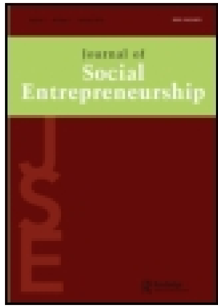
This article was downloaded by: [207.10.104.50]
On: 17 August 2013, At: 05:17
Publisher: Routledge
Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: Mortimer House, 37-41 Mortimer Street, London W1T 3JH, UK



Journal of Social Entrepreneurship
Publication details, including instructions for authors and subscription information:
http://www.tandfonline.com/loi/rjse20

Exploring the Motivation of Nascent Social Entrepreneurs

Andrew J. Germak [a] & Jeffrey A. Robinson [b]

[a] School of Social Work, Rutgers , The State University of New Jersey , New Brunswick , NJ , USA

[b] Rutgers Business School – Newark and New Brunswick, Rutgers , The State University of New Jersey , Newark , NJ , USA

Published online: 15 Aug 2013.

To cite this article: Journal of Social Entrepreneurship (2013): Exploring the Motivation of Nascent Social Entrepreneurs, Journal of Social Entrepreneurship, DOI: 10.1080/19420676.2013.820781

To link to this article: http://dx.doi.org/10.1080/19420676.2013.820781

PLEASE SCROLL DOWN FOR ARTICLE

Taylor & Francis makes every effort to ensure the accuracy of all the information (the "Content") contained in the publications on our platform. However, Taylor & Francis, our agents, and our licensors make no representations or warranties whatsoever as to the accuracy, completeness, or suitability for any purpose of the Content. Any opinions and views expressed in this publication are the opinions and views of the authors, and are not the views of or endorsed by Taylor & Francis. The accuracy of the Content should not be relied upon and should be independently verified with primary sources of information. Taylor and Francis shall not be liable for any losses, actions, claims, proceedings, demands, costs, expenses, damages, and other liabilities whatsoever or howsoever caused arising directly or indirectly in connection with, in relation to or arising out of the use of the Content.

This article may be used for research, teaching, and private study purposes. Any substantial or systematic reproduction, redistribution, reselling, loan, sub-licensing, systematic supply, or distribution in any form to anyone is expressly forbidden. Terms & Conditions of access and use can be found at http://www.tandfonline.com/page/terms-and-conditions

Journal of Social Entrepreneurship, 2013
http://dx.doi.org/10.1080/19420676.2013.820781

Routledge
Taylor & Francis Group

Exploring the Motivation of Nascent Social Entrepreneurs

ANDREW J. GERMAK* & JEFFREY A. ROBINSON**

*School of Social Work, Rutgers, The State University of New Jersey, New Brunswick, NJ, USA; **Rutgers Business School – Newark and New Brunswick, Rutgers, The State University of New Jersey, Newark, NJ, USA

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Abstract *Social entrepreneurship (SE) is an increasingly popular practice in which business solutions are applied to social problems. While empirical study of the various facets of SE is on the rise, the motivation of social entrepreneurs – a key antecedent of SE – has received little attention. In contrast, substantial theoretical and empirical work exists on the motivation of commercial entrepreneurs as well as the motivation for public–social sector work. Seeking to fill a gap in the SE literature, this paper presents qualitative findings from in-person, in-depth interviews with self-identified nascent social entrepreneurs that participated in an SE training program in the USA. The findings provide an empirical foundation for further theory development and research on SE motivation.*

Key Words: Social entrepreneurship, social enterprise, social innovation, nascent social entrepreneurs, motivation

Introduction

> I feel adamant that cities, urban cities like Trenton or Newark need a food system and need a place for people to gather and create and have art and just have dialogue. And it's intrinsic to who we are. And it has value that, you know, goes beyond economics... people are going to be attracted to something that has this, I don't know, realness to it, has this substance to it, that also can generate, you know, income. It's about creating value to something that people need and focusing, you know, sort of your intent and business practices on what are the most important components of your community.

Social entrepreneurs are restless, mission-driven individuals that strive to change the world, their cities, and their communities by implementing sustainable business ventures designed to create social impact. Seemingly ready

Correspondence Address: Andrew J. Germak, Rutgers School of Social Work, 55 Commercial Avenue, Floor 3, New Brunswick, NJ 08901, USA. Email: agermak@ssw.rutgers.edu

© 2013 Taylor & Francis

to leave their 'day jobs' as soon as their social ventures take hold, these individuals are persistently ideological and visionary as evidenced by the quotation above from Jonathan[1], a nascent social entrepreneur planning to launch a sustainable social venture in his community. Jonathan is not only 'adamant' about addressing a need in his community, but also seeks social value creation that 'goes beyond economics,' which, for many commercial entrepreneurs, is not an overarching objective.

With this exploratory qualitative study, we seek to begin to understand what drives nascent social entrepreneurs like Jonathan to engage in social entrepreneurship (SE), a relatively recent phenomenon for both practitioners and academics. Developing such an understanding will provide a foundation for further empirical research on SE motivation, a subject that has received little attention thus far in the SE literature. In contrast, non-SE motivation, or the motivation of commercial entrepreneurs, is a construct that, despite lack of research attention in recent years (Carsrud and Brannback, 2011), has achieved a certain maturity in both theory development and empirical study (see McClelland et al., 1953; Naffziger, Hornsby, and Kuratko 1994, and so forth). Likewise, the motivation for public service, a related but distinct domain from SE, has received recent empirical research attention (Hsieh, Yang, and Fu 2011; Lee 2012; Taylor 2013).

In addition to the contributions we seek to make to SE motivation theory, with this study we will begin to build a profile of social entrepreneurs, which, consistent with Collins, Hanges, and Locke (2004), should have practical implications for investors seeking SE talent for social enterprise development and for those individuals contemplating becoming social entrepreneurs. Indeed, the practical implications of understanding socially oriented work motivations could be used to select the most appropriately aligned individuals with the goals of an organization (Coursey, Yang, and Pandey 2012), such as for a new social venture or for an educational program aiming to train nascent social entrepreneurs. While motivation is admittedly not the only ingredient for SE engagement and subsequent social entrepreneurial behavior, we posit that it is a crucial SE antecedent to study and understand.

