gawell in her reflections concerning Attac . That the difference in these two cases underlines the need to pay attention to the contextual features in the conceptualization and practice of societal entrepreneurship is evident.

## Need for a Versatile Research into Societal Entrepreneurship

This book illustrates by way of special conceptual models and methodologies as well as rich and varying empirical reporting that societal entrepreneurship, like entrepreneurship in the market, appears in very different shapes. This suggests that researchers and practitioners, not least politicians, may gain a great insight into traditional entrepreneurship as business venturing by studying societal entrepreneurship. These lessons include a greater awareness of the general social embeddedness of economic activity, not least attachment to place, and the importance of recognizing the collective features of (any) entrepreneurship. Business

venturing, as well as “born globals” (international new ventures), take off in the community to which the entrepreneur belongs, and the commitment to place remains while the firm grows.

The broadest of concepts associated with societal entrepreneurship that we have tried to organize in the introductory chapter can, on the one hand, be considered to reveal that we and our fellow researchers have still not managed to catch the phenomenon. On the other hand, this variety of representations raises the question whether an ultimate, overarching definition of societal entrepreneurship is desirable or even possible. It is quite pretentious to argue that society as a human construct provides endless social variety while arguing at the same time that this variety, when dressed as entrepreneurship, can be structured into a few conceptual categories. As regards entrepreneurship in the general sense a parallel discussion is at present going on within the research community. Our conclusion is that (societal) entrepreneurship should stay a multi-dimensional phenomenon also in the academic and political vocabulary. Only then can it remain sensitive to different cultural and institutional settings, that is different societal contexts.

Proposing a sensitive use of the notion of societal entrepreneurship does not mean that we expect it to only reflect existing phenomena. Like any understanding of entrepreneurship, societal entrepreneurship as a concept and as a practice should challenge existing structures and propose new ones. This power to initiate change is especially important to consider in the kind of homogenous country that Sweden still is. We obviously do think that a genuine dialogue within and between the communities concerned must form the basis of networking, which in due course will sediment into new structures that will hopefully provide the means to make the world better. This challenge is sometimes about turning coincidences into opportunities, which are subsequently enacted in social ventures, sometimes about solving practical problems which concern the survival of the family or the community.

The proposed distinction between “opportunity” and “necessity” entrepreneurship is, however, difficult to maintain, whether we have societal or general entrepreneurship in mind. What once appeared as necessity entrepreneurship may in the end turn out to be the very road to success. In the old world this was, for example, experienced in rural areas where the many had to start their own business in order to survive, but where over time, as the interrelations between the small firms matured, the small communities turned into localized clusters, which were competitive on the global markets. In our “new” world the struggle for economic survival still remains in some parts of the world. However, today we

are all affected by the enormous ecological and social challenges facing the earth. This again suggests a need for “glocal” strategies where local initiatives are taken that are also in the global interest.

As researchers we have to actively relate to the challenges that societal entrepreneurship in its different forms is expected to cope with. The third part of the book also provides a number of illustrations of how more active roles may be taken on by social scientists than the ones so far being performed. These roles include providing knowledge that communicates the hope of a better future but also interactively creates such knowledge in dialogue with those concerned. However, all the chapters are embedded in the general view that researchers investigating societal entrepreneurship cannot remain passive spectators considering that they themselves as citizens are co-producing the very context where those entrepreneurial processes are taking place. We also argue that being present in societal entrepreneurship as a research field and there practising an interactive methodology makes the university into a much needed arena for intellectual as well as practical contributions. Here the researchers will realize their own need for learning, which in due course may make them not only inquire into societal entrepreneurship but practise it themselves.

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This book presents entrepreneurship far beyond market-oriented business. Societal entrepreneurship engages people, at times in a small community, at times globally. The ambition is many times to create a better world, which of course is welcome. But societal entrepreneurship also challenges and provokes. The contributing authors both acknowledge and question contemporary ways of organizing society. In this digested presentation of a research anthology, originally published in early 2009, 16 researchers from 16 Swedish universities and/or institutes elaborate on these issues.

The texts cover a variety of cases of societal entrepreneurship carried out by individuals, organizations, communities, nations – all with strong driving spirit. We hope that the message of the book will stimulate societal entrepreneurs and researchers as well as politicians and citizens to engage, to initiate and to act – in the name of society.

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