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**Motivating factors of social entrepreneurs: the experiences of
social entrepreneurs based in Gauteng.**

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Abstract

Social entrepreneurs, by deploying simple but creative solutions to seemingly complex problems, are catalysts of transformational change. The innovations inherent in their initiatives have wide-ranging and beneficial impacts on society. These have particular application in the South African context, which is characterised by unemployment, poverty, HIV/AIDS, and lack of access to sufficient levels of healthcare and education. The innovations thus engendered are not only scalable and easy replicated, they also have relevance in the enhancing of mainstream commercial business models. Given that social entrepreneurs' activities commonly result in public utility, it is germane to understand the underlying motivations that inform their decision to engage with the field.

The social entrepreneur approaches problems differently, he reframes what others see as challenges into opportunities to serve the unmet needs of the vulnerable in society. Thus it is useful to theorise about what motivates him to act. An exploratory, qualitative study was undertaken to gain insight into the inner workings of the psychological motivations driving these individuals to engage with social entrepreneurship. Semi-structured depth interviews were conducted with both social and commercial entrepreneurs, as well as with an expert in entrepreneurship. Through, context analysis utilising computer-aided software Atlas.ti

The findings revealed a unique blend of motivations that inform individuals' engagement with social entrepreneurship. Prosocial motivations, altruistic intentions and compassion, were found to be insufficient to induce individuals to engage with social entrepreneurship. The changemaker orientation as well as the desire to innovate and alignment to purpose were presented as core to the motivations of social entrepreneurs. Points of difference were established with commercial entrepreneurs. The study makes a useful contribution to the theory with regards to motivations underlying social entrepreneurial action. An understanding of these motivators not only informs the public sector, policymakers and practitioners, but also aids business's efforts to strengthen the field.

Keywords

Social entrepreneurship, entrepreneurship, motivation theory

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other university. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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1. Chapter 1: Introduction

This chapter serves as an introduction to the research report. It outlines the rationale for undertaking the research and how this links to theory, as well as its application in a business context. An outline of the chapters in the report and the role of each chapter follows the Introduction.

1.1. Background

“There is the expression of selfishness and there is the expression of selflessness – but economists and theoreticians never touch that part. They said “Go and become a philanthropist” I said “No, I can do that in the business world, create a different kind of business – a business based on selflessness.” – Muhammad Yunus, Nobel Peace Prize Laureate, 2006.

Social entrepreneurship has garnered increasing interest in recent years, in a world characterised by gaping income inequality. Social entrepreneurs are seen as the change agents who implement innovative solutions to the world’s most intractable problems, such as poverty, unemployment, disease, and environmental degradation. The primary motivator for social entrepreneurs is not “doing the deal” but rather, achieving the ideal (Elkington & Hartigan, 2013, p3).

Social entrepreneurship has tremendous application in South Africa, where traditional government initiatives are unable to satisfy the entire social deficit (Urban, 2013). Likewise, “Social entrepreneurs are restless, mission-driven individuals that strive to change the world and their communities by implementing sustainable business ventures designed to create social impact” (Germak & Robinson, 2014, p5).

The prevalence of total social entrepreneurial activity (TSEA) across a selection of 49 Global Entrepreneurship Monitor (GEM) countries averaged 1,94% – GEM being the world's foremost study of entrepreneurship. This demonstrates that even though social entrepreneurialism has significant social impacts, it is still a rare phenomenon overall, especially when compared to more traditional entrepreneurial activity levels. South Africa’s TSEA was recorded as 2,32%, which is on the higher end of the spectrum globally (Global Entrepreneurship Research Association, 2012). TSEA findings show that a positive relationship between social entrepreneurial activity and the level of economic development exists. The reason for this may be that, as economies develop

and basic social needs are met, capacity is built to meet the needs of society's impoverished (Visser, 2011).

Given that the outcomes of social entrepreneurs result in public utility, studying what motivates individuals to engage in the field of social entrepreneurship is germane if we are to consistently develop innovative approaches to tackling intractable socio-economic ills such as poverty and unemployment.

1.2. Research problem

The motivations of commercial or for-profit entrepreneurs have been well treated in the literature (Carsrud & Brannback, 2011). However, there is a dearth of literature explaining the motivations of social entrepreneurs (Germak & Robinson, 2014). Economic agents acting out of self-interest generate the best outcomes for society and the economy, thus social entrepreneurs acting out of altruism, philanthropic motivations and benevolence are a contradiction of Adam Smith's theory of self-interest (Christopolous & Vogl, 2014). If self-interest or a profit motive informs the activities of business entrepreneurs, what are the motivators behind social entrepreneurs? When considering this question, one must be cognisant of the fact that the triple-bottom line implicit in the social entrepreneurship project appears to necessitate a more complex set of motivational bases than in commercial entrepreneurship (Germak & Robinson, 2014).

Before an empirical study can be undertaken, a theoretical framework must be developed to understand the motivations of social entrepreneurs at an individual and organisational level (Helm, 2004). An analysis of the underlying motivations of social entrepreneurs may also advance understanding of the macro causes of this phenomenon which may eventually render the traditional non-governmental organisation (NGO) model redundant (Helm, 2004).

1.3. Problem statement

Understanding the motivating factors of social entrepreneurs can make valuable contributions to the development of a social entrepreneurship theory in a bid to ensure that it develops apace with its practice (Santos, 2012). It is helpful to theorise about the motivating factors of social entrepreneurs as separate and distinct from those of commercial or for-profit entrepreneurs, to further develop the theory of social entrepreneurship as separate from the theory of entrepreneurship.

The field of social entrepreneurship has been gaining prominence both in academia and in practice. There remains, however, a scarcity of research on the motivational factors that induce individuals to engage with social entrepreneurialism (Germak & Robinson, 2014). Where the subject has been treated, it has not adequately linked this rising phenomenon to existing theories of motivation.

There is general consensus that there exist many fruitful areas for research within social entrepreneurship to develop its theoretical foundations, not least of all regarding the motivating factors of social entrepreneurs (Christopoulos & Vogl, 2014; Gartner & Shaver, 2011; Gemark & Robinson, 2014). Social entrepreneurship has the potential to address intractable socio-economic issues, but its motivations remain under theorised. (Miller, Grimes, McMullen & Vogus, 2012). In the field of social entrepreneurship, there is a new kind of entrepreneurial actor; one who, in comparison to the commercial entrepreneurial actor, has distinct goals, uses different approaches and focuses on different domains of work, which requires theorisation to help explain what we are observing and predict outcomes (Santos, 2012).

Another gap which this study aims to fill is that of looking at the research question from an emerging market perspective, in comparison to much of the research on motivating factors which has been conducted in developed economy settings such as the UK and the US (Christopoulos & Vogl, 2014; Gartner & Shaver, 2011; Gemark & Robinson, 2014). The South African context – which is characterised by inequality in education, housing and health services provision, the HIV/AIDS pandemic and high unemployment and poverty rates – may reveal differences in the roles and motivations of social entrepreneurs here compared to those in the UK or the US, for example (Urban, 2013).

Many have noted that the continued exploration of the complex motivations informing engagement with social entrepreneurship is needed; specifically with regards to the interplay between these motivations and prioritisation of social entrepreneurial activity (Miller et al, 2012).

While motivation is not the only ingredient for engagement with social entrepreneurialism and subsequent social entrepreneurial behaviour, we posit that it is a crucial antecedent to study and understand.

1.4. Purpose of the study

Since 1994, there has been limited progress in improving the living standards of the majority of South Africans, and the ever-increasing income inequality gap has put the social contract under tremendous pressure (World Bank: Country Overview South Africa, 2014). Through a focus on the priorities of raising employment through faster economic growth, improving the quality of education, skills development and innovation, and lastly, building the capability of the state to play a developmental transformative role in the economy, it is hoped that the GINI co-efficient would be reduced from the current 0.70 to 0.50 by 2030 (NDP, 2011). There is an acknowledgement that neither government nor the market can develop the necessary innovative solutions to deal with the complex problems on its own (NDP, 2011).

Innovation is key to the success and sustainability of business. Furthermore, innovations found, or yet to be found, in social enterprise business models yield many lessons for commerce. In 1992, David Green established Aurolabs, a company that provides intraocular lenses to replace the cloudy lenses during cataract surgery, and which retail for between US\$2 and US\$4 in developing nations, compared to US\$150 in the developed world. Through the innovations in production capacity and surplus revenues, Green originated a business model that has since been replicated in Nepal, Malawi, Egypt, Guatemala, El Salvador, Tibet, Tanzania, and Kenya. These enterprises are both profitable and sustainable, and ensure that eye health-care is accessible to millions who would otherwise not have afforded it (The Schwab Foundation for Social Entrepreneurship, 2015).

The burning question is what motivates social entrepreneurs such as Green – who can just as easily apply their skills and talents to for-profit ventures and amass great wealth – to instead tackle social ills? Green provided some insight into the motivations of these changemakers: “My reasons are purely selfish. I figure I have been put on this earth for a very short period of time. I could apply my talents to making lots of money, but where would I be at the end of my lifetime? I would much rather be remembered for having made a significant contribution to improving the world into which I came rather than having made millions” (Elkington & Hartigan, 2008, p. 4).

Social entrepreneurship has various profound impacts on the economic system, including: it can create hitherto unknown industries; it has the ability to validate previously untested business models; and it is able to reallocate resources to neglected

societal issues (Santos, 2012). Assuming that the endeavours of social entrepreneurs result in improved public utility and enhance social value, this research can inform the debate on policies which can facilitate the development of the sector (Christopoulos & Vogl, 2014). Social entrepreneurship can play a significant role in originating the innovative solutions required to deal with the intractable socio-economic ills which South Africa faces. This research may inform our understanding of social entrepreneurs within the South African context, finding ways of discovering potential social entrepreneurs and fostering social entrepreneurship (Carsrud and Brannback 2011).

To move the field of social entrepreneurship forward, we need social entrepreneurship theory, which explains what social entrepreneurship is, and elaborates on its distinctive role in the economic system, which can inform research and practice (Santos, 2012). A deep understanding of social entrepreneurial motivation is relevant in the South African context to counter the general sense of entitlement and the expectation that big business, governments and others should create jobs (Urban, 2013).

1.5. Outline of the research report

Chapter 1: Introduction

This chapter introduces the research topic and aims to provide the rationale for undertaking the study from a theoretical basis. It also explains the purpose of the study. It also serves as a brief prologue to the current debates around social entrepreneurship.

Chapter 2: Literature review

In this chapter, a comprehensive review of available literature on motivation theories is undertaken. Motivation theories as they relate to entrepreneurship generally, and social entrepreneurship specifically, are explored. This chapter aims to set out the current understanding regarding the motivations of social entrepreneurs

Chapter 3: Research questions

Subsequent to a comprehensive review of the literature we are able to formulate the pertinent research questions that the study aims to address.

Chapter 4: Research methodology

This chapter describes the research methodology utilised. The rationale for adopting said methodology is also explained. It also deals with the details around the research design, instrument, data collection and analysis. The limitations of the methodology are also enumerated.

Chapter 5: Findings

In this chapter, the findings from the data collection and analysis are presented.

Chapter 6: Discussion of findings

In this chapter, the results presented in Chapter 5 are discussed in light of the research questions posed in Chapter 3, taking cognisance of the reviewed literature.

Chapter 7: Conclusion and recommendations

In the final chapter, a cogent summary of all that was presented in the preceding chapters is presented. Conclusions are drawn in order to generate recommendations for further research and implications for business, public sector and policymakers.

1.6. Conclusion

The collaborations that arise out of social enterprise can effectively address social ills by presenting new solutions to age-old problems. This means thinking entrepreneurially about solving society's pain points while simultaneously creating value (Visser, 2011). Given that the social entrepreneur shares characteristics with his for-profit colleague in generating innovative solutions, and the identification and exploitation of hitherto unseen opportunities and bricolage (creating something out of nothing), the emphasis should be on providing an environment conducive to nurturing these individuals for the collective social good (Visser, 2011). The South African Reserve Bank (SARB) forecasts GDP growth in South Africa at 2%; muted by labour unrest and job losses, threats to power supply and emerging market currency risk triggered by a slow down of growth in China, along with the US Federal Reserve Bank likely increasing interest rates. These economic headwinds pose a significant threat to South Africa's social fabric. Indeed, during the course of this year, tensions resulted in various occurrences of xenophobic violence, and an overall increase in violent crime. Now more than ever,

the work of changemakers in the form of social entrepreneurs needs to be encouraged as a means of creating and enhancing social value.

2. Chapter 2: Literature review

2.1. Introduction

The previous chapter briefly captured the phenomenon of social entrepreneurship and social entrepreneurs and the critical role both have to play in the unique South African context. It was indicated that there were gaps in the theory of social entrepreneurship and its links to the core of entrepreneurship and specifically that a better understanding of the underlying motivations of individual social entrepreneurs would lead to a better understanding of the phenomenon and build better theoretical frameworks for this field. The literature review that follows elaborates on the meaning of social entrepreneurship and attempts to generate a working definition of the term that will be used for the purposes of this research study. An overview of the current state of the field are analysed to gauge the gaps in knowledge that still require research attention. This chapter will investigate the intersection between entrepreneurship theory and motivation theory as well as between social entrepreneurship theory and motivation theory.

2.2. Social entrepreneurship

2.2.1. Definition of social entrepreneurship

Upon reviewing the literature, there is evidence that there is no comprehensive definition of social entrepreneurship. The current working definitions are vague, without clear demarcations and boundaries. This makes it difficult to develop theoretical underpinnings for the area, specifically a theory that links the field to entrepreneurship. (Abu-Saifan, 2012)

Any definition of social entrepreneurship must have its roots in the definition of entrepreneurship as social entrepreneurship is a branch of entrepreneurship. (Dees, 2001). Say's definition of entrepreneurship encapsulates the value creation element of entrepreneurship in that the entrepreneur is seen as someone who undertakes a significant project that shifts resources from areas of lower productivity to areas of higher productivity (Martin & Osberg, 2007). Schumpeterian definitions of entrepreneurship centre around the creative destructive role that the entrepreneur plays and emphasises innovativeness (Martin & Osberg, 2007). Current definitions of entrepreneurialism speak to opportunity identification and exploitation. (Dees, 2001) Social entrepreneurialism incorporates value creation, innovativeness and opportunity identification and exploitation, with the added dimension of having a social impact.

A definition advanced by Dees (2001) states that social entrepreneurs play the role of change agents in the social sector by:

- Adopting a mission to create and sustain social value (not just private value),
- Recognising and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaptation, and learning,
- Acting boldly without being limited by resources currently in hand, and
- Exhibiting heightened accountability to the constituencies served and for the outcomes created.