This paper begins with some important definitions of SE and social entrepreneurs, a discussion of pathways to SE, and an overview of general entrepreneurship and public service motivation (PSM) theories. These sections are then followed by the methods, findings, and discussion of this exploratory qualitative research study regarding SE motivation.

Defining Social Entrepreneurship and Social Entrepreneurs

There have been several attempts to define SE in the literature (Brooks 2009; Germak and Singh 2010; Kickul and Lyons 2012) and, although a unified definition of SE does not yet exist, there appears to be general consensus regarding the following (see Zahra et al. 2009 for a comprehensive table of SE definitions): SE is a practice in which an entrepreneur – either a traditional business-minded individual or someone that emerges from the public or

Downloaded by [207.10.104.50] at 05:17 17 August 2013

nonprofit sectors – sets out to solve some social problem by way of combining business management skills with social sector acumen to yield a sustainable enterprise that produces both financial and social returns (a so-called double-bottom line). In some cases, environmental returns may also be sought resulting in a so-called triple-bottom line. These social entrepreneurs can operate alone or as part of a special project borne out of a larger organization. Importantly, SE is viewed as a distinct form of entrepreneurship even though it may share some characteristics with commercial entrepreneurship (Austin, Stevenson, and Wei-Skillern 2006). As such, a critical assumption of this current study is that social entrepreneurs differ in some ways from commercial entrepreneurs. Indeed, as Duncan (2009) concludes following his qualitative work with established social entrepreneurs, they are distinct from commercial entrepreneurs and deserving of specialized research attention.

In addition to using various definitions of SE, scholars and practitioners refer to SE by a seemingly overwhelming multitude of terms, including social enterprise, social innovation, social venturing, venture philanthropy, social purpose business, and so forth. Moreover, SE may be conceptualized differently in various regions of the world, which adds to its conceptual complexity (Kerlin 2010; Ryou, Lee, and Choi 2011). In an attempt to simplify matters for this study, we conceptualize SE broadly to include all types of enterprises that seek financial, social, and, at times, environmental outcomes as well. In addition, we define the social entrepreneur to be the individual that conceives of the initial idea, moves toward launching the venture, and works to sustain the venture. Importantly, the social entrepreneur need not be a professionally trained commercial entrepreneur or an experienced public–social sector actor. Rather, social entrepreneurs arrive at their craft with varying skill sets, which admittedly makes creating a standard profile of social entrepreneurs somewhat difficult yet still an important goal for which to strive with this research. Finally, we focus on nascent social entrepreneurs in this study, those with no prior experience in social entrepreneurship, in an attempt to understand the initial motivating factors that propel individuals into this line of work for the first time.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Pathways to Social Entrepreneurship: Who are the Nascent Social Entrepreneurs?

The definitions of SE and of nascent social entrepreneurs to which we ascribe imply that social entrepreneurs can emerge from two distinct orientations. First, the nascent social entrepreneur could be a traditional commercial entrepreneur – or have a background in managing initiatives in the corporate or small business sectors – that may have a track record of launching business ventures (either small or large) with profit or sales targets, and so forth. However, importantly, such an individual would have no prior experience specifically with SE. This type of individual would most likely approach SE from a strategic management orientation and, as Simms and Robinson (2009) posit, may follow a path toward eventually launching a for-profit social venture. In such an enterprise, there would be a profit motive in addition to a social and/

or an environmental one, and shareholders in the SE firm would be able to benefit financially from the SE firm's performance.

Alternatively, a nascent social entrepreneur could emerge from a public–social sector perspective, which could lead the individual to launch a nonprofit or nongovernmental organization in which the profit motive would be tempered to some degree, but still an important outcome for sustainability reasons. In fact, in the USA, nonprofit organizations do not have shareholders and no portion of profits earned can inure to the benefit of any of the organization's stakeholders (Hopkins 2009); however, notably, nonprofits can still earn profits or surpluses as long as they are reinvested into the social objectives of the organization. Such an organization would most likely be constructed such that it could sustain its operations by way of grants, contracts, donations, or earned income, while, at the same time, achieving certain social outcomes. Again, this type of nascent social entrepreneur would approach social venture creation without specific prior experience with SE.

While the theory that traditional entrepreneurs will gravitate toward launching for-profit ventures and those with public–social sector backgrounds will lean toward nonprofit structures is an interesting proposition that has yet to be empirically proven (Townsend and Hart 2008; Simms and Robinson 2009), for the purposes of this paper, we are interested in what drives the nascent social entrepreneur to make the initial decision to engage in SE (in this case initial engagement is operationalized by an individual's participation in a social innovation training program) even before deciding upon the type of venture they will eventually establish. Future longitudinal studies should seek to explore various SE outcomes, such as type of organization founded, based on a nascent social entrepreneur's background and experience.

The pathways to SE are presented in Figure 1. As the figure illustrates, there exists some mutually inclusive slice of work orientation – SE – that is formed by either a traditional business-minded entrepreneur or a manager moving toward and embracing public–social sector practices or a public–social sector practitioner behaving in a more business-like manner than his or her peers and moving in the direction of commercial entrepreneurship.