Alternatively, social entrepreneurship is defined as the “identification of a stable but unjust equilibrium that marginalises or excludes a certain sector of society, identifying an opportunity within the unjust equilibrium to develop a social value proposition that challenges the stable state’s hegemony and thereby establish a new just equilibrium by releasing trapped potential” (Martin & Osberg, 2007, p. 35). There is agreement on the importance for the development of social entrepreneurship theory of having a proper definition of the term. (Martin & Osberg, 2007, Short, Moss and Lumpkin, 2009, Abu-Saifan, 2012). Specifically to exclude activities such as social activism, social service provision and philanthropy which though in practice are inter-related, do not fall within the boundaries of social entrepreneurship (Martin & Osberg, 2007 Abu-Saifan, 2012). Social entrepreneurs are again seen as “mission-driven individuals who use a set of entrepreneurial behaviours to deliver a social value to the less privileged, all through an entrepreneurially oriented entity that is financially independent, self-sufficient or sustainable” (Abu-Saifan, 2012, p. 25).

From the above definitions, it is clear that achieving social impact is central to social entrepreneurship. Together with innovation and sustaining the impact, the social entrepreneur brings about lasting societal transformation and establishes a new just equilibrium. Thus, for the purposes of this study, social entrepreneurship will be defined as activities of an enterprise:

- that have an embedded social purpose or mission to create social value as opposed to private value.
- that aim to build sustainability through replication and scaling of its impacts.
- that does the above in an innovative way through innovation of the business model, system or process.

The social enterprise's emergence and evolution is determined by its founder's actions, reactions and enactment as he/she explores ways of generating new products and services (Short, Moss & Lumpkin, 2009). Thus it is critical to understand the motivational bases of the social entrepreneurs behind the defined social enterprises.

2.2.2. Significance of social entrepreneurship

Alternative delivery channels for public goods such as health, education, psycho-social support are developed by social enterprise initiatives (Visser, 2011). The value of social entrepreneurship to create new industries, originate and validate new business models and allocate resources to hitherto ignored sectors cannot be over-emphasised (Santos, 2012). Social entrepreneurs have often stepped in to address needs, where government has failed to provide for these (Nga & Shamuganathan, 2010). The real value of social entrepreneurship is that it brings simple solutions to bear on seemingly complex problems thereby creating social value and effecting social transformation.

2.3. Motivation theory

When motivation is viewed as an individual's intensity, direction and persistence of effort toward attaining a goal it has implications for the study of individuals starting an enterprise, be it social or otherwise. This is because motivated individuals stay with a task long enough to achieve their goal. (Judge & Robbins, 2013).

Various theories have been advanced to explain the motivations behind human action. These include, but are not limited to, the following:

- Reinforcement theory (Skinner, 1974);
- Expectancy theory (Vroom, 1964);
- Need theories as regards need for achievement (nAch), need for power (nPow) and need for affiliation (nAff), as advanced by McClelland (1961);
- Goal-setting theory (Locke and Latham 2002);
- Self-efficacy theory (Bandura, 1977); and
- Self-determination theory (Deci, E.L., Gagne, M., Leone, D.R., Kournazheva, B.P., Ryan, R.M. & Usunov, J., 2001).

Reinforcement theory, as advanced by Skinner, presupposes that behaviour is moderated by consequences, that is specific rewards or penalties that follow one's

actions (Skinner, 1974). It has been put forward in expectancy theory that human action is predicated on the utility they perceive they will derive from the results of their actions (Vroom, 1964). The importance of expectancy theory to our understanding of why individuals act “is its insistence that people choose to act based on a combination (Facer, 2012, p. 19).

Psychologists posit that when the needs for achievement, power and affiliation are fulfilled in individuals, human beings thrive and experience a sense of well-being; however, when these needs are not met, demotivation and decreased vitality are likely to result (Facer, 2012).

According to Locke and Latham (2002), goal-setting theory proved that goals have important action-regulating functions. Setting specific and challenging goals leads to greater effort and persistence and ultimately to higher performance than setting non-challenging or unspecific goals does.

Self-efficacy is a person’s belief that she is capable of performing a task successfully (Bandura, 1977). Self-efficacy theory and goal-setting theory have been said to complement each other. When high goals have been set and are achieved, this leads into higher self-efficacy within the individual, leading her to set even higher goals for herself (Lunenborg, 2011).

Latterly, distinctions have been drawn between intrinsic and extrinsic motivation (Cerasoli, Nicklin & Ford, 2014). An enquiry into the nature of an individual’s motivation – whether they act from their inherent personal values and desires or from reasons external to the self – provides a lens for sense-making of that person’s behaviour (Ryan & Deci, 2000). Critical analysis must go further than reducing the dichotomy to the undermining effect; that is emphasis of the idea that extrinsic incentives serve to cause the deterioration of intrinsic motivation (Cerasoli et al., 2014). The interplay and interaction between both intrinsic motivations and extrinsic incentives provides a fuller picture of why people behave in certain ways. People will only be intrinsically motivated regarding activities that hold intrinsic appeal for them either for the novelty, challenge, or aesthetic value (Ryan & Deci, 2000). Extrinsic motivation does play a role and the questions then revolve around sustaining motivation, where the motivators are extrinsic to move people from amotivation or unwillingness to passive compliance, to active personal commitment (Ryan & Deci, 2000). Traditional self-efficacy theories mediate the continuum between extrinsically motivated behaviours and intrinsic motivators, as

people will internalise behaviours when they perceive themselves to be efficacious with respect to those activities (Ryan & Deci, 2000).

Self-determination theory (SDT) maintains and provides empirical support that individuals have the need to be competent, autonomous and related to others (Deci & Ryan, 2012). SDT is the widest of all the theories and there has been evidence of its applicability in explaining the motivation of individuals in a wide variety of settings, such as sports and exercise, patient health, education and teaching, environmentalism, and parenting (Facer, 2012). In contradistinction to reinforcement theory, which proposes a “carrot and stick” logic, SDT proposes that human beings are at their most motivated when they act voluntarily, free of coercion or control from outside forces (Deci et al., 2001). When people are autonomous, they exhibit greater engagement, vitality and creativity in their life activities, relationships and life projects (Deci & Ryan, 2012). SDT maintains that knowing whether people’s motivation is more autonomous or controlled is far more important for making predictions about the quality of people’s engagement, performance and well-being than is the overall amount or intensity of motivation (Deci & Ryan, 2012). The components of SDT can be reduced to the monikers Autonomy, Mastery and Purpose, and the existence of these strengthens the establishment and enhancement of intrinsic motivation.

As regards autonomy, fundamentally, humans have an innate desire to be autonomous and this is at the heart of SDT. Autonomy does not obviate interdependency, implying individualism which can necessitate low relatedness, but rather depends on a secure relational base for intrinsic motivation to be in evidence (Ryan & Deci, 2000). Individuals must not only experience efficacy or competence, but must in addition ascribe self determination to their experience for intrinsic motivation to be activated (Ryan & Deci, 2000). Need for achievement (nAch) is predicated upon the ambition to demonstrate competence to others and perform better than others. In contradistinction, mastery involves improvement of individual competence, while developing new skills and achieving mastery based on intrapersonal standards set (Benita & Roth, 2014). The purpose motive is a powerful source of energy (Pink, 2009). The goals, words and policies of those pursuing a purpose motive establish an emotional connection between their activities and realising the purpose they subscribe to (Pink, 2009).

A contemporary framework for understanding the intrinsic motivations of people is the concept of flow (Csikszentmihalyi & Nakamura, 2014) According to the concept of flow, a good life is one that is characterised by complete absorption in what one does.

Flow provides a powerful explanation of what motivates individuals to act for the sake of it; that is to engage in autotelic activities, activity rewarding in and of itself, apart from the end product or any extrinsic good that might result from the activity (Csikszentmihalyi & Nakamura, 2014).

The conditions of flow include perceived challenges or opportunities for action that stretch (neither overmatching nor underutilising) existing skills – a sense that one is engaging challenges at a level appropriate to one's capacities; and clear, proximal goals and immediate feedback about the progress that is made.

When in flow, the individual is at their most engaged and self-expressive in a seemingly effortless display of skill. This results in intense and focussed concentration, merging of action and awareness, loss of reflective self-consciousness, and experience of the activity as intrinsically rewarding such that the end goal is just an excuse for the process (Csikszentmihalyi & Nakamura, 2014).

2.4. Motivation theory and entrepreneurship

It has been posited that the decision for an individual to engage with entrepreneurship comprises both a rational and psychological component: rational in that the economics of the logic of action that seeks reward or alternatively avoidance of negative consequences, with the psychological component being the motivation, which moderates the rational logic of action and propels the individual to create a new venture (Barba-Sanchez & Atienza-Sahuquillo, 2012). Earlier research in the field of entrepreneurship focussed on personality traits of the entrepreneur, such as the need for achievement (McClelland, 1961), locus of control (Rotter, 1966) and risk-taking propensity (Carland, Hoy, Boulton & Carland, 1984). This was done to isolate unique entrepreneurial behaviours, though it soon became clear that the issue was not so simplistic (Akhter, Durrieu & Estay, 2013; Carsrud & Brannback, 2011). For example, entrepreneurs have been known to occupy any number of places on the risk propensity spectrum from high-risk taking to risk aversion (Kuechle, Menon & Sarasvathy, 2013). Yet later still, the research focus was on entrepreneurial intent as a predictor of entrepreneurial behaviour as found in Ajzen's theory of planned behaviour (Ajzen, 1991).

Entrepreneurial action occurs at the confluence of three necessary conditions, namely:

- Means: human, financial, technological capital;

- Opportunity: perception by the individual of an unmet need or underserved populace; and
- Motive: the desire, impetus, interest and propensity to apply the means to the opportunity (Douglas, 2013).

The missing link between intent and action – being motivation in for-profit entrepreneurial theory – has been well treated in the literature (Carsrud and Brannback, 2011). Motivation is an important factor that distinguishes between those nascent entrepreneurs who establish enterprises and those who do not (Bullough, Galen Kroeck & Renko, 2012). Motivation is a psychological construct and a significant driver in an individual mobilising to action (Akhter, Durrieu & Estay, 2013). Furthermore, motivation speaks to why an individual would engage with entrepreneurship and moderates the intensity, duration and persistence of the pursuit.

Entrepreneurial self-efficacy speaks to the individual holding the belief that they are able to not only perform all the entrepreneurial functions, but also have successful outcomes (Renko, El Tarabyshi, Carsrud & Brannback, 2015). High entrepreneurial self-efficacy has been positively correlated with entrepreneurial intentions (Douglas, 2013). Individuals that hold an incremental theory – those who believe that entrepreneurial abilities and capacities are malleable and can be increased – show higher levels of self-efficacy (Pollack, Burnette & Hoyt, 2012).

Expectancy theory and goal-setting theory have been put forward to explain the motivations of commercial entrepreneurs towards launching an enterprise. (Germak & Robinson, 2014). Expectancy theory as developed by Vroom (1964) consists of three components, namely valence, instrumentality and expectancy. These components are antecedents of the efforts that nascent entrepreneurs will put into starting an enterprise and can later be linked to operational business status (Bullough et al., 2012). Expectancy and value have a multiplicative effect on motivation. That is, the influence of high levels of expectancy on motivation is more prominent when the value of the outcomes is perceived to be high, than when it is perceived to be low (Holland & Garrett, 2015).

Entrepreneurs who set specific and challenging growth goals for their ventures, for example, regarding sales and employment for the next two years, achieved higher growth rates over periods of two and six years (Baum & Locke 2004). However, more recent research on effectuation suggests that goal-setting theory's application to

entrepreneurship may be limited. This is because new venture creation is characterised by high levels of uncertainty as the entrepreneur develops the opportunity, which may not be amenable to goal-setting. (Sarasvathy, Kumar, York & Bhagavatula, 2014).

The need for achievement as expressed by McClelland (1961) is a key motivator for individuals to establish their own businesses. Entrepreneurs with a high need for achievement often plan in advance, take responsibility for their affairs and seek immediate feedback for their entrepreneurial activities (Atienza-Sahuquillo & Barba-Sanchez, 2011).

The economic view of entrepreneurs' motivations holds that entrepreneurs are extrinsically motivated by the pursuit of wealth, status and power. However, it should be noted that the interaction between extrinsic and intrinsic drivers is more nuanced, and entrepreneurs may derive satisfaction from the entrepreneurial activity in and of itself (Carsrud & Brannback, 2011).

2.5. Motivation theory and social entrepreneurship

Some scholars have theorised that it is compassion which drives social entrepreneurs to altruistic action (Christopoulos & Vogl, 2014). In nascent social entrepreneurs, one of the strongest pulls to engage in social entrepreneurship were a strong desire to help society, commitment to the public interest, and compassion (Germak & Robinson, 2014). Individuals are motivated by compassion and pro-social motivation, and through a combination of integrative thinking, pro-social cost-benefit analysis and commitment to alleviating others' suffering, transform that compassion into social entrepreneurship (Miller et al., 2012). It has been suggested that social entrepreneurs are motivated to some extent by their own life experiences or historical awareness of social injustice and inequality (Van Ryzin, Grossman, DiPadova-Stocks & Bergrud, 2009). Certainly, closeness to a problem can be a motivation, as members of a disadvantaged community are best placed not only to have deep insight into the community's needs, but also the ability to generate solutions from the community itself (Urban, 2013). This links to the compassion motivation in that their closeness to the problem motivates them to innovate and solve for the societal issue presented (Germak & Robinson, 2014).

While it is clear that extrinsic rewards such as money, the pursuit of profit or other pecuniary benefit is not a primary motivator for social entrepreneurs – there is an

acknowledgement of the instrumentality of earned income, financial management and a certain comfort with money matters in order for the field of social entrepreneurship to develop (Germak and Robinson, 2014). Clearly the more earned income, revenue generation and capture of profits becomes embedded in the way social enterprises operate, the easier it will be to scale the social impacts of their ventures. It is a tenuous balance as the *raison-d'être* of the social enterprise is to effect social good and it is imperative that the profit maximisation goal not overshadow this, to retain their legitimacy, social enterprises must capture just enough value to sustain the organisation (Santos, 2012).

There is evidence of the presence of the need for Achievement (nAch) as a motivating force for individuals entering the social entrepreneurship field (Germak & Robinson, 2014). It is thus not surprising that a high nAch would be identified as one of the motivating factors, given the monumental scope of their mission, to have an impact on their communities and the world at large. The nAch is a personal need as opposed to pro-social thus suggesting that social entrepreneurs have self-serving needs and not only an outward focus on making social impact (Lehner & Germak, 2013). So although the social entrepreneur is motivated by self-interest in the desire for social power, this would be an insufficient motivational base for engagement with the field (Miller et al, 2012).

Social entrepreneurs are motivated by the need to bring about social justice and making a social impact – “an iconoclastic need to redefine the world based on their own values.” (Christopoulos & Vogl, 2014 p. 24). The grand narrative informing the social entrepreneurship field is that of “changing the world” in a transformative rather than incremental way. The changemaker orientation is an essential element of social entrepreneurship. By definition, social entrepreneurs exist to catalyse social change and the desire to effect change is a main driver for social entrepreneurs (Partzsch & Ziegler, 2011). The changemaker orientation is often in conflict with traditional economic rules and structures, acting as a force of “creative destruction” that unlocks value (Nga & Shamuganathan, 2010).

Social entrepreneurs are motivated by a compelling social vision, a vision of society that is idealistic and not in keeping with the status quo. This higher purpose enables the social entrepreneur to reframe challenges in his environment into opportunities to create social value in line with the vision (Nga & Shamuganathan, 2010). A combination of emotional affect and the willingness to assume the responsibility for

seeing the vision into reality internalise this motivational base within social entrepreneurs. The commitment to the vision or purpose enable the individual to not be distracted by the marketplace that demands profit maximisation, but rather to remain focussed on social value creation (Nga & Shamuganathan, 2010).

Linking the compassion motivation with the need for achieving a societal impact, one can integrate expectancy theory into the actions of individuals engaging in social entrepreneurship. It can be argued that the expectancy (that is the subjective probability that a given outcome will most certainly follow certain behaviours) and the valence (the desirability of the outcomes) of the significant social impact desired have a multiplicative effect on motivation. The influence of high levels of expectancy on motivation is more prominent when the value of outcomes is perceived to be high than when it is perceived to be low (Holland & Garrett, 2015). Expectancy in social entrepreneurship is high, as it is expected that certain outcomes beneficial to society will result from following certain behaviours. Similarly, the valence is high, as the outcomes of societal change are highly attractive and desirable.

High levels of self-efficacy are instrumental in formulating a social vision, following through with focussed actions that translate into a sustainable and innovative social enterprise (Urban, 2013).

Social entrepreneurs are highly motivated by the desire to innovate. Their primary task involves generating innovative solutions to a market gap left by the public and private sectors (Luke & Vien, 2012). Their closeness to the community enables them to originate relevant and innovative solutions that are relevant to the communities they serve. It has been posited that social entrepreneurs “go beyond institutions” in that their actions seek to transform the existing structures that have failed to deliver a public good or service and in so doing they must innovate (Christopoulos & Vogl, 2014). Innovativeness which has long been associated with commercial entrepreneurs is desirable in social entrepreneurs given the complex facets of the societal issues they attempt to solve (Lehner & Germak, 2013). Social entrepreneurs must penetrate the underserved “base of the pyramid” markets which have been neglected by commercial entrepreneurs because they are too risky and the costs associated with servicing them may not be justified in terms of financial returns (Nga & Shamuganathan, 2010). It is in this context that the social entrepreneur must innovate to develop a strategic fit for products and services for these markets. This creates a more sustainable model as the

underserved markets begin to develop the capability to participate in mainstream markets and a new equilibrium is established (Nga & Shamuganathan, 2010).

Social entrepreneurs equate success to enabling others (Christopoulos & Vogl, 2014). In contrast to corporate social responsibility which may be embarked on to enhance reputation, social entrepreneurship seeks a more authentic, long-lived engagement with beneficiaries. In this vein the work done seeks to empower the beneficiaries and thereby sustain the social impacts as the beneficiaries become co-creators and co-owners of the mission (Nga & Shamuganathan, 2010)

2.6. Comparison between underlying motivations of social entrepreneurs and commercial entrepreneurs

Although there are many similarities between social and commercial entrepreneurs, social entrepreneurs have the added dimension of doing something of value to improve the lives of the less privileged in our society (Visser, 2011). It is argued that the main difference between entrepreneurs and social entrepreneurs lies in the economic wealth creation versus social wealth creation paradigm (Visser, 2011). The central trade-off between value creation and value appropriation have been advanced as a more useful way to differentiate between social and commercial entrepreneurship (Santos, 2012). The commercial entrepreneur will focus on value appropriation more than value creation. It has been pointed out however that since embarking on the entrepreneurship journey entails dealing with uncertainty, the profit seeking motivation is insufficient on its own to explain an individual's engagement with entrepreneurship. A blend of motivational bases, including but not limited to, the need for achievement and the desire for autonomy would have to be added to the profit seeking motive to more adequately explain the drivers behind an individual engaging with entrepreneurship (Miller et al, 2012).

2.7. Conclusion:

The psychological component of motivation that leads an individual to exhibit particular behaviours or take specific actions has scarcely been explored with regards to social entrepreneurship. Entrepreneurial motivations are important explanatory mechanisms on entrepreneurial intentions and outcomes and exploring the rich complexity of these motivations is a fruitful area for research (Carsrud & Brannback, 2011). The literature reviewed indicates that social entrepreneurs are intrinsically motivated not only by

altruistic and compassionate motives, as these alone would be insufficient to induce engagement with social entrepreneurship, but by a unique blend of motivations (Germak & Robinson, 2014). This research study seeks to discover and outline some of those motivational bases.

3. Chapter 3: Research questions

3.1. Introduction

In the previous chapter, the literature on motivation theory, entrepreneurship and social entrepreneurship was reviewed. Various motivational bases were put forward as informing engagement with social entrepreneurship. However, unique motivating factors were not explicitly stated in the literature. While the drivers behind commercial entrepreneurs were extensively addressed in the literature, the same cannot be said of those underlying social entrepreneurship. Furthermore, the differences and similarities of motivating factors as between commercial and social entrepreneurs were not adequately explored.

As this research study seeks to gain exploratory insights, the questions flowing from the literature review have been framed in a manner that is not so easy as to only yield descriptive answers (Saunders & Lewis, 2012). The research questions that this study aims to answer follow below.

3.2. Research questions

Research question 1: What are the unique motivating factors that induce individuals to engage in social entrepreneurship?

Research question 2: In what way are the motivating factors of social entrepreneurs similar to those of commercial entrepreneurs?

Research question 3: In what way are the motivating factors of social entrepreneurs different from those of commercial entrepreneurs?

3.3. Conclusion

This chapter has outlined the research questions flowing from the problem statement and literature review. The ultimate purpose of the research study is to understand whether there is a unique blend of motivations that inform social entrepreneurial engagement and how separate and distinct, if at all, these are to the motivations of commercial entrepreneurs. Given the research questions as stated above, an appropriate methodology will be adopted. This will be outlined in the next chapter.

Chapter 4: Research Methodology

4.1 Introduction

The most important determinants of the research philosophy adopted and ultimately the research design, remains the likelihood that said philosophy or design will adequately answer the research questions and objectives (Saunders & Lewis, 2012). A hermeneutic phenomenological approach which seeks to understand and interpret the lived experiences of social entrepreneurs and social entrepreneurship has been utilised in this study (Creswell, Hanson, Plano Clark & Morales, 2007). It is acknowledged that this approach introduces greater subjectivity and interviewer bias, though it has the best potential to uncover the nuances that will lend richness to the inquiry (Saunders & Lewis, 2012; Zikmund, Babin, Carr & Griffin, 2010).

4.2 Methodological approach

Qualitative research methodology was utilised as the researcher sought richness and depth, as well as new insights into the topic, which qualitative methods are more likely to yield (Zikmund et al., 2010). The researcher views this study as an exploratory study that will clarify our understanding of the motivating factors behind social entrepreneurs (Saunders & Lewis, 2012). The insights were gained from the social entrepreneurs' discourse, and how this creates a narrative that reflects on their motives (Germak & Robinson, 2014).

4.3 Unit of analysis

Whereas this research could have been conducted at an organisational or societal level, the unit of analysis adopted was the individual social entrepreneur, who was deemed the most appropriate to provide the insights required.

4.4 Population and sampling

The universe identified consists of all nascent or aspiring social entrepreneurs, practicing or current social entrepreneurs, and those individuals who have left the field. An exhaustive sampling frame could not easily be established and thus to avoid sampling frame error, the non-probability sampling method of judgment sampling was utilised. Judgment sampling is a method involving identifying specific individuals deemed able to supply the insights into the research questions and achieve the research objectives even if they are not fully representative (Zikmund et al., 2010).

The high levels of bias that result from the use of judgement sampling are recognised as a limitation affecting the findings coming out of the depth interviews. Additionally, there is no possibility of extrapolating the findings to the rest of the population, as the sample is not representative.

The researcher intended to interview four social entrepreneurs and two industry experts, as well as a number of commercial entrepreneurs – the latter in order to understand the differences and similarities between social entrepreneurs and for-profit entrepreneurs. Interviews were ultimately secured with six social entrepreneurs, four commercial entrepreneurs and one industry expert who could speak to both commercial and social entrepreneurship. Using the criteria of sufficiency and saturation laid out by Richards (2009), this was deemed a sufficient number of interviewees from which to draw meaningful insights and a sufficient number of interviews before data saturation was reached. A heterogeneous sample was selected in order to observe any patterns that emerged which would likely be of interest and value, or represent key themes (Saunders & Lewis, 2012). As the researcher did not have access to the required numbers, snowball sampling was utilised to gain access to participants (Saunders & Lewis, 2012).

4.5 Data collection, data analysis and data management

4.5.1 Data collection

Data was collected using semi-structured depth interviews, as this gave the flexibility required for each participant to make his or her own unique contribution. This also allowed the researcher to ask additional questions and explore the research objectives in greater depth. This method of data collection enables the skilled interviewer to not only gain insight into the lived experience of each participant, but also to uncover the perspectives and nuances of their stories (Jacob & Paige Furgerson, 2012).

Appendix 2 lays out the discussion guide for the semi-structured depth interviews. To ensure the effectiveness of the semi-structured interview guideline, a pilot was conducted on a commercial entrepreneur who was not added to the sample as a pre-test. This was done to ensure that the semi-structured interview guideline would elicit relevant data (Saunders & Lewis, 2012). Prior to interviewing the participants, extant research was undertaken by way of a review and scrutiny of documents emanating from the participant's organisation, including news articles, a website and information brochures. Where interviews were conducted at the participant's site, observations

were made regarding the working space, information displayed about the organisation and its operations, as well as the way in which employees and visitors navigated the physical space. The pre-engagement research as well as the on-site observations were undertaken to establish a rich contextual understanding so as to avoid missing keycode categories in the data analysis stage (Hsieh & Shannon, 2005).

Qualitative research methods are researcher-dependent as the researcher is, in effect, the instrument (Zikmund et al.). Special skill had to be exercised in probing for further elaboration during the depth interviews. The researcher had to be responsive, creative, sensitive and flexible in response to the data (Morse, Barrett, Mayan, Olson & Spiers, 2002). We need to acknowledge and affirm the role of the interviewer as the instrument in qualitative research rather than emphasise the fact that the instrument used to gather these data distorts the facts. In contrast to other instruments which do not have the ability to adapt or be flexible, the human instrument can be a marvellously smart, adaptable and flexible one, able to respond to situations with skill, tact and understanding (Seidman, 2006). In recognition of the subjective bias the researcher would introduce as the research instrument, an effort was made to strictly adhere to the interview protocols as specified in the semi-structured interview guidelines, specifically the participants' signed informed consent letters. (see appendix 1).

4.5.2 Data analysis

The interviews were transcribed by independent transcribers. To ensure validity, the researcher verified the transcripts against the voice recordings. The transcripts were analysed using the computer-aided qualitative data software Atlas.ti (Saunders & Lewis, 2012). Deep immersion by repeated readings of the transcripts by the researcher assisted in enabling the coding and categorisation of the data (Hsieh and Shannon, 2005). An inductive approach that seeks to work with emergent themes was adopted as opposed to a deductive approach, which seeks to codify and categorise the data according to a-priori theories (Seidman, 2006).

While coding and categorising, certain excerpts of the interviews stood out for their inconsistency with what the specific and other participants had said. There was temptation to leave these out, as they would not fit neatly into the emerging categories and themes. However, there was a realisation that these may be the insights which proved most valuable in yielding new information and highlighting points of difference,

thereby contributing greatly to the research, even if they did not fit into the researcher's framework.

4.6 Data validity and reliability

Validity and reliability are essential to achieving rigour in qualitative research, and the onus rests on the researcher to implement self-correcting and integral measures during the research itself (Morse et al, 2002). Building validity checks into the research design is highly attractive (Richards, 2009). To establish internal validity, the researcher proposed a method of triangulation that involved scrutinising the participants' websites, brochures, news reports or other informational material emanating from their organisations, together with what the participants shared in the depth interviews.

The interview structure (Appendix 2) allowed for the participant's own sense-making as well as allowing them to make sense to the interviewer, which goes a long way in ensuring validity (Seidman, 2006, p. 24). Member checking was conducted after the transcripts were available, but before coding. Caution was exercised with member-checking as a participant's recall or interpretation may differ from what was actually stated, or they may wish to recall things differently to cast their responses in a more positive light (Richards, 2009).

Reliability was guaranteed by ensuring that the processes of questioning and cohering the data in explanations were transparent and well-documented, that categories created were consistently used, and that reasons for inconsistency were explained (Richards, 2009).

As qualitative research is an iterative rather than linear process, the researcher moved back and forth between design and implementation to ensure congruence with the literature reviewed, the questions to be posed in the depth interview, and the data collection and analysis strategies. This methodological coherence combines to deliver research that is valid and reliable (Morse et al, 2002).

4.7 Ethical considerations

The researcher considered of great import the ethical responsibility not to harm, or in any way prejudice, the participants but rather to honour their stories by collecting,

analysing and interpreting the interviews in accordance with strict technical and ethical standards.

Central to the success of this research was a genuine interest in the stories of others, due to the inherent worth thereof. Of importance was the obligation to not leave participants feeling exploited but rather that they had made a valuable contribution to continuing the conversation and relevance about a field into which they had invested so much of their time and energy.

In qualitative research, the participants are vulnerable to embarrassment and loss of reputation where a researcher has not correctly collected, analysed or interpreted their words. The informed consent letter gives participants the comfort to know that their partaking in the research is voluntary and that they can withdraw at any time without penalty (Seidman, 2006).

Ensuring participant anonymity and confidentiality is an important ethical consideration (Saunders and Lewis, 2012). Steps were taken by the researcher to present only aggregated information, so that identifying individual participants would not be possible. All data collected is to be stored electronically for a period of ten years.

Being aware of, and maintaining high standards of, ethical behaviour applies to all stages of the research process (Saunders and Lewis, 2012). This entails being rigorously ethical with the participants and treating them with respect, as well as being rigorously ethical with the data in utilising all of it and not ignoring or deleting that which does not suit research purposes. It furthermore entails being rigorously ethical in the data analysis and presentation of final outcomes (Saldana, 2009).

4.8 Limitations of the research methodology

This important study offers valuable insights into motivating factors of individuals creating social enterprises, although recognition is given to the fact that there are limitations to the generalisability of the findings due to the small, unrepresentative sample size (Zikmund et al, 2010).

Further limitations include the following:

- Qualitative research methods are researcher-dependent (Zikmund et al., 2010). The researcher must possess professional skill in probing for further elaboration in depth interviews.
- The researcher acknowledged that the hermeneutic phenomenological approach introduces greater subjectivity, resulting in interviewer bias (Saunders, Lewis, & Thornhill, 2000; Zikmund et al, 2010). The researcher is prone in these instances to bring in their own biases as they analyse and interpret the depth interviews conducted. The use of computerised software, Atlas.ti, assisted the researcher in objectively analysing the data from the depth interviews. However, this being a human enterprise, it was not possible to completely eliminate bias.
- In addition to interviewer bias, the reliability and validity of depth interviews may be compromised as the interviewees project a certain “desirable” point of view. There lies with any retrospective research, the possibility of bias due to “social desirability”. This can arise specifically when the data-gathering procedure signals the researcher’s intended outcomes, as some forms of interviews may inadvertently do (Gartner & Shaver, 2012). The researcher aims to enhance reliability and validity through triangulation in the form of informant verification (Zikmund et al., 2010).