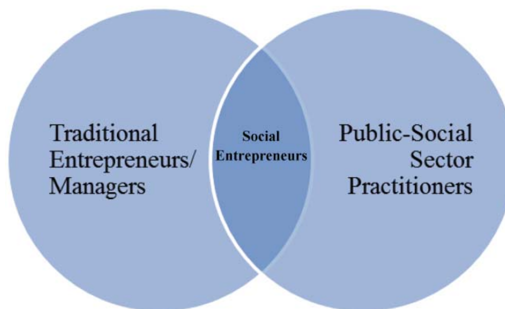


Figure 1. Pathways to social entrepreneurship

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Theories of Motivation for Commercial Entrepreneurship and Public–Social Sector Work

There is ample literature related to work motivation theories, including the motivation of commercial entrepreneurs and of public–social sector actors, both domains, we posit, contributing to SE development via the pathways illustrated in Figure 1. First, theories of need, such as Maslow's hierarchy (Maslow 1943), which culminates in the need for self-actualization, could explain an entrepreneur's motivation on several levels. For example, the basic need to make money to provide for oneself or one's family could explain why certain individuals launch businesses even if such businesses can only pay their salaries and do not result in extraordinary financial payoffs or economic growth (Zanakis, Renko, and Bullough 2012). Hessels, van Gelderen, and Thurik (2008) describe this as a basic necessity driver of entrepreneurship in which basic life needs are the primary motivators for entrepreneurial behavior.

In addition, Maslow's self-actualization concept (Maslow 1943) could explain what drives people to start businesses; they might only feel satisfied if they can run their own businesses, work independently, and actualize their potential as human beings. It is plausible to think that social entrepreneurs might pursue their work with a need for self-actualization, as this would allow for social entrepreneurs to satisfy needs beyond basic, necessity-related ones. In fact, the presence of the double- or triple-bottom line in SE may necessitate a more complex level of motivational bases; it would not be enough, for example, if the social entrepreneur were motivated by satisfying himself or herself alone without some greater self-actualizing purposes.

In addition to necessity-based entrepreneurship and self-actualization-related behaviors, several scholars have theorized and suggested through empirical studies that the need for achievement (Murray 1938; McClelland et al. 1953) can motivate an entrepreneur to start a business (McClelland 1965; Johnson 1990) and eventually achieve entrepreneurial success (Collins, Hanges, and Locke 2004). As Hansemark (1998) explains an entrepreneur's need for achievement that is associated with the desire to accomplish something better or faster than the entrepreneur's peers, or better or faster than his or her own past performance. Moreover, Barba-Sanchez and Atienza-Sahuquillo (2011) add that entrepreneurs with a high need for achievement often plan in advance, take personal responsibility for their affairs, and seek immediate feedback on their entrepreneurial behaviors. As such, the need for achievement has been discussed as a precognitive motivational factor leading to engagement with entrepreneurship. Interestingly, Hansemark (1998) suggests that the need for achievement can be taught through an educational program, which implies that contextual factors, such as education and training, may influence an entrepreneur's achievement motivation. Nonetheless, the above-mentioned needs-based motivation theories pertain to the underlying inherent traits of individual entrepreneurs, which are inherently static in nature.

There has been debate among scholars as to whether the needs and traits of an entrepreneur should be the focus of study in relation to the actual development of new enterprises. Gartner (1988) argues that research should focus

Downloaded by [207.10.104.50] at 05:17 17 August 2013

more on what an entrepreneur does to develop the business rather than on the static and ingrained traits of an entrepreneur, which may not serve as the best predictors of entrepreneurial behaviors. Thus, beyond traits and needs, the other theory explains how an entrepreneur's thought processes and beliefs can contribute to entrepreneurial action. Namely, expectancy theory (Vroom 1964) and goal-setting theory (Steers, Mowday, and Shapiro 2004; Denhardt, Denhardt, and Aristigueta 2009) can explain what motivates the commercial entrepreneur toward launching an enterprise. For instance, an individual may rationally calculate that the effort exerted to launch a business venture could result in significant financial outcomes or other desired goals. Thus, following expectancy theory, the entrepreneur believes that the venture will result in positive outcomes – high financial payoff, for example – and therefore pursues entrepreneurship over other available pathways. Furthermore, goal-setting theory in which an individual sets goals for oneself and is motivated to reach or surpass such goals could apply to entrepreneurs. Entrepreneurs set many goals. The first and the foremost, the financial milestones in the business plan are distinct goals upon which much of the entrepreneur's success rests. Hence, goal-setting could be an important aspect of the motivation of an entrepreneur to reach goals and thereby reaps the associated rewards (Naffziger, Hornsby, and Kuratko 1994).

Individuals working in the public–social sector, including public–social sector managers and leaders, are also frequently motivated in their work, often despite the lack of financial rewards as seen in the private sector (Denhardt, Denhardt, and Aristigueta 2009). Consequently, theories of motivation are applied somewhat differently to explain motivation in this space. In addition to needs and process theories of motivation, there are other theories that are more uniquely applicable to public–social sector settings. For example, Lawler (1990) and Borzaga and Tortia (2006), describe how participatory or high-involvement types of management and organizational cultures can induce positive motivation in the public–social sector workforce. For example, due to the constrained nature of many nonprofit organizations both financially and human resource-wise, nonprofit workers are frequently asked to participate at high levels within their organizations. Such high involvement could explain the motivation of public–social sector employees; they are motivated to perform because they are so highly engaged with the organization and its social mission (Lewis, Packard, and Lewis 2012).

In addition, research on PSM purports that certain individuals are drawn to public–social sector work by way of a so-called calling or civic duty to work in this milieu as opposed to more corporate settings, and in a sense they give back to society through their work (Denhardt, Denhardt, and Aristigueta 2009). As Perry (1996, 1997) suggests, PSM comprises three components: an attraction to policy-making, a commitment to the public interest, and compassion. While the policy-making aspect of PSM may not directly apply to SE motivation, commitment to the public interest and compassion could certainly explain a portion of SE motivation. Miller et al. (2012) theorize that compassion is indeed a component of SE motivation. Further, some theorists argue that people are drawn to the social sector for emotional reasons and that their

Downloaded by [207.10.104.50] at 05:17 17 August 2013

motivations are deeply rooted and often result in productive emotional labor (Hsieh, Yang, and Fu 2011). For instance, it is common to see workers at all levels within the public–social sector that are motivated to perform because of deep-rooted personal reasons, such as a personal connection to a particular social issue or a desire to advocate for a particular cause (London 2010). Clearly, compassion and public interest – two facets of PSM – could play a role in SE motivation.