Despite the aforementioned limitations, it is believed that this exploratory study into the motivating factors behind social entrepreneurs gives an informed basis on how policy makers, donor-investors and businesses can support these motivational factors to result in the spawning of more social enterprises that will assist in overcoming seemingly intractable social ills.

5 Chapter 5: Findings

5.1 Introduction

The findings are based on ten semi-structured depth interviews conducted with six social entrepreneurs and four commercial entrepreneurs based in Gauteng. An industry expert on entrepreneurship was also interviewed. The social entrepreneurs interviewed covered a wide spectrum of social entrepreneurial activity ranging from a largely traditional NGO model with a relatively small portion of earned income, to the full-blown commercial venture that has embedded social purpose. The social entrepreneurs interviewed predominantly represented initiatives in education, ICT tools to give learners access to educational materials, building the capacity of educators, and leadership and mentoring of teenagers, as well as fostering entrepreneurial orientation through programming with the youth. One social entrepreneur was involved with incubation and acceleration services to budding entrepreneurs. The commercial entrepreneurs represented diverse industries such as property investment, training and consultancy, accounting and financial services.

Table 1: Demographic details of participants

	Male	Female
Social entrepreneurs	5	2
Commercial entrepreneurs	3	1
Industry expert/s	0	1

Interviews were secured with the participants telephonically and followed up with an email containing the informed consent letter, as well as a letter from the Gordon Institute of Business Science (GIBS). Before interviews were conducted, pre-engagement research was conducted, which consisted of reading and analysing the participants' websites and news articles. Prior to commencing interviews with the participants, a test-pilot of the interviews was conducted on a commercial entrepreneur to ensure that the questions would elicit relevant data (Saunders & Lewis, 2012). Interviews were conducted mainly at the participants' premises but where it was convenient, use was made of the facilities at GIBS in Illovo, Johannesburg. This was to ensure a quiet place with no distractions for full engagement with the participants. Where interviews were conducted at the participants' offices, the researcher made observations regarding the work space and the manner in which each organisation's employees navigated the space, as well as what information and brochures about the

organisation were on display. The pre-engagement research and observation at participants' premises served the purpose of providing context to mitigate the risk of missing key categories when analysing the data, thereby enhancing the credibility of the research (Hsieh & Shannon, 2005). The interviews lasted between 45 and 60 minutes. In recognition of the subjectivity and bias that would be introduced by the researcher as the research instrument, and given that this was the first time the researcher had conducted qualitative research, an attempt was made to strictly adhere to interview protocols as specified in the semi-structured interview guidelines (appendix 2). Specifically, informed consent letters were signed and collected from all participants.

The interviews were recorded and transcribed by independent transcribers. To ensure reliability and validity, the researcher verified the transcripts against the voice recordings. Data analysis was conducted with the assistance of computer-aided software, Atlas.ti. Three readings of each transcript were conducted by the researcher for immersion, as well as to obtain a greater sense of the whole (Hsieh & Shannon, 2005). Subsequent to the readings, relevant units of text were coded in line with the inductive approach by deriving codes flowing directly from the text data. These codes were then grouped into categories and subsequently themes that flowed directly from the text data. This process was done in two steps, analysing first the interviews with only the social entrepreneurs to address the first research question, followed by an analysis of the commercial entrepreneurs along with a comparison of the themes that had emerged from the social entrepreneurs to address the second and third research questions.

The table below is an illustration of the number of new codes generated with each transcript to gauge the point at which data saturation would occur.

Table 2: Data saturation

Transcript number	Codes generated	Social entrepreneur	Commercial entrepreneur
1	20	Yes	
2	5	Yes	
3	3	Yes	
4	1	Yes	
5	0	Yes	

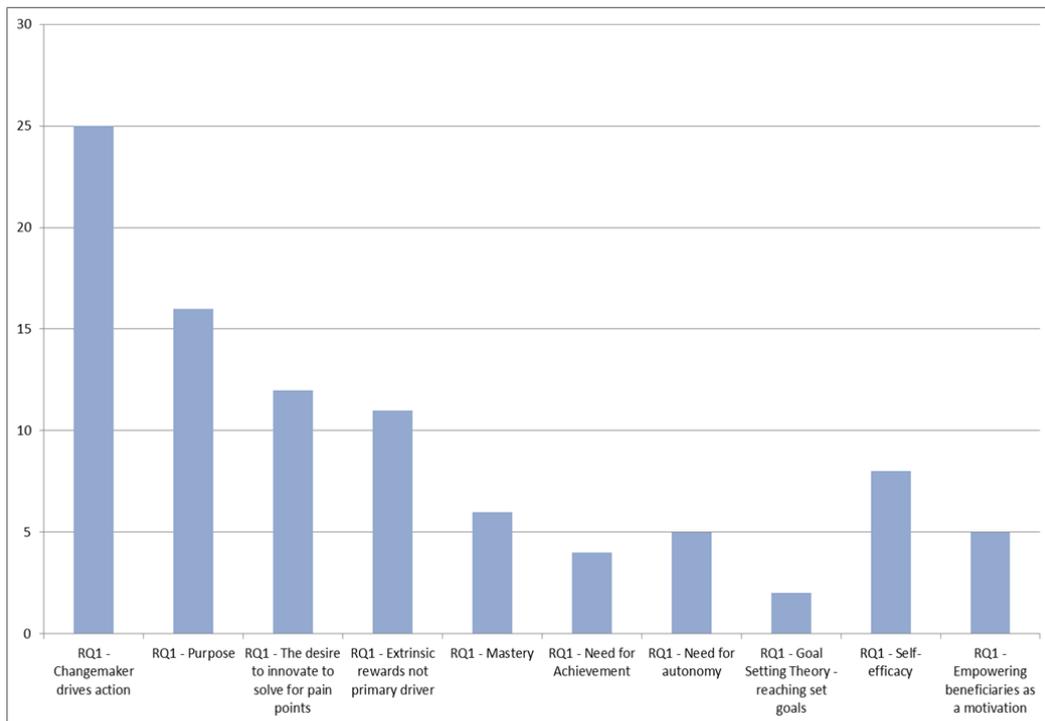
6	6		Yes
7	2		Yes
8	1		Yes
9	1		Yes
10	0		Yes

The number of new codes generated declined, and by the third transcript there were not many new codes generated from the textual data, indicating data saturation. A code list incorporating a frequency ranking can be viewed under Appendix 4.

5.2 Overview of findings

Figure 1 below illustrates the themes emerging from the data. The theme that came through strongest, as measured by frequency of mention, was the changemaker motivation of the social entrepreneurs. The remainder of the themes, such as purpose, the desire to innovate, to solve for pain points, and extrinsic rewards not being a primary driver, also emerged as informing entrepreneurial motivation. Following the graph below, each of the ten emerging themes will be discussed.

Figure 1: Emerging themes



Source: Created by author

5.2.1 Changemakers

The participants self-identified strongly with the motivation to bring about change at a local, institutional and global level.

“I still believe I can change the whole world. I still believe, but what you can’t change, you can’t change. You can’t change, you can’t change the whole world by yourself, you can change a part of it, and do the best that you can with what you can change.” (P6-SW-LX-C.E.O.-SE) (Social entrepreneur)

From the above, changemaking seems central to the social entrepreneurship project. Social entrepreneurs take ownership of the situation and assume a transformative leadership role in being change catalysts. It is apparent that the changemaker role has been internalised to such an extent that it mediates the role and functions that the social entrepreneur sees him or herself playing.

“For us, this keeps us waking up every morning, keeps us up late at night, 'How do I change lives? How do I change lives?'" (P1-AA-NM-SN-GG-C.E.O.-SE)(Social entrepreneur)

“I don’t think I’m anything special per se, but I do believe that, yes, Mahatma Ghandi, you can be the change you want to see in the world sort of thing. But there is a leadership gap, right now, it’s not waiting for the other to step in that, because there is no other, we are the other, so we need to step into it. And I think I’ve been living that ethos all my life, even though I never fully articulated it as such. I only articulated it basically recently when I had a moment of reflection.” (P4-LW-IHJ-C.E.O.-SE)(Social entrepreneur)

The findings revealed that the desire to be changemakers was a dominant motivator for social entrepreneurs. Commercial entrepreneurs, from their own accounts, do not identify the desire to bring about change in social conditions as a motivator. However, it was noted that even though effecting societal change was not their *raison d’être* (the most important reason for their being or purpose), their entrepreneurial activities often resulted in a tackling of social issues, such as reducing societal inequality.

“So that’s the development that we’re pioneering ,also taking care of the housing issue with the squatters next to Lion park, by building decent inclusionary housing. Very, very explicitly not RDPs because we are a company

that believes firmly in equality, so we're looking at mix-income households as well, in the same area. We are not building a city where the rich people live on the one side and the poor people live on the other side and in between you've got this business that's happening." (P8-BK-CP-C.O.O.-CE)(Commercial entrepreneur)

For the commercial entrepreneurs it was often a matter of context. If the context from which they or the enterprise originated was one in which social ills were prevalent, then the creation of the venture would incorporate social impacts to address these where possible, for example, by the reduction of unemployment.

"...You know for some people it's like, I want this to really grow so that I can give back to society. Or the unemployment is high in my area, I would like to employ more people. If that's the motivation then it kind of tells us about what interests this person and what is that...almost like, what is that lever that you would keep them committed through the programme, because then you remind them of the thing that they are actually trying to do because when times get tough, then it serves as that reminder that this is why I'm doing what I'm doing." (P7-YN-GIBSEDA-DIR-CE; expert)

Empowerment is a mindset, and rather than being overwhelmed by the multitude of social ills prevalent in their environment, the social entrepreneurs displayed a can-do attitude. Their comments reflected an intense internal drive to effect the changes that they saw needed to be made in their communities and beyond. Their comments revealed a firm belief that effecting change is possible. Commercial entrepreneurs are motivated by creating an asset of value and if the spill over effects of this result in positive societal impacts, that is a happy coincidence, but not the embedded purpose of their business activities.

5.2.2 Purpose

Participants described their involvement in social entrepreneurship as a calling and a means to achieve deeper meaning in their personal lives by doing work that was an extension of who they are as individuals. Most of them were employed in corporate settings prior to starting their social ventures, but did not find that the work they were doing in corporate aligned to what they believed was their purpose, or was meaningful.

“It was just, I guess a time in my life where it was time for the wheel to turn, time for change, and also time to do work which was kind of more meaningful to me anyway, I think that was the real reason.” (P3-KP-SI-C.E.O-SE) (Social entrepreneur)

“Well, it's the fulfilment of it, you know, I always wanted a job where I didn't feel like I was just making other people rich, and that was the first few jobs I had in the corporate world. I was like, this is not fulfilling, it's not doing it for me, I don't feel like I'm making any difference to anyone.” (P2-ABK-EV-C.E.O-SE)(Social entrepreneur)

The purpose for the work was often found in a cause outside of the individual social entrepreneur themselves, and associated with religious faith. A calling speaks to vocation in the sense of not being a job or career path but a service to community in line with the social entrepreneur's religious faith.

“I do believe it's my calling. I'm deeply rooted in spiritual grounding and in my case, Christianity.” (P4-LW-IHJ-C.E.O-SE)(Social entrepreneur)

One social entrepreneur recounted how his work was inspired by an actual vision he had of saving children, which also speaks to purpose motivated by religious faith.

“...Because, at a stage I got this picture where I was sitting by the beach and I saw a ship pulling in and it was full of children and young people and this thing just cracked in half and the next thing there were millions of kids in the sea, and I just heard a voice, saying, 'What are you going to do about it?' And I just saw myself helping and trying to rescue as many as I could.” (P6-SW-LX-C.E.O.-SE)(Social entrepreneur)

The participants' references to passion, purpose and calling speaks to a very personal, intrinsic motivation to do the work. It is also this intrinsic motivation that energises the social entrepreneur to reframe the challenges in their environment into opportunities that can be exploited. Purpose is an intense motivational driver as it is linked to a cause that is greater than oneself (Pink, 2009).

Purpose, an objective outside of, and bigger than, oneself, featured largely as a motivational base for social entrepreneurs. The commercial entrepreneurs did have a calling, a purpose, as a driver.

“I feel like I'm doing what I was born to do, like I'm right where I need to be. So I could choose an easier life and have my car and a nice house and all those things, but I don't know, I'm attached to my purpose, I guess.” (P9-LR-AP-DIR-CE) (Commercial entrepreneur)

Interestingly enough, the purpose attached to commercial entrepreneurs, which was referred to as vision, had social impact. For example, one commercial entrepreneur alluded to the ultimate vision of their business as redressing the inequities introduced by apartheid; addressing spatial apartheid by developing a space where people of all classes could live, work and play.

“So our vision is the creation of a place where people can live, work, play, travel and interact, people of all classes.” (P8-BK-CP-C.O.O.-CE; commercial entrepreneur)

“...We're driven by this cause that we're after, people are able to relate to what we're doing, but also because of this spatial apartheid that South Africa has. For example, the city of Joburg is about three times the size of Amsterdam, but the population size is the same, because we are so sprawled across large pieces of land, so we're trying to autocorrect some of these things, but we're never going to get rid of those scars. They are with us forever.” (P8-BK-CP-C.O.O.-CE) (Commercial entrepreneur)

The finding that commercial entrepreneurs place as much emphasis on linking their activities to a higher purpose or vision was unexpected. The focus of commercial entrepreneurship on profit maximisation does not preclude the desire to fulfil a purpose or vision that has social impacts.

5.2.3 The desire to innovate to solve for pain points in the community

An element that differentiates social entrepreneurship from the traditional NGO model is the innovative solutions to complex social problems which government and the private sector have failed to solve. This construct is closely related to the changemaker orientation in that social entrepreneurs appear to originate their solutions from a deep connectedness to the community which they serve. The social entrepreneur really listens to the needs of the communities, becomes cognisant of what resources are available for use in the immediate environment, and resolves the problem by deploying the appropriate innovation to the issues raised.

“But if you care enough you would then be able to listen that the person that you are servicing might have a solution to your proposal. So he might say we would rather not have electric cables, we’d rather have it solar and you will say solar is more expensive and he tells you but we can’t afford electricity so you have to think in that way. So it’s not about what you have already made. We have ideas that are already made but solutions that are adaptable to the environment.” (P1-AA-NM-SN-GG-C.E.O-SE)(Social entrepreneur)

Innovation for social entrepreneurs does not necessarily involve the outlay of capital or investments in technology, as these resources are often not available within the communities that they serve. Rather, innovation entails walking the journey with the community they are serving and offering creative solutions to what may have previously been perceived as intractable problems.

“I mean, I was in a school, they couldn’t implement a leadership programme or leadership system because of R800, because they wanted badges for their prefects, and they said how can they be prefects without badges, it’s R800, it’s R50 a badge. But what they wanted was somebody with a creative...who was innovative, who says, listen, it’s not about a badge, let me tell you what leadership is, this is how you organise it and then we put in a system for them.” (P6-SW-LX-C.E.O.-SE) (Social entrepreneur)

Social enterprises are often under-resourced, especially in terms of financial capital. Social entrepreneurs have the ability to be resourceful and create something out of nothing through simple, innovative solutions.