To the best of our knowledge, the theories of motivation discussed here have only been thus far empirically applied to commercial entrepreneurs and managers, or to public–social sector practitioners. There is a dearth of empirical literature specifically pertaining to social entrepreneurs and their motivations for SE; there is much room for theoretical and empirical researches to be performed in this area (Austin, Stevenson, and Wei-Skillern 2006; Hoogendoorn, Pennings, and Thurik 2010; Gras, Mosakowski, and Lumpkin 2011).

Research Questions

Given the pathways described above through which social entrepreneurs arrive at SE and the lack of existing theory to explain SE motivation specifically, a primary research question emerges: what motivates nascent social entrepreneurs (those without any prior experience with SE) to engage in SE instead of following better-known career pathways that are seemingly more stable and predictable? In addition, other research questions of interest are as follows: What similarities or differences exist in SE motivation between those with a commercial entrepreneurship background and those with public–social sector work experience? What about those with mixed experiences? The following exploratory study will begin to address these questions.

Method

We followed a phenomenological approach (Patton 2002) given that the study focused on SE, an emerging phenomenon for which the researchers have a research interest but little practice experience as social entrepreneurs. This method was consistent with that used by Shaw and Carter (2007) in their qualitative study of social entrepreneurs in the United Kingdom. Therefore, we were able to approach the study rather objectively without extreme closeness to the topic that could have significantly colored the collection and interpretation of data. Still, we succeeded in understanding the lived experience of these nascent social entrepreneurs through this exploratory qualitative design.

The sampling frame for this study included participants in the New Jersey Social Innovation Institute (NJSII), a 6-month training program in the State of New Jersey (USA) for self-identified nascent social entrepreneurs. The overall objective of this program was for participants, working in teams, to develop viable business plans for social ventures and to launch the social ventures at the conclusion of the training program while receiving technical

Downloaded by [207.10.104.50] at 05:17 17 August 2013

assistance from the training program organizers. This program was designed and implemented by faculty and staff at Rutgers Business School – Newark and New Brunswick. There were a total of 35 individual participants in the training cohort.

The lead author attended the opening session of the training program (as well as attending subsequent training sessions to increase time-in-field) and introduced this research project to all participants by way of a brief address at the beginning of the first training session. Subsequently, the lead author sent e-mail messages and placed phone calls to the participants to invite them to participate in the qualitative interviews for this study. Nearly all the participants expressed interest initially; however, the lead author was unable to successfully schedule interviews with all the participants due to scheduling conflicts and/or presumed disinterest of the participants. The final sample contained 16 individuals of which 7 were female, 9 were male, 9 were Black, 1 Hispanic, and 6 Caucasian (demographic data are based on the lead researcher's observations and perceptions of interview participants). Due to budget and time constraints on this project, it was not possible to recruit a control group of subjects who were not enrolled in the training program.

A total of 16 semi-structured, in-depth, in-person interviews were conducted by the lead author with the 16 participants that volunteered to be interviewed, one interview per person. The interviews, which varied in length from 45 minutes to 1.5 hours, were conducted and digitally recorded around the midpoint of the training program (about the third month of the program). The interviewer also took handwritten notes during the interviews. Interviews were held at locations of participants' choosing, including participant offices, coffee shops, restaurants, and a few at the researcher's office, which proved to be more convenient for the subjects in these select cases. All interviews were professionally transcribed by a transcription service in New York City. Upon receipt of the transcription files, the lead researcher compared the transcripts to his handwritten interview notes to ensure the accuracy of the transcripts and modifications were made to the transcripts in only a few places; the transcripts were overwhelmingly accurate.

The lead researcher, together with two research assistants, used word processing software to perform the analysis of interview data by way of theory-informed coding of all interview transcripts. Based on the motivation theory from the literature, coders applied some general motivation themes while analyzing the data, including 'self-actualization,' 'achievement,' 'necessity,' 'compassion,' and 'public interest.' Thematic and cross-case analyses were then performed to identify emergent themes, those that were both similar to and different from the theory-informed themes above, in the data related to the specific sensitizing concepts from the interview questionnaire: NJSII evaluative feedback, participant background and motivation, SE definitions, the participant's social venture idea, and workplace and organizational reactions to SE. For the purposes of this paper, the lead researcher focused mainly on the sensitizing concept of SE motivation when analyzing the data.

Finally, with regard to reflexivity (Patton 2002), both the authors are admittedly interested in SE as a phenomenon and, in 2010, the lead author

Downloaded by [207.10.104.50] at 05:17 17 August 2013

and the interviewer published a conceptual paper (see Germak and Singh 2010) advocating for an increased focus on SE in the field of social work practice and research. In addition, this current paper's second author is widely published in the area of social entrepreneurship. The lead researcher conducting the interviews shared his general interest in the topic with all interviewees. The interviewer had much less experience in the practice of SE than many of the research subjects. Thus, it does not appear that the lead researcher's background unduly influenced the outcomes of this study.

Findings

The following themes related to SE motivation emerged from the data: (1) personal fulfillment, (2) helping society, (3) nonmonetary focus, (4) achievement orientation, and (5) closeness to social problem. Each theme is described in a separate section below accompanied by data supporting each theme. Quotations presented are verbatim and may contain grammatical errors.

Personal Fulfillment

Consistent with the theory of self-actualization (Maslow 1943) as a work motivation factor as described above, many respondents with business backgrounds and also those with public–social sector experience described the need for personal fulfillment as a motivating factor in their work. While they did not use the term self-actualization during the interviews, this was the theory that informed the analysis of these data. The following quotations are from two separate individuals, both with business backgrounds:

> When I graduated college I had the opportunity to work at Goldman Sachs, so I was in the fixed asset department there, working on derivatives... I didn't really necessarily like it... it wasn't fulfilling, and so I found another colleague of mine from Goldman and we started a company.

> I got tired of the rollercoaster ride on Wall Street and decided I wanted to be able to take my knowledge... I wanted to be able to take my experience and my network and develop a business. I wanted to become an entrepreneur.

It is evident from these quotations that nascent social entrepreneurs with business backgrounds possess a strong desire to become their own bosses and fulfill their self-actualization needs by starting businesses. We found in the analysis of the interview data that this desire also translated into their motivation to engage in SE. As predicted by theory, the social entrepreneurs in this sample did not appear motivated to fulfill only basic needs as seen with necessity-based entrepreneurship; rather, their needs were at a higher level of personal fulfillment.

A similar desire for personal fulfillment was also expressed by respondents with public–social sector backgrounds. One participant stated, 'I know how powerful I know it [my product] could be, and how big it could grow... that's

Downloaded by [207.10.104.50] at 05:17 17 August 2013

really what's pushing me because I know that it's just right around the corner.' Another explained in reference to a job-training social venture he plans to launch, 'the training of these guys is one of the most important things to me.' Still, another respondent noted:

> I believe that all of us have a purpose in our life and whether you know something that is going to make a million dollars or you're going to just be effective in someone else's life that will help them to become a better person. But I know that my purpose at this point of time is to create that institution that I'm trying to create.

Helping Society

Not surprisingly, people interested in pursuing SE possess a strong desire to help the society as a motivating force for engaging in SE. In fact, much of the motivation literature related to public–social sector motivation discusses this issue as a key motivating factor for such work. Commitment to the public interest and compassion are two key components of PSM (Perry 1996, 1997). Both of these PSM components showed up in the data under the emergent theme, 'helping society.' The only component of PSM that was not salient in this sample was the attraction to policy making.

What is interesting in the findings that follow is that not only did the nascent social entrepreneurs coming from the public–social sector express a strong desire to help society but also did those with a business and entrepreneurship background. The following quotations are from two separate respondents with business backgrounds:

> If we do our job right and empower the community we would not be needed. So we're in the business to be out of business. I think we would be doing an injustice if we don't let people know how they could better their lives.

> I mean for you to look at any social venture, I mean it's – you are truly putting yourself – I mean money and everything literally aside to be able to accomplish that mission whatever it is. Because it's – I mean because it's really – because the greatest value is what happens to those that you help, so I mean really for me to define it as you putting yourself like completely aside and just going full-speed.

Quite similar sentiments were expressed by those with a public–social sector background, which, arguably, one would expect from such individuals. The following quotations are from separate respondents:

> That's really what it's all about... serving the people whether you use a regular idea or something that's already been done or you use an innovative idea to change it. Either way, you're yet serving the people.

> You're speeding along and you're driving along the lines of the boundaries of this here city... there's so much more that you could be a part of... so much more that you can do.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

> If it was between this project succeeding or me getting the glory, I'd rather see the project succeed.

> I would rather give a guy a chance, ex-offender or not, knowing that he's going to work and doing something productive than worrying about this guy at the end of his rope, being stressed out, being fatigued and aggravated with society to be the one to rob me or my sister or my brothers. I will feel hurt to know that I had a chance to help someone and didn't do that... the driving force is to get this project off is to make sure we could place guys in employment.

> I think the goal that we're setting for ourselves right now is something that's reasonable and is a little challenge, but it's possible to be able to help a lot of people.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Nonmonetary Focus

Starting a business, either a commercial enterprise with a pure profit motive or a social venture with a double- or triple-bottom line, requires a focus on financial management and a certain comfort with money matters. Interestingly, almost none of the respondents – even those with a business background – focused on profit or finances when thinking about their social ventures even when the interviewer specifically probed for this information. As an illustration of this, one participant was asked during the interview, 'What about financial measures [for your social venture]... do you have any thoughts on that?' This participant responded, 'No. No. I mean, I really didn't put any thought to it.' These responses were not expected, especially from those with a business background; in fact, these findings contrast with a recent study of American entrepreneurs in which an overwhelming majority of respondents reported that building wealth was a significant motivating force for starting a business (Wadhwa et al. 2009).

Even though there was a general absence of financial focus in all of the interviews, the data showed that for those with only public–social sector experience, especially for the social workers in the sample (there were two social workers), money and financial management were especially uncomfortable aspects of launching a social venture. This discomfort, if not overcome, could present an obstacle in the eventual implementation of the social venture. The following quotation is from a social worker:

> Our biggest struggle is, like how we are, how much we could actually charge for a visit, what would the market be able to sustain? I guess you know traditionally [social workers] weren't even paid people, we were volunteers you know going out to help others and that... if you do that and accept money for it, you it's been like that's you know... you aren't supposed to do that, you are supposed to be volunteering and it is all for good will kind of thing and so I think because of our roots we are never considered a paid employees of agencies doing this kind of work that it probably is just continued that way over the years where you know if you did have to charge for anything it had to be subsidized or sliding scale or you know you always tried to figure out ways to get the services for the lowest cost

> possible. And you never think you know how are we going to make money from something? So it has always been hard for me to ask money in exchange for services anyway, I always end up under billing if I ever did anything anyway so... it is hard. That is just the philosophy that we grew up with.

The nonsocial workers in the sample (either other public–social actors or those with business backgrounds) were generally more comfortable with money, and, through iterative questioning, the interviewer was able to get them to speak more maturely about their thoughts regarding profits within social ventures. The following quotation, from a respondent with an entrepreneurship background, illustrates a common theme related to finances expressed by some of the participants that appeared more comfortable discussing money and financial management:

> I think it gets a little perverted almost when more people who are not really focused on the social bit really start putting more of a capitalist bent to it and figuring they can make more money. I mean when you look at the financials for the Grameen Bank, they're charging at an exorbitant rate of interest. It could be up to like a thousand percent in some cases, and you're thinking – I mean even though the amounts are very small, those are really high interest rates. I don't want anyone to create these social ventures with the idea of exploiting the whole base of people who don't necessarily have a voice or the ability to rise up against... is it right that you're making so much money off of poor people?