A common emerging theme between social and commercial entrepreneurs was the desire to innovate. Of course, in the social entrepreneur, the desire to innovate had the penultimate aim of solving for pain points in the community, whereas the commercial entrepreneurs' innovation propensity was geared towards creating value that could then be captured through profits.

“...So you think like that now because now you’re thinking, I’ve got to find a gap somewhere. So it makes you think quickly and innovatively and then those dead leads as well, you also pick those up as well.” (P9-LR-AP-DIR-CE; commercial entrepreneur)

“I believe that I'm an entrepreneur because I love to pioneer, I love to do things that are different. I like differentiation a lot, by default it also makes me a businessman because I'm in business, I use business as a platform to do that.” (P8-BK-CP-C.O.O.-CE; commercial entrepreneur)

While making a distinction between necessity entrepreneurs and impact entrepreneurs, the industry expert also confirmed that the desire to innovate provided strong motivation for entrepreneurs.

“...They want to innovate. There's this whole excitement and feel around creating something new.” (P7-YN-GIBSEDA-DIR-CE; expert)

Innovation for both sets of entrepreneurs meant bringing simple solutions to seemingly complex problems. Out of this innovation, value is created, resulting in enhancing sustainability for the enterprise. The innovations were often fostered through collaborations with the beneficiaries, which makes the solution all the more relevant as it is co-created.

5.2.4 Extrinsic rewards not the primary driver

The responses elicited in this construct were multi-layered, revealing the complexity of the role played by extrinsic rewards as a motivational base. Overall, there was consensus that extrinsic rewards, specifically monetary incentives, were not the primary driver but a hygiene factor for individuals engaging in social entrepreneurship.

“With most social enterprise, guys correct me if I'm wrong, we are not necessarily driven by money, even though I push everybody and say we need to invoice, the truth is a lot of what we do is driven by the need to do good and to deliver on social good.” (P1-AA-NM-SN-GG-C.E.O-SE)(Social entrepreneur)

The social entrepreneurs acknowledged money as a necessity to assist in scaling their impacts but there was the idea that it was more important for creativity and innovativeness to be brought to bear on any identified problem or opportunity, alongside the financial resources.

“I just need money to help me multiply what I'm doing. Money is useful because you know, it just helps you reach more people that we want, but I believe that

when you've got a problem you don't throw money at it, you throw people." (P6-SW-LX-C.E.O.-SE)(Social entrepreneur)

A dichotomy of divergent views emerged, with some participants eschewing the pursuit of profit as being in conflict with the embedded social purpose of the enterprise, while other participants saw no inherent conflict.

"If you find someone who earns as much as a social entrepreneur and someone who's doing it just for business, then I think there's a problem. Like these people getting huge bonuses, million-rand bonuses, and all that kind of thing. I don't agree with that even in the business world (laughs), so let's not go there (laughs)." (P2-ABK-EV-C.E.O.-SE) (Social entrepreneur)

As one of the social entrepreneurs stated, for the field to grow and develop and have the desired impacts, social entrepreneurs need to stop perceiving a conflict between profit maximisation and social impact. The more pertinent issue is whether the social enterprise is relevant, sustainable and creating social value.

"So we need to stop seeing it as a conflict, like because are you setting up your entity to be a social entrepreneur and be affiliated with the struggling martyr, or do you want to create difference in society and are you going to be relevant and sustainable in doing that? The last thing I want to do is perpetuate poverty because I want to solve poverty, I don't want to create poverty. I don't make myself poor, I'm just adding to the stats." (P4-LW-IHJ-C.E.O.-SE)(Social entrepreneur)

A reconciliation of the profit motive with the embedded social purpose lay in the realisation that where there is value being created, even social value, there must be a concomitant reward for that value.

"Some people are motivated by earning as much money as possible, then it's not the place for them. It is very much related to what motivates you. How I always think of it is, I got inspired by Goethe, he lived a long time ago....He lived his life by some kind of a motto which was, "Living well, by doing well", I can't remember if those were the exact words. But living a life which is meaningful and which achieves the greater social good, but alongside that, still achieving some level of living well, and living financially well. So I think if you can combine both of those in some way, and if you deliver value, you can live

well because you will be rewarded for the value.” (P3-KP-SI-C.E.O-SE)(Social entrepreneur)

The differences in motivational bases between commercial and social entrepreneurs are best viewed through the lens of the inherent conflict and tension between pursuing profit and achieving social good.

“Because that word profit, like, you know, scares people with that social motive, they’re like, oh you’re trying to make me a capitalist.” (P7-YN-GIBSEDA-DIR-CE; expert)

Although the lines between commercial and social entrepreneurs are blurring to some degree, for-profit entrepreneurs, especially the younger cohort, cast their entrepreneurial ambitions to not only capture value through profit but also create social value – there still exists a distinction between the two types.

“So if the commercial motive, if the money was the primary reason, then it would be far easier or better for you to go the pure commercial or mainstream route. The fact that they start off with a social motive is the differentiator. However, what they’re doing now, as you said, where the lines are getting blurred is that they’re looking for more innovative ways in which to do that. That will allow them to serve that need but also do well at the same time.” (P7-YN-GIBSEDA-DIR-CE; expert)

It must be re-iterated, however, that the profit maximisation motive is useful in classifying whether a venture is social or not, as a social enterprise has as its starting point creating social value, while a for-profit venture has as its starting point the maximisation of profits.

While extrinsic rewards in the form of money or profit are not the main motivators for both sets of entrepreneurs, money does play a significant role in the motivation of commercial entrepreneurs.

“We’re not making enough, but I want to make a whole lot of money because of the things that I can do for my mom, Mark’s mom, not so much for us as a family, but just for the other people around you. You want to be able to just do what you want.” (P9-LR-AP-DIR-CE; commercial entrepreneur)

The creation of a meaningful family legacy for upcoming generations was cited as a key motivational base by the participants. Thus, the business has to be profitable in order to be sustained for generations to come.

“And because this is also a family business we are quite aware that trusts, for example, only last for two generations. We want to make sure that our family legacy lasts for about five generations. So that also feeds back into our own families, it uplifts the community, it gives proper returns for investors.” (P8-BK-CP-C.O.O.-CE; commercial entrepreneur)

Augmenting the family’s income and enhancing personal balance sheets were confirmed by the industry expert to be motivational bases for commercial entrepreneurs.

“One is, supplementing the income and building sort of, I would say personal wealth, but it's like wealth for the family and creating a better life for their families.” (P7-YN-GIBSEDA-DIR-CE; expert)

Social entrepreneurs in this study stated that money was not a motivator for them. The role money plays revolves around increasing the social impact as a result of having greater financial resources. Thus, for social entrepreneurs, there was no specific mention of amassing wealth for personal benefit. In contradistinction, entrepreneurs, although not primarily motivated by extrinsic rewards such as money, referred to it on a personal level – as the building of personal and family wealth.

5.2.5 Self-efficacy

When an individual believes that they have the mental and physical capacity to achieve the outcome they have set out to achieve, it provides impetus for the achievement of said outcome. Given that starting any enterprise is an activity fraught with risk, self-efficacy plays a crucial role in inducing individuals to start enterprises. The participants unanimously reflected high levels of self-belief.

“Yes, I knew that, I knew that. You’ve got your doubts at what level of success you’re going to be, but I went in and I believed in what I was doing. I was totally convinced, that was what I was supposed to do, I was totally convinced.” (P6-SW-LX-C.E.O.-SE)

The participants' self-efficacy beliefs were based on a belief in their God-given abilities. Thus, there was a religious, faith-based belief that they could achieve success in this chosen field. This type of religious, faith-based self-efficacy is intense enough to sustain an individual through the challenges of operating a risky social enterprise.

“I think even that...all the religious books, they refer to us as gods. Even in the bible. Unless you understand that you are a god. And you are placed here with umpteenth ability. You never gonna get that...” (P1-AA-NM-SN-GG-C.E.O-SE)

“I think I always had the dream of success, so I think in terms of my spirit, I knew, but in terms of reality I knew it was also...you know you hop in blindly with....I think naivety is good in a start-up.” (P4-LW-IHJ-C.E.O-SE)

Self-efficacy can also be strengthened on the basis of results achieved. Another participant showed an efficacious response as a result of evidence of her model working. This creates a virtuous cycle because, as her confidence grows, so she has more energy to create further impact.

“Well, firstly I knew that the model was good, I knew what I was doing was good, it was having results, you know? I was measuring impact, I could actually prove that this thing was working, and that gave me confidence, because I knew that it wasn't just like something that I thought was good and no one else did.” (P2-ABK-EV-C.E.O-SE)

Belief and confidence in one's own capacity and ability drives successful outcomes. This translates to successful social enterprises being initiated by self-efficacious individuals. Self-efficacy has particular significance for social entrepreneurship as the outcomes are not only closely held desires for the social entrepreneur, but result in positive social impacts that benefit wider society.

A commonality between social and commercial entrepreneurs is the innate belief in their own abilities.

“What informed that really was just really I think a bit of rebellion, a bit of craziness, I bit of 'I can do this, I don't care what everybody else thinks'.” (P10-TB-DC-C.E.O-CE; commercial entrepreneur)

“But I knew I’d make a success of it, but I didn’t know I was going to make a success of it in the way that it's turned out to be. And most entrepreneurs will tell you, they get successful yes, but how we get there is a totally different story all together, totally different story.” (PN-BC-C.E.O-CE; commercial entrepreneur)

An unassailable belief in the self’s ability and capabilities increases efficacy and motivates the individual to accomplish that which they set out to achieve. No reference to religious or faith-based self-efficacy beliefs were noted in the commercial entrepreneurs.

5.2.6 Mastery

Participants were very self-directed individuals for whom mastery of their domain was an important motivating factor; mastery being “the desire to get better and better at something that matters” (Pink, 2009, p. 111). Social entrepreneurship is a young discipline and those already engaging in it feel a strong responsibility to not only carry on the work, but also provide a knowledge base as frame of reference for other practitioners.

“I've also seen in the past two months, because I've been challenged by coaches as well, like why don't you just work in other organisations, you can still do your work and earn well. For me it's about creating a base from which to do this work, I want to be a practitioner not a teacher, I want to be a teacher practitioner.” (P4-LW-IHJ-C.E.O-SE) (Social entrepreneurship)

The kernel of their desire for mastery stems from the requirement they have of themselves to deliver quality projects to beneficiaries.

“And it's not only about numbers but for me it's like qualitative. Is it really giving you what you want, because a lot of people talk about, 'I've got 4,000, I've got 10,000'. But we should look away and say what kind of quality experience are we bringing to the people and when I see that happening, when I see that being delivered, the quality element of it, that's what really drives us.” (P1-AA-NM-SN-GG-C.E.O-SE) (Social entrepreneurship)

Participants' responses indicate that the performance of the activity is in and of itself rewarding, resulting in the desire to improve the performance. The autotelic experience

was more pronounced in the commercial entrepreneurs, who highlighted this aspect as a keen motivator that keeps pushing them to achieve that “high” they experience.

“There are times when I've had a good time, I felt like this is working. It's like I've been the happiest in my life and it's probably a high of some sort. Maybe you're always trying to get your fix and get back up there. But that's where I'm at peace, I'm happy as well.” (P10-TB-DC-C.E.O-CE; commercial entrepreneur)

“I love working with teams. I love seeing something through to fruition especially when you've been told, aah, the team is hectic, all the people hate each other's guts, I'm like, give me that team. So it's satisfying because I feel like I'm doing what I enjoy; I'm doing what I love.” (P9-LR-AP-DIR-CE; commercial entrepreneur)

This finding was unexpected as it was the researcher's expectation that the social entrepreneurs' altruistic intentions, combined with doing work aligned to a deeper purpose, would result in the social entrepreneurs who would report autotelic experiences.

5.2.7 Need for autonomy

Social entrepreneurs are driven by the need to direct their own activities. Participants indicated that corporate strictures were incongruent in the way in which they wanted to express themselves through the work that they do.

“...There are times where I tried going full-time into corporate and I felt almost sick, like nauseous on a cellular level. It just did not fit with me.” (P4-LW-IHJ-C.E.O-SE) (Social entrepreneur)

Social entrepreneurs were willing to trade the security of a salary to be free from the duress of corporate servitude. From the responses, it appears that the idea of having another control their time and energy was not appealing. The freedom to choose into which activities they would direct their energies was very important for the social entrepreneurs and a central driver in their pursuits. One of the cited benefits of autonomy was that greater autonomy resulted in greater creativity.

“I see people stressed going to work in the morning. And I'm thinking this guy or this lady, she knows month-end there's a salary coming, but they are taking

strain. You see them [when] they are in traffic. The cops are there but they answer this phone call...like you should have been at the office [at] eight o'clock. And I feel for them almost like I feel for the kids in the community (laughs). And I say to myself, never. Like Nelson Mandela, 67 minutes – Never again. (laughs). I don't ever want to be in that situation. I don't ever want to be under duress. I have found myself." (P1-AA-NM-SN-GG-C.E.O-SE) (Social entrepreneur)

"I can chart my own course and I can see where the needs are and go in that direction. I don't have to ask anyone. You know, I'm not like someone's employee that I have to do what I'm told. I can actually be creative and find new ways and do the stuff that I enjoy doing and that I'm passionate about. So that's the difference than just having like, this is what you love and [the] rest of the stuff you just have to do." (P2-ABK-EV-C.E.O-SE) (Social entrepreneur)

The most glaring similarity in motivational bases of social and commercial entrepreneurs is the need for autonomy. The need to master one's own fate was the driver behind the actions of both sets of entrepreneurs. The commercial entrepreneurs made mention of the ability to arrange one's activities in order to make time for other activities, such as spending more time with family.

"But the more important thing was having more time to do things that I want. So now, on a Friday afternoon I can go watch my kids playing soccer, you can't put a price on that. For me, I always tell people, for me it really is all about the time, you can't pay the price of me sitting on the sports stand on a Wednesday afternoon, which I would never ever have had while I was working, unless you have a very good job where you can do that." (PN-BC-C.E.O-CE; commercial entrepreneur)

Both social and commercial entrepreneurs alluded to the fact that autonomy meant having the kind of impact they wanted in the community, or in the way they performed their duties.

"If I was sitting in corporate it would be based on, am I delivering the numbers that they want me to deliver? They can drive my focus to where they need it to be at a specific time and I would never get to doing the actual work in the community." (P1-AA-NM-SN-GG-C.E.O-SE) (Social entrepreneur)

“I'm just in the rat race....It's the same. I mean, after a while, don't get me wrong, it had its fulfilment in a way, but like after a while you're like, I don't get it...but where is my own personal stamp of things and where I'm going, where is the bit where I'm making a difference?” (P10-TB-DC-C.E.O-CE; commercial entrepreneur)

The need for autonomy did not mean that the participants were averse to collaborations and partnerships that would achieve their goals. What they only detested was control by another over their activities. The centrality of achieving autonomy as a driver for entrepreneurs was confirmed by the industry expert:

“The other is that entrepreneurial spirit, it's working for themselves, it's kind of driven to create your own destiny kind of thing, so that sense of, I just didn't want to work for somebody else, I wanted to find my own way and I wanted to like kind of create something new.” (P7-YN-GIBSEDA-DIR-CE; expert)

This finding suggests that the need for autonomy is a key motivational base of entrepreneurship as a whole, as this was a common theme across all the participant interviews.