Achievement Orientation

According to need for achievement theory (McClelland et al. 1953), people are motivated to perform their work due to a need to accomplish a significant achievement and get some kind of recognition for it. With social entrepreneurs, this motivating factor is also present and, in some cases, it appears to be a significant motivating factor not entirely dissimilar from what one would expect of a commercial entrepreneur. When asked why he was interested in SE, one respondent stated, 'I'm always looking, constantly looking for opportunities to create something.' Another respondent discussed his desire to start a social venture by saying:

> I think that I'm supposed to own my own business. I have always thought that... I want to be successful, and that's fairly the greatest way right now.

In almost all of the interviews, respondents with all types of backgrounds and experiences described some desire to achieve significant impact – often by outperforming their peers – through their planned social venture as evidenced by the following quotations from separate individuals:

> The long term effect for me would be that the government says okay [to] universal home visiting as part of universal healthcare and that might not happen for a really long time. But I think this would be a step in that direction.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Downloaded by [207.10.104.50] at 05:17 17 August 2013

> I compare my business to other non-profits who have been existing a lot longer than I have is that I guess I realized that not every non-profit is as hungry as I am to get what they have out there.

> You know we could be preventing child abuse and all kinds of parenting issues and concerns that could crop up over the years if we are able to provide this service.

> I feel that the poverty percentage will actually go down one or two points. So you know, like if the poverty level out in the west ward in Newark is like 20 percent, I feel that [if] this product is in that area and utilized, that the poverty level can actually go down to 18.

Closeness to Social Problem

Finally, a theme emerged from the data related to the closeness of participants to certain social problems or causes, or their SE work in general, which led them to be motivated to engage in SE. Nearly all respondents explicitly discussed this issue. These findings align with much of the prior empirical work on PSM (Perry and Wise 1990; Perry 1996, 1997; Hsieh, Yang, and Fu 2011), which explains how public sector workers are drawn to their work because of a deep-rooted compassion or closeness to the missions of or causes supported by their organizations. Furthermore, in certain contexts, this motivational component can have increased resonance (Wong and Tang 2007). Some individuals in this sample came from economically depressed areas, a context which may have influenced this motivational component. The following quotations from separate individuals illustrate how close certain participants were to the social problems confronted in their SE work:

> I had a baby in 2010 and I'd already been immersed in home visiting and already believed fully, heartedly in it and then I wasn't eligible for home visiting because I wasn't an at-risk family. So it sort of became really personal to me that it's absolutely insane that I don't think–I think it's insane that we don't have home visiting universally available to women and to families.

> I think my background, me being born and raised in Newark has helped me understand what it is to be on the other side.

> I've been participating in this like 100 percent, so even more than just from nine to five, so I literally sleep about – you know, I think about this every single day.

Toward a Theory of Social Entrepreneurship Motivation

Given that both commercial entrepreneurs and managers, and public–social sector practitioners, can be motivated and find success in their respective fields, but choose SE instead, the overarching research question remains: what would motivate an individual from either side of this spectrum to engage in SE and leave behind a seemingly more familiar, comfortable, predictable, and stable work environment? Importantly, is the theory that can explain this

motivation a new theory or a continuation of general entrepreneurship theory?

The data presented in this paper suggest that there exists a unique blend of motivational components in nascent social entrepreneurs that could explain why they engage in SE over other types of work. These findings build on recent theory presented by Miller et al. (2012) in which compassion is explained as a key motivator for SE. In our data, compassion manifests itself in the 'helping society' and 'closeness to social problem' themes. However, we found that SE motivation contains more than just compassion for others' problems and a desire to help society; it is the multifaceted blend of motivational components that leads us to suggest that SE motivation is a new and emerging theoretical construct, distinct from entrepreneurship motivation or public–social sector work motivation, and that it deserves further theoretical and empirical attention. This blended SE motivation, the facets of which are depicted in Figure 2, includes components of personal fulfillment, a desire to help society, a focus on things other than money, a need for achievement, and closeness to the social problem at hand. In theory, as these data suggest, if nascent social entrepreneurs possess this blend of motivational components, holding other factors constant, they will subsequently engage in SE rather than remain in their respective fields and occupations.

More research is needed to better understand these and perhaps other components of SE motivation that may exist, whether they interact and how they interact, but it appears that SE motivation is distinct from either commercial entrepreneurship motivation or from pubic–social sector motivation, and therefore worthy of further study. The distinctiveness of SE motivation could explain why social workers, for example, are largely absent from SE. If, for instance, a social worker is predominantly motivated by a desire to help the society and nothing else (an overwhelmingly typical motivation for social workers), the social worker may be motivated to engage in and highly satisfied with traditional social work. On the other hand, to engage in SE instead of traditional social work, the social worker would need to possess a blended motivation, including some levels of achievement orientation, self-actualization (personal fulfillment), and so forth, in addition to the desire to