5.2.8 Empowering beneficiaries as a motivating factor

While all the social entrepreneurs made reference to a strong desire to help others, it was not in the traditional, NGO mode but rather, a dedication to empowering beneficiaries. NGOs often take on an alleviation of human suffering approach with little emphasis on giving the tools to the beneficiaries to enable them to be empowered. The pro-social activities were aimed at capacitating the beneficiaries to help themselves, as opposed to creating a dependency in them.

“...I'm not raising a generation of young people who will be good till operators or good domestics or good gardeners. I'm raising a generation of people who aspire to want to own the businesses that are trying to employ. And if you pulled that person out of a community in Diepsloot (a township in Johannesburg) where we are, that person should be able to function in New York or London, wherever you go. So that's the level of the game that we're mentoring.” (P6-SW-LX-C.E.O.-SE) (Social entrepreneurship)

Social entrepreneurs were keen to impart tools to assist the community in taking control of the change. Perhaps this is done to enable the replication of the initiative and thus amplify its impacts because, once an individual has the tools or skills to effect the change, they can pass it on.

“So that's basically what it is, it's empowering people to be in control of their own destinies and it empowers their skills as well, because they've got a tool kit that they get that explains how to run a project, because no one knows how to, because at school they don't know, even adults don't know.” (P2-ABK-EV-C.E.O-SE) (Social entrepreneurship)

“It's priceless to see that person feeling enabled and empowered. You [are] not sitting on top of them, they are driving themselves and that's what we should get to – where they [are] actually able to drive it themselves. And that's what we seek to do in every project that we take on. It's not successful all the time but you gotta make sure that that should be the end result, that the community drives the project.” (P1-AA-NM-SN-GG-C.E.O-SE) (Social entrepreneur)

Social ills can be tackled at the individual, organisational or institutional, or national level. Of importance is that the issues be dealt with at the correct level to have the intended effects. It was interesting to note that the social entrepreneurs dealt the issues at an individual level as opposed to the organisational or global level.

5.2.9 Need for achievement

Two of the participants reflected the positive side of the Need for Achievement (nAch). Their achievement orientation was geared towards “the other” in that they wanted to have scale and have their programmes achieving what they had set out to achieve to benefit the recipients.

“...I want to be scalable, I want the programme to be spread out to as many schools as possible. If I can get all of them, even better, and that's how we're working our curriculum, to get it in there.” (P2-ABK-EV-C.E.O-SE) (Social entrepreneur)

Accolades and acknowledgements were welcomed as a validation of their efforts and recognition for their achievements. This reveals that the social entrepreneur derives

satisfaction not only from the work itself, but also from external sources recognising their endeavours.

“I think for me the most satisfying part is when you get some kind of outside endorsements which confirm that the work is doing what it's supposed to do....And when you see, ok this project has been running for x number of years, but it has really achieved what it was supposed to achieve, ja, that is the most satisfying part.” (P3-KP-SI-C.E.O-SE) (Social entrepreneur)

A key finding with regard to this motivational base was that the need to create something new, to achieve specific outcomes in terms of profitability and building personal wealth, resonated deeply with commercial entrepreneurs. Thus, where there is a similarity in the nAch as a motivator, it can be noted from the comments above that social entrepreneurs' nAch was outward-looking, with a focus on “the other”, whereas commercial entrepreneurs' nAch is more inward-looking, and oriented towards “self”.

“So what works for me now is being able to say to myself, 'I'm building businesses that work'....I don't want to look at them and say, 'Oh I'm not sure about that one....In a way it's kind of an affirmation thing as well, for myself, for me personally to say, 'I am able to do this'.” (P10-TB-DC-C.E.O-CE; commercial entrepreneur)

Engagement in entrepreneurial activities fulfils the need to achieve in a manner that could not be satisfied in formal employment.

5.2.10 Reaching set goals

The social entrepreneurs displayed a definite intent to achieve certain set goals in their engagements with the community. Their goals did not comprise the commercial metrics, such as return on equity, but rather, focussed on social impacts achieved, such as improving learners' academic results.

“But when I actually go into a classroom where we are working and I can see the environment and I can see the kids learning and I kind of combine that with the results that we're achieving, that's very satisfying.” (P3-KP-SI-C.E.O-SE)

Reaching goals that they had set out from inception provides satisfaction and results-based approach to their work combined with accountability.

“...I wouldn’t want to be in a community unless what is required, we are needed there, but we must have time factors, we must have deliverables that help us to help the people, but they’re tangibles at the end of the day, there’s targets, there’s goals.” (P6-SW-LX-C.E.O.-SE)

This was another strong thread running through the narratives of both commercial and social entrepreneurs. Making specific goals orients the entrepreneur to action aimed at achieving those goals.

“So Mark and I have a ten-year plan and a five-year plan and an annual plan. The annual plan is like, all over the place, but the ten-year vision of like, where do we want to be, that's very clear . So even though it's not pretty always, that's actually what keeps us going.” (P9-LR-AP-DIR-CE; commercial entrepreneur)

The goals set are stretch goals which have not been achieved before, giving greater impetus to reach new heights. Setting goals and reaching them is exciting, but also the interim period between the setting of the goal and the eventual achievement – where there is uncertainty – provides fuel to keep commercial entrepreneurs going. The commercial entrepreneurs' goals were also capable of being set in monetary terms.

“And then I say the day that I make R20,000 I'm going to be excited and then it goes and then when happens in retrospect when you sit back and actually think, there was a time that this was my dream, you know? That's the exciting part to see you getting your goal, your milestones. So some of them you think it will never happen, I can never have this client – those are the things that keep you going, but sometimes the adrenalin rush of not knowing...” (PN-BC-C.E.O.-CE; commercial entrepreneur)

Setting challenging but achievable goals not only drives the entrepreneur but also makes it more probable that the enterprise will survive and thrive.

5.3 Summary of findings

The motivational bases identified from analysis of the data were varied in nature and extent, given that the unit of analysis was the individual and as a result, a myriad of possible permutations emerged. The theme concerning the changemaker orientation was cited by the majority of social entrepreneurs, but not explicitly by commercial entrepreneurs. It was interesting to note the religious, faith-based undertones that

underlie the purpose motive for social entrepreneurs. In contradistinction, commercial entrepreneurs' purpose was outlined as a vision they carry for their business. Innovative solutions formed the basis of value creation for both sets of entrepreneurs. The interplay between intrinsic and extrinsic motivators came out strongly in respondents' comments around extrinsic rewards not being a primary motivator. There was consensus that extrinsic rewards were a hygiene factor, but also a necessity in scaling impacts for social entrepreneurial endeavour. For commercial entrepreneurs, building personal and family wealth was identified as the reason for pursuing profits. Reconciling the inherent tensions between the profit motive and social purpose is a topical issue among the social entrepreneurs. Self-efficacious beliefs pervaded the narrative, with the social entrepreneurs exhibiting self-efficacy based on a spiritual grounding. Feeding from the self-efficacy beliefs was the mastery of their field. Mastery resulted in autotelic experiences specifically in the commercial entrepreneurs. The need for autonomy was expressed as the desire to craft one's own destiny and determine the direction in which energy and effort would be expended. Empowering beneficiaries emerged as a key driver of social entrepreneurs' actions. Both sets of entrepreneurs shared the need for achievement and goal setting as motivational bases.

The findings pointed to differences in the motivations of the two types of entrepreneurs in the following areas:

- Commercial entrepreneurs emphasised the building of personal and family wealth and legacy as a motivation;
- Changemaking was not the starting point for engagement with entrepreneurialism for commercial entrepreneurs; and
- Commercial entrepreneurs interviewed tended to place greater emphasis on the autotelic nature of the activity.

The above findings cover an extensive range of motivational bases that account for engagement with entrepreneurship generally, and social entrepreneurship specifically. There are overlaps in some of the constructs and it was a finding of this research that many of the motivational bases leverage off and strengthen each other.

6 Chapter 6: Discussion of findings

6.1 Introduction

The findings as enumerated in the Chapter 5 provide a valuable departure from which to understand the theoretical and empirical motivational bases that underlie individuals' engagement with social entrepreneurship. What follows is a discussion of the themes as they relate to the research questions posed in Chapter 3. Furthermore, the discussion outlines the findings in relation to the literature reviewed in Chapter 2.

6.2 Discussion of the motivating factors

Research question 1: What are the unique motivating factors inducing individuals to engage in social entrepreneurship?

This research question is concerned with the drivers that underlie engagement with social entrepreneurship. From the interviews, ten themes which affect an individual's engagement with social entrepreneurship emerged. These will be discussed in turn below.

6.2.1 Changemaker drives action

It was a finding of this study that social entrepreneurs self-identified as changemakers. This finding goes to the very heart of social entrepreneurship because, according to the literature, these individuals must push through new ideas that effect complex societal changes (Partzsch & Ziegler, 2011). For respondents, closeness to the community and personal life experiences are among the elements that inform the strong desire to bring about change. This accords with the literature, which states that closeness or embeddedness to the community and personal life experience serve as empathy builders that will eventually translate into prosocial behaviours (Germak & Robinson 2014; Urban, 2013; Van Ryzin et al., 2009). It was a finding that the social entrepreneurs who participated in this study displayed transformational leadership in that they were willing to lead the change and take ownership of the transformation process without abdicating the responsibility, even though the scale of what was required may not be aligned to the limited resources that they had on hand. This aspect was not explicitly addressed in the literature reviewed and yet it bears great significance on the leadership motivations of a social entrepreneur. Leading change has been dealt with extensively in leadership literature, though the literature reviewed for this study did not explicitly outline this aspect.

6.2.2 Purpose/vision

A connection to purpose was the participants' main driver for engagement with social entrepreneurship. This finding supports the literature in the sense that self-transcendence values result in prosocial behaviours, where the outcomes are linked to a cause outside of oneself (Caprara, Guido & Eisenberg, 2011). Sustaining motivation through challenging obstacles becomes easier when one's actions are ascribed to a higher purpose or calling. Unwavering commitment to the purpose or vision also focuses the actions of social entrepreneurs, keeping their actions aligned with their purpose to ultimately achieve the desired outcomes (Nga & Shamuganathan, 2010). This conforms with the literature as the purpose motive is a powerful source of energy and focus (Pink, 2009). A purpose-driven engagement with social entrepreneurship was noted in all the participants in this study, with none of the social entrepreneurs interviewed having an instrumental attachment to the field to obtain extrinsic rewards or for ego or status-related reasons.

Associations were made between the purpose and religious belief or faith of the social entrepreneurs, which further illustrates that purpose is embedded at the core of their being and is inseparable from their endeavours. This religious faith-base strengthens and reinforces the purpose driver. The need for purpose speaks to a need to do work that is fulfilling and meaningful in that it is congruent with the personal values and religious belief system of the social entrepreneurs interviewed. While the literature does make mention of a values base in that it states that social entrepreneurs have an iconoclastic need to reframe the world according to their values, there is no mention of the link between religious or faith-based views and purpose (Christopoulos & Vogl, 2014).

6.2.3 The desire to innovate to solve for pain points

According to the literature, social entrepreneurship involves a process of continuous innovation, adaptation and learning (Dees, 2001). The literature furthermore points to the fact that social entrepreneurs find themselves with limited resources, no institutional capacity or support, and having to address failure by the market to provide a good or service that meets the needs of the underserved (Nga & Shamuganathan, 2010). This is where social entrepreneurs step into the gap and introduce an innovation that addresses the social deficit (Luke & Vien, 2012). The participants in the study revealed

that it is their initial desire to innovate that assists them in identifying and exploiting the opportunity and reframing problems and challenges into opportunities to innovate.

The findings suggest that this motivational base is activated by the social entrepreneur's closeness to the community, which facilitates co-creation and collaboration with the community to devise innovative solutions. This is in keeping with the literature, which lists closeness to the community and personal life experience as motivational bases that foster collaboration and innovation (Urban, 2013; Van Ryzin et al., 2009). Most of the innovations originated by participants in the study were simple solutions involving the social entrepreneur walking the journey with the community to arrive at a solution. This agrees with the literature, which states that the innovations need not be frame breaking or disruptive, but may be incremental, as evidenced in the interviews with participants (Dees, 2001).

The literature points to the fact that the desire to innovate is what differentiates the social entrepreneur from the founder of the traditional not-for-profit, as the traditional not-for-profit business model may necessitate an over reliance on donor funding, which compromises sustainability and longevity of the organisation, while an innovative earned income approach by a social entrepreneur enhances sustainability of the venture (Luke & Vien, 2012).

The social entrepreneurs who were part of this study all implemented social ventures that were founded on innovations that could earn an income. Furthermore, the findings of this study illustrate that this motivational base has the most to offer in terms of creating, testing and validating new business models that can be replicated to resolve pressing social ills as well as be used in commercial enterprises. This accords with the literature in that social entrepreneurship has been found to have a significant effect on the economy to the point of creating new industries and validating new business models, and replicating these effects to various geographies (Santos, 2012).

6.2.4 Extrinsic rewards not a primary driver

Following the intrinsic-extrinsic dualistic approach to motivation, the evidence coming out of the interviews with the social entrepreneurs points towards an intrinsic motivational base for their actions. The individuals engaged with social entrepreneurship for its own sake, and not in pursuit of an instrumental goal like profit generation.

The findings in this vein mirror the literature as regards the interplay between intrinsic and extrinsic motivation, which goes further than the undermining effect that extrinsic rewards have on intrinsic motivation (Cerasoli et al., 2014). The social entrepreneurs acknowledge the need to obtain extrinsic rewards such as money as instrumental in enabling them to scale their impacts. This finding is not surprising as it has been theorised that compassion and altruistic intentions guide the actions of social entrepreneurs rather than the desire to amass personal wealth (Christopoulos & Vogl, 2014).

The literature alludes to one of the main differences between social entrepreneurs and commercial entrepreneurs as the profit maximisation against social value maximisation goal (Germak & Robinson 2014, Lehner & Germak, 2013, Miller et al., 2012). The situation is not as simplistic, and the role of extrinsic rewards – specifically money – is quite complex, nuanced and multilayered.

One of the findings was that there exist tensions between the profit motive and the embedded purpose of achieving social good. Social entrepreneurs who participated in this study do not want to be perceived as pursuers of profit to the detriment of their main mission of social good. As the field develops, this tension will have to be resolved as financial resources from profits captured are required to create significant institutional critical mass and to build and strengthen the social entrepreneurial ecosystem. A focus on financial management, revenue generation and a comfort with money matters is essential to obviate any obstacles to social venture creation and success (Germak & Robinson, 2014).

6.2.5 Self-efficacy

High levels of self-efficacy are instrumental in formulating a social vision, following through with focussed actions that translate into a sustainable and innovative social enterprise (Urban, 2013). The findings from the social entrepreneurs interviewed in this study show that self-efficacious beliefs produce a virtuous cycle in that the more capable an individual believes themselves to be, the more effective they will be, which further enhances the self-efficacious beliefs, and so the cycle continues. The literature reviewed contained no references to an interesting nuance related to the self-efficacy beliefs of the participants of this study, being the link between self-efficacy and their religious or faith-based beliefs. It is postulated that the religious, faith-based linkage has an amplifying effect on the self-efficacy construct – strengthening and enhancing it.