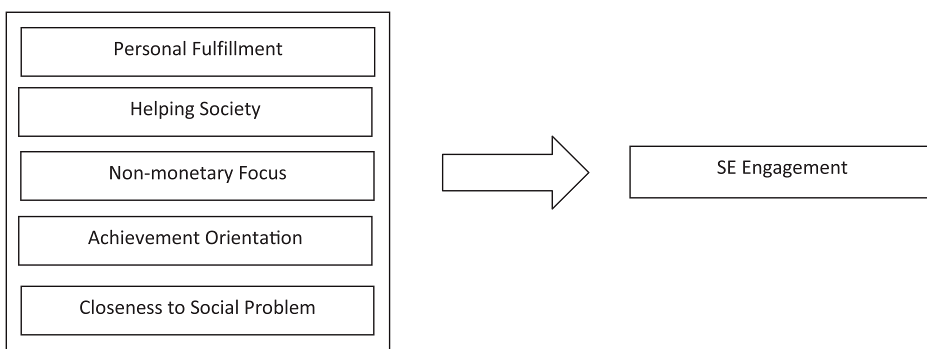


Figure 2. Social entrepreneurship motivation framework

Downloaded by [207.10.104.50] at 05:17 17 August 2013

help the society. A similar logic could be used to explain why successful commercial entrepreneurs are not often drawn to SE and what would be required for them to leave their fields to engage in SE. Essentially, for a successful commercial entrepreneur to gravitate toward SE, he or she would need to not only possess achievement motivation, for example, but also possess a desire to help the society, a close connection to a social problem, and so forth. Thus, a unique blend of motivational factors may drive people from diverse backgrounds to engage in SE, and this blended motivation is at present not the dominant prototype of commercial entrepreneurship or public–social sector work orientation, which is illustrated by the relatively small slice of individuals that engage in SE as depicted in Figure 1.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Conclusion

The findings of this study suggest that there exists a blend of motivational factors for engagement in SE. To date, there has been very little empirical work on the topic of SE motivation. Therefore, this study should help to fill a gap in the SE literature and provide a foundation for further research in this area.

Still, this study is not without limitations: small sample size, lack of control group, no data triangulation, and single study location are but a few noteworthy limitations. Moreover, it is important to stress that the findings of this qualitative study can only be generalized to the sample that was studied and not to an entire population of social entrepreneurs. In addition, it should be noted that the motivation to partake in an SE training program may have little to do with eventual behaviors as a social entrepreneur. Indeed, there are some successful entrepreneurs – both commercial and social – that did not partake in a training program. Likewise, there are SE practitioners that have been highly trained and educated, but who fail to achieve high impact in their SE endeavors. Future research should compare the motivation of different types of social entrepreneurs (nascent versus mature, trained versus untrained, etc) to more comprehensively understand the proposed SE motivational framework and its impact on the SE outcomes.

Despite these limitations, the results of this study contribute to SE motivation theory building. This research also has practical implications by identifying some common attributes of nascent social entrepreneurs from which organizations and investors can identify promising talent and the leadership qualities needed for social enterprise development. We hope that this study will inspire more empirical research on SE motivation, which is needed to better understand its various components and their interactions, and to further advance SE motivation theory.

Acknowledgements

The authors received financial support for this project from the Faculty Grants Program at Rutgers, the State University of New Jersey. In addition,

the authors would like to recognize the efforts of the anonymous reviewers and the journal's editors, and thank them for helping to enhance this article.

Note

1. Name has been changed to protect confidentiality of research subject.

References

Austin, J., H. Stevenson, and J. Wei-Skillern. 2006. "Social and Commercial Entrepreneurship: Same, Different, or Both?" *Entrepreneurship Theory & Practice* 30 (1): 1–22.

Barba-Sanchez, V., and C. Atienza-Sahuquillo. 2011. "Reasons to Create a New Venture: A Determinant of Entrepreneurial Profiles." *African Journal of Business Management* 5 (28): 11497–11504.

Borzaga, C., and E. Tortia. 2006. "Worker Motivations, Job Satisfaction, and Loyalty in Public and Nonprofit Social Services." *Nonprofit and Voluntary Sector Quarterly* 35 (2): 225–248.

Brooks, A. C. 2009. *Social Entrepreneurship: A Modern Approach to Social Value Creation*. Upper Saddle River, NJ: Pearson.

Carsrud, A., and M. Brannback. 2011. "Entrepreneurial Motivations: What do We Still Need to Know?" *Journal of Small Business Management* 49 (1): 9–26.

Collins, C. J., P. J. Hanges, and E. A. Locke. 2004. "The Relationship of Achievement Motivation to Entrepreneurial Behavior: A Meta-Analysis." *Human Performance* 17 (1): 95–117.

Coursey, D., K. Yang, and S. Pandey. 2012. "Public Service Motivation (PSM) and Support for Citizen Participation: A Test of Perry and Vandenabeele's Reformulation of PSM Theory." *Public Administration Review* 72 (4): 572–582.

Denhardt, R. B., J. V. Denhardt, and M. P. Aristigueta. 2009. *Managing Human Behavior in Public and Nonprofit Organizations*. Thousand Oaks, CA: Sage.

Duncan, E. 2009. *A Grounded Theory Study on Social Entrepreneurship: Comparison of Traditional and Social Entrepreneurial Nonprofit Model*. Koln: Lambert Academic.

Gartner, W. B. 1988. "Who is an Entrepreneur? is the Wrong Question." *American Journal of Small Business* 12 (4): 11–32.

Germak, A. J., and K. K. Singh. 2010. "Social Entrepreneurship: Changing the Way Social Workers do Business." *Administration in Social Work* 34 (1): 79–95.

Gras, D., E. Mosakowski, and G. T. Lumpkin. 2011. "Gaining Insights from Future Research Topics in Social Entrepreneurship: A Content-Analytic Approach." In *Social and Sustainable Entrepreneurship (Advances in Entrepreneurship, Firm Emergence and Growth, Volume 13)*, edited by G. T. Lumpkin, and Jerome A. Katz, pp. 25–50. Emerald Group Publishing Limited.

Hansemark, O. C. 1998. "The Effects of an Entrepreneurship Programme on Need for Achievement and Locus of Control of Reinforcement." *International Journal of Entrepreneurial Behaviour & Research* 4 (1): 28–50.

Hessels, J., M. van Gelderen, and R. Thurik. 2008. "Entrepreneurial Aspirations, Motivations, and their Drivers." *Small Business Economics* 31: 323–339.

Hoogendoorn, B., E. Pennings, and R. Thurik. 2010. "What do We Know About Social Entrepreneurship? An Analysis of Empirical Research." *International Review of Entrepreneurship* 8 (2): 71–112.