6.2.6 Mastery

The findings of this study revealed participants who displayed a predilection for engaging with complex social issues such as dealing with a dysfunctional education system or mentoring and coaching at-risk youth. The participants were also shown to be persistent in overcoming obstacles. These findings relate well to the literature, which states that mastery goals are associated with positive attributes such as the preference for challenging tasks, persistence in the face of difficulties, and the attribution of success to effort and interest (Benita, Roth & Deci, 2014). Mastery speaks to becoming more skilful, more competent and proficient in a certain field (Pink, 2009). Social entrepreneurs interviewed displayed a need to master their field, both in terms of delivering a quality offering to beneficiaries as well as developing a knowledge base for the field. This is encouraging as it is a field still at the early stages of development, and a robust knowledge and practitioner base needs to be created.

6.2.7 Need for autonomy

Autonomous motivation is predicated upon the ability to act voluntarily and to choose one's own actions as opposed to acting out of the need to satisfy external pressures and demands to achieve outcomes that are perceived to be external to oneself (Deci & Ryan, 2012). Both commercial and social entrepreneurs exhibited the need to be self-directed, confirming the centrality of the need for autonomy as expounded in self-determination theory. Greater autonomy yields greater engagement and creativity in activities in which the individual pursues (Deci & Ryan, 2012). This held true for the participants as their projects, whether social or commercial, were imbued with creativity resulting from self-direction.

6.2.8 Empowering beneficiaries as a motivator

The literature reviewed indicated that social entrepreneurs link their success to the fact that they have enabled the beneficiaries of their social innovation (Christopoulos & Vogl 2014). The participants measured their success by the fact that the community no longer needed them. The social entrepreneurs interviewed successfully transferred the skills and knowledge to the beneficiaries, allowing them to take ownership of the initiative. This ensures the sustainability and longevity of their initiatives and gives the social entrepreneurs interviewed the capacity to replicate these models to other communities and thus scale the social impact.

The literature furthermore details the social entrepreneurship project as engagement with beneficiaries at an authentic level and seeking to create enduring social value, which makes the empowerment of beneficiaries a critical component of embedding the change (Nga & Shamuganathan, 2010). The participants concurred with the literature in this regard, and there was a feeling that their greatest sense of achievement came from seeing the human impacts, such as when a learner succeeded at school, when a community took over the management of the project, or when the beneficiaries had internalised the learnings to the point of being able to teach other communities.

6.2.9 Need for achievement

The literature has attributed prosocial motivations, altruistic intentions and compassion as motivational bases for engagement with social entrepreneurship (Christopoulos & Vogl, 2014; Miller et al., 2012). The literature states that the abovementioned motivations would seem to run counter to the operation of nAch, as the nAch is personal oriented as opposed to other oriented (Lehner & Germak, 2013). The participants, however, displayed the need to achieve in their social ventures, indicating that achieving the outcomes that would most benefit society and be scalable was desirable to them. However, it should be noted that this display of nAch is still “other” oriented and not focussed on ego and status necessarily, and thus not running counter to the prosocial, altruistic and compassion motivations as suggested by the literature as stated above.

The findings in this study reflected that social entrepreneurs have a need to be recognised and for external accolades. Given the significant outcomes expected from their activities, it was anticipated that the nAch may have been more evident in the participants, but it was at the periphery. This may be because, as the literature suggests, nAch is insufficient as a motivational base to induce individuals to engage with social entrepreneurship but may need to be combined with other drivers such as prosocial motivations and compassion (Miller et al., 2012).

6.2.10 Reaching set goals

Expectancy theory and goal-setting theory have been put forward to explain the motivations of commercial entrepreneurs towards launching an enterprise (Germak & Robinson, 2014). This motivational base was evidenced in the social entrepreneurs. As was expected, their goals were not couched in commercial entrepreneurial language

such as achieving return on equity or return on investment ROI). They also did not articulate set goals according to social venture measures such as Social Return on Investment (SROI) or blended value. This indicated that these measurements have not been widely adopted among the interviewees. They did set goals such as empowering the community to such an extent that they would not be needed, or delivering digital library services to entire communities. Goal setting is a significant motivational base as the literature contends that setting specific and challenging goals leads to greater effort and persistence, and ultimately to higher performance than does setting non-challenging or unspecific goals (Locke & Latham, 2002).

6.2.11 Conclusion

The findings provide answers to the first research question regarding the unique motivation factors underlying individuals' engagement with social entrepreneurship. Social entrepreneurs are first and foremost motivated to make a change. They are the catalysts for change that transform societal challenges into solutions. Social entrepreneurs are purpose-driven and motivated by a desire to innovate. The findings with regard to the aforementioned motivational bases are well supported by the literature. Unsurprisingly, the findings point to the fact that social entrepreneurs are not motivated by extrinsic rewards but appreciate the instrumentality of money in scaling social impacts, which is in line with the literature reviewed. Mastery and autonomy came out of the findings as definite motivations for social entrepreneurs, as did the desire to empower beneficiaries, which was in accordance with the literature reviewed.

Some findings were not explicitly expounded upon in the literature reviewed, for example, the relationship between the religious or faith-based beliefs of the social entrepreneurs and their purpose or vision as well as their self-efficacy beliefs. Another finding which had not been encountered in the literature reviewed pertained to the social entrepreneur's motivation to lead the change.

6.3 Discussion of the similarities of motivating factors of social and commercial entrepreneurs

Research question 2: In what way are the motivating factors of social entrepreneurs similar to those of commercial entrepreneurs?

This research question is aimed at identifying and exploring the similarities in motivational bases between social and commercial entrepreneurs to establish common

grounding between social and commercial entrepreneurship theory. One of the aims of this research study is to address the gaps found in the literature; one of them being a link between social entrepreneurship theory and general entrepreneurship theory (Abu-Saifan, 2012).

6.3.1 The need for autonomy

Self-determination theory (SDT) is the most comprehensive of contemporary theories of motivation and has at its centre the need for autonomy (Deci & Ryan, 2012). It appears that the need for autonomy is not unique to social entrepreneurs as it was a thread that ran through the narrative of both sets of entrepreneurs. It was a finding of this study that entrepreneurs as a subset want to carve out their own destiny, absent from the control and direction of another or the exertion of outside pressures. The literature points to the fact that autonomy results in greater engagement, under which creativity flourishes, which is essential to enable innovation (Pink, 2009). Both sets of participants evidenced the truth of this as their levels of engagement with their enterprise, be it social or commercial, were very high.

6.3.2 Purpose/vision

A higher calling or purpose was evident as a driver for social entrepreneurs, which enables them to reframe challenges into opportunities for realising their vision for society (Nga & Shamuganathan, 2010). The findings of this study point to the fact that purpose – which was simultaneously identified as vision among the commercial entrepreneurs – served as a guiding policy for their strategy formulation and execution. It was against this vision or purpose that the commercial entrepreneurs interviewed in this study measured success and effectiveness. The point of difference between the need for purpose between both sets of entrepreneurs was with regard to the association of purpose with religious or faith-based beliefs. Commercial entrepreneurs' purpose statements were devoid of links to religious or faith-based values. As highlighted earlier, the literature reviewed did not make explicit links between religion or faith bases and purpose for either social or commercial entrepreneurs.

6.3.3 Need for achievement

The literature posits that nAch is positively correlated with commercial entrepreneurial engagement, as the entrepreneur seeks performance that is superior to competitors and his own past performance (Lehner & Germak, 2013). As a personal motivator, it

may seem that nAch runs counter to the “other” oriented prosocial motivations of the social entrepreneur (Lehner & Germak, 2013). However, the study participants across the entrepreneurial divide both exhibited this motivational basis, with social entrepreneurs giving emphasis on the need to achieve for the benefit of society.

6.3.4 The desire to innovate

Starting a business is not entrepreneurship. Rather, innovation is the catalyst that drives economic progress (Dees, 2001). Social and commercial entrepreneurs participating in this study had the desire to innovate as a common theme explaining their behaviours. Innovation mediates between opportunity identification and opportunity exploitation to create an entrepreneurial endeavour. Social entrepreneurs must innovate to realise their social vision (Nga & Shamuganathan, 2010). Commercial entrepreneurs innovate to create value, which they can subsequently capture through profits. Although the ultimate end-game of both sets of entrepreneurs differs, the starting point of a strong desire to innovate was evidenced in all participants.

6.3.5 Self-efficacy

Self-efficacy beliefs permeated the manner in which the two sets of entrepreneurs described the reasons they decided to start their ventures. Self-efficacious beliefs result in a virtuous cycle that creates a feedback loop which results in enhanced performance. As stated in the literature, high levels of self-efficacy are instrumental in formulating a social vision, following through with focussed actions that translate into a sustainable and innovative social enterprise (Urban, 2013). The same holds true for commercial entrepreneurship, as entrepreneurial self-efficacy leads to the individual believing that they are able to not only perform all the entrepreneurial functions, but also have successful outcomes (Renko, El Tarabyshi, Carsrud & Brannback, 2015).

6.3.6 Conclusion

The findings discussed above highlight the similarities in the motivational bases of social and commercial entrepreneurs and provide answers for the second research question. The need for autonomy is common to both sets of entrepreneurs, as is the purpose driver, need for achievement, desire to innovate, and self-efficacy beliefs. Although sharing common motivational bases, differences can still be noted in how those motivational drivers are expressed as needs that are personal to the entrepreneur, or as other oriented. This was specifically noted in the common

motivational bases of need for achievement, which in the social entrepreneurs interviewed had an “other” orientation, while in commercial entrepreneurs was personal oriented. The commonalities may provide fruitful avenues for future research linking social entrepreneurship theory to mainstream entrepreneurship, thereby strengthening this fledgling field.

6.4 Discussion of the differences in motivating factors of social and commercial entrepreneurs

Research question 3: In what way are the motivating factors of social entrepreneurs different from those of commercial entrepreneurs?

This research question is aimed at identifying and exploring the differences in motivational bases between social and commercial entrepreneurs. The points of difference will highlight the unique motivational blend that can be associated with social entrepreneurship.

6.4.1 Building personal and family wealth and legacy

While extrinsic rewards in the form of money or profit are not the main motivators for both sets of entrepreneurs, money does play a significant role in the motivation of commercial entrepreneurs who participated in this study. The instrumentality of money to the creation of a meaningful family legacy for upcoming generations was cited as a key motivational base by the commercial entrepreneur cohort of participants. It is interesting to note that the literature reviewed made no reference to the desire to build family wealth and legacy.

Each of the social entrepreneurs who participated in this study, with the exception of one, did not couch their enterprise in terms of building family wealth or legacy. This concurs with the literature, which states that the social enterprise organisational form does not lend itself to the accumulation of private or family wealth (Miller et al., 2012). The social entrepreneurs in this study’s discourse were mainly centred on reconciling the conflict between achieving their embedded social purpose while making a living. This accords with the literature, which speaks to the trade-offs between value creation and value appropriation, and that to retain their legitimacy, social enterprises capture just enough value to sustain the organisation (Santos, 2012).

A simplistic view may perceive the difference between social and commercial entrepreneurs' extrinsic motivations to lie in the pursuit of profit on the part of the commercial entrepreneur and the social entrepreneurs placing value only on achieving social impacts with no undue emphasis on maximising profits. However, the literature suggests that the differences may be far more nuanced as a result of the inherent conflicts that exist between value creation and value appropriation and the trade-offs that must be made to resolve the conflict and retain legitimacy of the social enterprise (Santos, 2012).

6.4.2 Differences in changemaker motivations

The findings reveal the desire to be changemakers to be a dominant motivator for social entrepreneurs. According to the literature, by definition, social entrepreneurs are catalysts of social change, and the desire to effect change is central to the social entrepreneurial project (Partzsch & Ziegler, 2011).

Commercial entrepreneurs from their own accounts do not identify the desire to bring about change in social conditions as a motivator, and the literature reviewed does not explicitly make the case for the changemaker orientation being a main driver for commercial entrepreneurs. However, it was noted in the findings that even though effecting societal change was not their *raison d'être*, their entrepreneurial activities often resulted in a tackling of social issues such as reducing unemployment, redressing the legacy of apartheid, and contributing to the empowerment of previously disadvantaged individuals.

6.4.3 Autotelic nature of a commercial entrepreneur's experiences

The pinnacle of intrinsic motivation is when one has an autotelic experience, that is, where the activity is rewarding in and of itself. Commercial entrepreneurs more than social entrepreneurs highlighted this aspect as a keen motivator that keeps pushing them to achieve that "high" they experience. This accords with the literature, where the concept of flow explains the powerful motivation that individuals experience when they are performing an activity that is rewarding in and of itself outside of the end product or any extrinsic good that may be derived from it (Csikszentmihalyi & Nakamura, 2014).

This finding was unexpected, as it had been the researcher's anticipation that, given the social entrepreneurs' altruistic intentions, combined with doing work aligned to a

deeper purpose, it would be the social entrepreneurs who would report autotelic experiences.

6.5 Conclusion

In this chapter, the research questions posed in Chapter 3 were answered concretely. The ten themes that emerged from the data provided an explanation for why individuals engaged with social entrepreneurship. There was agreement between the explanations advanced and the literature. The findings supported the literature in the key motivators of the social entrepreneur being the desire to effect societal change. Other paradigms, such as the alignment with purpose and the desire to innovate, were noted as drivers in the participants' behaviours.

The commonalities between social and commercial entrepreneurs highlighted the fact that both streams have entrepreneurship as a base, and were supported by the literature. This will enable the field to establish links between the two streams, which can then support and strengthen theory development for social entrepreneurship.

The points of difference as enumerated above reveal that social entrepreneurship, although rooted in core entrepreneurship, has its own unique blend of motivational factors. That is to say there may be a blurring of the differences between social and commercial entrepreneurship, but social entrepreneurship still has its own distinctive motivational bases that are definitely separate from those of commercial entrepreneurship. To illustrate, an entrepreneur may be motivated by the need for achievement, self-efficacy and the desire to innovate, but would require an addition of the changemaker orientation to cross over to social entrepreneurship.

7 Chapter 7: Conclusion

7.1 Introduction

This chapter serves as a conclusion of the research study undertaken. The findings of the study are summarised and reconciled with the stated aims of the study, as outlined in the Chapter 1. Insights gleaned will be utilised to form recommendations to practitioners, business and academia. Limitations encountered in the conducting of the research will be delineated as these are fruitful areas for further research to enrich the field of social entrepreneurship

7.1.1 Research question 1: What are the unique motivating factors of social entrepreneurs?

One of the aims of this research study was to make a contribution to the literature on social entrepreneurship generally, and on the motivations underlying individuals' engagement with the field specifically. As has been noted in the literature, there is insufficient theorisation on social entrepreneurship as a discipline, or on the motivational factors surrounding it (Germak & Robinson, 2014). Furthermore, it is profitable to explore the motivational factors of social entrepreneurship in order to link them to general motivation theories and general entrepreneurship theories, thereby strengthening the theory base of social entrepreneurship. The social entrepreneur, as distinct from the commercial entrepreneur, has distinct goals, approaches objectives differently, and focuses on different measurable and deliverables (Santos, 2012). Thus it is useful to theorise about what motivates him to act.