Hopkins, B. R. 2009. *The Law of Tax-Exempt Organizations*. 9th ed. Hoboken, NJ: Wiley.

Hsieh, C., K. Yang, and K. Fu. 2011. "Motivational Bases and Emotional Labor: Assessing the Impact of Public Service Motivation." *Public Administration Review* 72 (2): 241–251.

Johnson, B. R. 1990. "Toward a Multidimensional Model of Entrepreneurship: The Case of Achievement Motivation and the Entrepreneur." *Entrepreneurship Theory & Practice* 14 (3): 39–54.

Kerlin, J. A. 2010. "A Comparative Analysis of the Global Emergence of Social Enterprise." *Voluntas: International Journal of Voluntary and Nonprofit Organizations* 21 (2): 162–179.

Kickul, J., and T. S. Lyons. 2012. *Understanding Social Entrepreneurship: The Relentless Pursuit of Mission in an Ever Changing World*. New York: Routledge.

Lawler, E. E. 1990. *High Involvement Management*. San Francisco, CA: Jossey-Bass.

Lee, Y. 2012. "Behavioral Implications of Public Service Motivation: Volunteering by Public and Nonprofit Employees." *American Review of Public Administration* 42 (1): 104–121.

Downloaded by [207.10.104.50] at 05:17 17 August 2013

Lewis, J. A., T. R. Packard, and M. D. Lewis. 2012. *Management of Human Service Programs*. 5th ed. Belmont, CA: Brooks/Cole.

London, M. 2010. "Understanding Social Advocacy: An Integrative Model of Motivation, Strategy, and Persistence in Support of Corporate Social Responsibility and Social Entrepreneurship." *Journal of Management Development* 29 (3): 224–245.

Maslow, A. H. 1943. "A Theory of Human Motivation." *Psychological Review* 50: 370–396.

McClelland, D. C. 1965. "Achievement and Entrepreneurship: A Longitudinal Study." *Journal of Personality and Social Psychology* 1: 389–392.

McClelland, D. C., J. W. Atkinson, R. A. Clark, and E. L. Lowell. 1953. *The Achievement Motive*. New York: Appleton-Century-Crofts.

Miller, T. L., M. G. Grimes, J. S. McMullen, and T. J. Vogus. 2012. "Venturing for Others With Heart and Head: How Compassion Encourages Social Entrepreneurship." *Academy of Management Review* 37 (4): 616–640.

Murray, H. A. 1938. *Explorations in Personality*. New York: Oxford University Press.

Naffziger, D. W., J. S. Hornsby, and D. F. Kuratko. 1994. "A Proposed Research Model of Entrepreneurial Motivation." *Entrepreneurship Theory & Practice* 18: 29–42.

Patton, M. Q. 2002. *Qualitative Research and Evaluation Methods*. 3rd ed. Thousand Oaks, CA: Sage.

Perry, J. L. 1996. "Measuring Public Service Motivation: An Assessment of Construct Reliability and Validity." *Journal of Public Administration Research and Theory* 6 (1): 5–22.

Perry, J. L. 1997. "Antecedents of Public Service Motivation." *Journal of Public Administration Research and Theory* 7 (2): 181–197.

Perry, J. L., and L. Wise. 1990. "The Motivational Bases of Public Service." *Public Administration Review* 50 (3): 367–373.

Ryou, Y. J., D. E. Lee, and J. W. Choi. 2011. "A Comparative Study on Chinese Social Enterprises." Paper presented at the *2011 Proceeding of Annual Summit on Business and Entrepreneurial Studies*, Kuching, Sarawak, Malaysia, 347–363.

Shaw, E., and S. Carter. 2007. "Social Entrepreneurship: Theoretical Antecedents and Empirical Analysis of Entrepreneurial Processes and Outcomes." *Journal of Small Business and Enterprise Development* 14 (3): 418–434.

Simms, S. V., and J. A. Robinson. 2009. "Activist or Entrepreneur: An Identity-Based Theory of Social Entrepreneurship." In *International Perspectives on Social Entrepreneurship*, edited by J. Robinson, J. Mair, and K. Hockerts. London: Palgrave, 9–26.

Steers, R. M., R. T. Mowday, and D. L. Shapiro. 2004. "The Future of Work Motivation Theory." *Academy of Management Review* 29 (3): 379–387.

Taylor, J. 2013. "Public Service Motivation, Relational Job Design, and Job Satisfaction in Local Government." *Public Administration*, 91: 1–17.

Townsend, D. M., and T. A. Hart. 2008. "Perceived Institutional Ambiguity and the Choice of Organizational Form in Social Entrepreneurial Ventures." *Entrepreneurship Theory & Practice* 32 (4): 685–700.

Vroom, V. H. 1964. *Work and Motivation*. New York: Wiley.

Wadhwa, V., R. Aggarwal, K. Z. Holly, and A. Salkever. 2009. *The Anatomy of an Entrepreneur: Family Background and Motivation*. Accessed March 5, 2013. http://www.kauffman.org/research-and-policy/the-anatomy-of-an-entrepreneur.aspx

Wong, L., and J. Tang. 2007. "Dilemmas Confronting Social Entrepreneurs: Care Homes for Elderly People in Chinese Cities." *Pacific Affairs* 79 (4): 623–640.

Zahra, S. A., E. Gedajlovic, D. O. Neubaum, and J. M. Shulman. 2009. "A Typology of Social Entrepreneurs: Motives, Search Processes, and Ethical Challenges." *Journal of Business Venturing* 24: 519–532.

Zanakis, S. H., M. Renko, and A. Bullough. 2012. "Nascent Entrepreneurs and the Transition to Entrepreneurship: Why do People Start New Businesses?" *Journal of Developmental Entrepreneurship* 17 (1): 1–25.

Downloaded by [207.10.104.50] at 05:17 17 August 2013