The themes that emerged from an analysis of the data revealed key motivational bases that explain social entrepreneurs' behaviour who participated in this study. A significant finding was with regards to the motivation to effect societal change. The discomfort with the status quo and the ability to lead the change are powerful motivators that unlock the energy required to effect large scale societal change. This study highlighted this unique driver which aids understanding of what constitutes the core of social entrepreneurial engagement. Once this key construct is understood it can inform policies, programmes and initiatives on social entrepreneurial engagement and education.

7.1.2 Research question 2: In what way are the motivating factors of social entrepreneurs similar to those of commercial entrepreneurs?

Commonalities with commercial entrepreneurship were identified as being in the need for autonomy, the need for achievement, self-efficacy beliefs, goal-setting, the desire to innovate and alignment with a purpose or vision. These findings may point to the intersection between the two streams of entrepreneurship, establishing links between their theory bases while simultaneously confirming that SE has its roots in the field of entrepreneurship that is qualified by more than the suffix of “entrepreneurship” in its nomenclature. A stated aim was to explore links in the theory base between these two areas of entrepreneurship.

7.1.3 Research question 3: In what way are the motivating factors of social entrepreneurs different from those of commercial entrepreneurs?

As SE evolves and develops, there may be a blurring of the distinctions between commercial and social entrepreneurship. The research study, however, noted points of difference in the drivers of the respective entrepreneurial actors and a distinct unique motivational blend that differentiates the social entrepreneur from his commercial counterpart.

Although extrinsic rewards were not a primary driver for either cohort, a motivation to build personal and family wealth was noted only amongst the commercial entrepreneurs. This was an important finding in the research undertaken from which it can be concluded that efforts to encourage more individuals to start a social enterprise may need to be framed in a manner that does not emphasise the amassing of wealth. Intrinsic motivators shaped the actions of social entrepreneurs in this study suggesting that extrinsic rewards, specifically money, will not draw individuals to engage in the field. Donor investors, policymakers and business can partner with social entrepreneurs by providing funding, however, the funding element should not be put forward as an incentive.

The changemaker motivation was absent in the commercial entrepreneurs participating in this study, concretising once again that this driver firmly belongs to social entrepreneurs. Significantly, autotelic experiences were noted only among the commercial entrepreneurs in the study. Autotelic experiences are associated with an internal locus of control. This may point to the fact that social entrepreneurs may have

an external locus of control as the influence of societal context on their psychological processes determines their actions. This may be another area for further research. These points of difference are useful in delineating the boundaries of motivational bases as between the two types of entrepreneurs. They highlight the fact that social entrepreneurship motivational bases may have grounding in entrepreneurship theory, but constitute a separate field that requires its own stand alone theoretical base.

7.2 Theoretical implications

The theoretical bases of the underlying motivations of social entrepreneurs need to be revisited. Caution must be exercised to avoid casting the social entrepreneur into a hero typology as an individual with unique personality traits, but rather to explore the assertion that motivation may be the crucial link between intent and action as this remains an under-researched area (Carsrud and Brannback, 2011). While investigations into entrepreneurship can be lifted above the individual level into the organisational level, the findings of this study suggest that there remains significant knowledge gaps at the individual level that warrant attention. These gaps include, but are not limited to, not explicitly linking traditional motivation theories such as nAch, self-efficacy beliefs and goal-setting theory, which motivational bases this research has shown to be applicable to social entrepreneurs.

The lack of a comprehensive, universal definition of social entrepreneurship was articulated in the literature reviewed as one of the main obstacles to consolidating the SE field (Martin & Osberg, 2007., Abu-Saifan, 2012., Moss et al). This study, which explored motivating factors of social entrepreneurs as well as the differences in motivation between social and commercial entrepreneurs, may assist researchers in delineating the boundaries of what constitutes SE and what falls into other domains such as philanthropy and humanitarian efforts, through an examination of motivations underlying the individual leader or founder of the enterprise.

As researchers consolidate the articulation of key conceptual foundations of SE, the underlying motivations of the individual social entrepreneur will add to the formulations of the foundational concepts in the field. In the final analysis, academics will have to decide whether further exploration of the individuals behind the social entrepreneurial processes can offer unique and relevant insights into SE research. This study reflects that there is a significant amount of rich data that exists regarding the lived experiences of social entrepreneurs and what drives them.

7.3 Recommendations for practitioners

This study has application for those about to engage in the field and those already operating in it alike. Nascent social entrepreneurs must harness their self-efficacy beliefs, which this study found to be linked to their religion and faith, amongst other characteristics, to embark on setting up ventures that will bring about the social vision they hold. Nascent social entrepreneurs can leverage off the desire to innovate by collaborating with the public and private sector for funding and support to implement their innovations. This study reveals that social entrepreneurs are motivated by empowering their beneficiaries and measure their success by the impacts they have on individuals – they can broaden their measurement of impacts to include metrics that attract donor investors to invest in their ventures. Social entrepreneurs should at all times align their actions to their purpose and calling to ensure they are doing work that is genuinely meaningful to them and this will unlock the high levels of engagement necessary for them to operate in this complex field.

7.4 Recommendations for business

Social enterprises are vibrant and play multiple roles in the economy, as originators of innovations that have social impact and in the exchange of goods and services with business. Businesses which interact with social ventures either as donor investors or in collaborations to foster innovation should be aware that the individuals behind these ventures are motivated by intrinsic factors as evidenced by the research study. These factors, such as the changemaker orientation and alignment to purpose, are inherent in the social entrepreneur. However, business can create an environment that is conducive to the operation of these intrinsic motivators to ensure that the interaction with the social entrepreneurs is both impactful and fruitful.

7.5 Recommendations for public sector and policymakers

Income inequality, lack of access to basic services such as clean water, medical facilities and education are specific socio-economic issues plaguing South Africa (NDP, 2011). Social entrepreneurs utilise market forces to create a new, more just, equitable and sustainable future (Lieberman, Roussos & Warner, 2015). There is a recognition that the public and private sectors do not have the capacity to solve for the social deficits alone (NDP, 2011).

Government and policymakers need to engage with social entrepreneurs in light of this study, with the realisation that extrinsic rewards are not the primary motivators of social entrepreneurship action. Government needs to create an environment that amplifies recognition and acknowledgement of the social impacts wrought by the social entrepreneurs to cater to their need for achievement. In addition, this ecosystem needs to celebrate and encourage the changemaker orientation by, for example, implementing initiatives that inculcate the philosophy that everyone can be a changemaker. The public sector and policymakers must recognise that social entrepreneurs often work outside of institutions, acting as a force of “creative destruction” that unlocks social value (Nga & Shamuganathan, 2010). Thus, there needs to be flexibility and adaptability in dealing with them.

A key finding was the need for autonomy of social entrepreneurs, thus any initiatives taken by the public sector and policymakers should remain cognisant of this in its design and implementation so as to not generate the perception among social entrepreneurs of control and restrictive direction. The public sector needs to acknowledge that through the closeness of social entrepreneurs to the community, they can play a meaningful role in generating innovative solutions to seemingly complex problems from within the community, while the public sector plays its role in creating an enabling environment.

7.6 Limitations and recommendations for future research

The limitations to this study include the following

- Limitations concerning the generalisability of the findings due to the small, unrepresentative sample size (Zikmund et al., 2010). The participants that were interviewed are confined to Gauteng, thus the results may not be generalised to the rest of the population of social entrepreneurs.
- Interviewer bias is likely to play a role as the researcher is prone in these instances to bringing her own biases as she analyses and interprets the depth interviews conducted with interviewees (Saunders, Lewis & Thornhill, 2000).
- In addition to interviewer bias, the reliability and validity of depth interviews may be compromised as the interviewees project a certain “desirable” point of view. There lies with any retrospective research the possibility of bias due to “social desirability”. This can arise specifically when the data-gathering

procedure signals the researcher's intended outcomes as some form of interviews may inadvertently do (Gartner & Shaver, 2012).

Social entrepreneurship is a relatively young field offering many areas in which researchers can apply their efforts. Emanating from this particular study, the following have been identified as fruitful avenues to pursue:

- While this study was conducted at the individual level, utilising the individual social entrepreneur as the unit of analysis, researchers may broaden their perspective beyond this level to include collective forms of social entrepreneurship (Pless, 2012).
- The majority of research on social entrepreneurial motivations remains case based. Further empirical or quantitative studies can be undertaken to confirm the validity of the motivational bases thus far advanced. The insights this paper has yielded may, as was suggested in the literature, be validated by subjecting the finding to more rigorous, quantitative research techniques (Moss et al., 2009).
- Given the findings on the blend of motivations that inform social entrepreneurship, other factors that would go to building a vibrant ecosystem in which social entrepreneurship would flourish need to be researched.

7.7 Conclusion

In a developmental state context, social entrepreneurship has diverse applications in addressing social ills (Urban, 2013). Social entrepreneurs are the change catalysts that find and lead entrepreneurial organisations in their efforts to tackle social needs. Rather than sitting on the fence criticising the failures of governments and corporates, they enter the arena and create new enterprises that serve the economically marginalised (Lieberman, Roussos, & Douglas Warner, 2015). This study has been instrumental in the identification of unique motivating factors that drive these entrepreneurial actors. Furthermore, the study produced several key insights that will enable the public sector, policymakers and business to engage with social entrepreneurs.

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9 Appendix 1:

Informed Consent Letter

I am conducting research on social entrepreneurship, and am trying to find out more about the motivating factors that induce individuals to engage in social entrepreneurship. Our interview is expected to last about an hour, and will help us understand the motivations of social entrepreneurs.

Your participation is voluntary and you can withdraw at any time without penalty. Of course, all data will be kept confidential. The research will be presented in a manner that ensures complete anonymity. All intellectual property in the completed dissertation, for which purpose these interviews are being conducted, is the sole property of the Gordon Institute of Business Science. If you have any concerns, please contact my supervisor or I. Our details are provided below.

Researcher name: Ellen Mthombeni

Email: 445888@mygibs.co.za

Phone: 072 901 4723

Research Supervisor: Dr Kerrin Myres

E-mail: resonate@icon.co.za

Phone: 011 485 3055

Signature of participant: _____

Signature of researcher: _____

10 Appendix 2:

Semi-structured depth interview discussion guideline:

1. Introduction:

- Introduce self and purpose of the research
- Confidentiality and informed consent
- The time required to complete the interview
- Benefits of the research to respondents

2. Background history of the individual as well as current role:

- Tell me about your current role – specific details about what it is that they do
- Tell me a little about your background
- Pain points they identified in their community that they believed they could solve for
- Interaction with a mentor or coach or family member or significant person, who inspired them to act
- Any significant events in their formative years that further spurred them to action

3. Formation of the enterprise:

- Why did they decide to form the enterprise
- Tell me how you find yourself involved in this enterprise?
- What resources did they have at their disposal – intellectual, social, physical capital
- Tell me about the most satisfying aspect of creating this enterprise? And the most frustrating?

- Did you always believe you could do this and make a success of it
- Why this form of enterprise and not an alternative or formal employment?
- What innovations in their solution did they believe could solve for the problem they had identified
- Early successes and failures and lessons learnt
- What kept them going despite encountering obstacles

4. The experience of creating a new venture

- What has starting this venture been like for you – high points/low points
- When you needed help who did you reach out to? Was support forthcoming?
- What would you describe as the essential ingredients for someone who wants to take the same journey

11 Appendix 3:

Consistency Matrix

TITLE: Motivating factors of social entrepreneurs: the experience of social entrepreneurs based in Gauteng

Research Question	Literature Review	Data Collection Tool	Data Analysis
<p>Research Question 1</p> <p>What are the unique motivating factors that induce individuals to engage in social entrepreneurship?</p>	<p>Christopoulos and Vogl, 2014</p> <p>Germak and Robinson, 2014</p> <p>Miller et al, 2012</p> <p>Van Ryzin et al, 2009</p> <p>Partzch and Ziegler, 2011</p> <p>Nga and Shamuganathan, 2010</p> <p>Urban, 2013</p> <p>Luke and Vien 2012</p>	<p>Qualitative semi-structured interviews with social entrepreneurs.</p>	<p>Content analysis to identify key themes and words.</p> <p>Coding and analysis using ATLAS.ti</p>
<p>Research Question 2</p> <p>In what ways are the motivating factors of social entrepreneurs similar to those of commercial entrepreneurs?</p>	<p>Visser, 2011</p> <p>Miller et al., 2012</p>	<p>Qualitative semi-structured interviews with social entrepreneurs.</p>	<p>Content analysis to identify key themes and words.</p> <p>Coding and analysis using ATLAS.ti</p>

<p>Research Question 3</p> <p>In what way are the motivating factors of social entrepreneurs different from those of commercial entrepreneurs?</p>	<p>Visser, 2011</p> <p>Miller et al., 2012</p>	<p>Qualitative semi-structured interviews with social entrepreneurs.</p>	<p>Content analysis to identify key themes and words.</p> <p>Coding and analysis using ATLAS.ti</p>
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Appendix 4: Code list and frequency table

Code-Filter: All

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HU: Social Entrepreneurial Motivations

File: [C:\Users\Thabo\Documents\Scientific Software\ATLAsTi\TextBank\Social Entrepreneurial Motivations.hpr7]

Edited by: Super

Date/Time: 2015-09-24 09:01:55

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RQ1- Closeness to the community

RQ1- Its an obsession E

RQ1 - Changemaker drives action

RQ1 - Closeness to the community

RQ1 - Desire to help others

RQ1 - Doing the right thing

RQ1 - Empowering beneficiaries as a motivation

RQ1 - Extension of the individual

RQ1 - Extrinsic rewards not primary driver

RQ1 - Goal Setting Theory - reaching set goals

RQ1 - Its an obsession

RQ1 - Its seeded in you

RQ1 - Legacy

RQ1 - Mastery

RQ1 - Motivated by money

RQ1 - Need for Achievement

RQ1 - Need for autonomy

RQ1 - Opportunity identification

RQ1 - Passion

RQ1 - Personal experience

RQ1 - Profit orientation combined with social good

RQ1 - Purpose

RQ1 - Saviour or martyr mentality

RQ1 - Search for meaning

RQ1 - Self-efficacy

RQ1 - Taking ownership of the country's problems

RQ1 - The desire to innovate to solve for pain points

RQ1 - There's no plan B (Self-efficacy)

RQ2 - Intrinsic motivation to do the work overrides lack of resources

RQ2 - No conflict between profit motive and social impact

RQ2 - Social entrepreneurs embrace business principles

Code	Frequency
RQ1 - The desire to innovate to solve for pain points	15
RQ1 - Changemaker drives action	13
RQ1 - Need for autonomy	10
RQ1 - Purpose	10
RQ1 - Extrinsic rewards not primary driver	9
RQ1 - Need for Achievement	8
RQ1 - Self-efficacy	8
RQ1 - Goal Setting Theory - reaching set goals	7
RQ1 - Legacy	7
RQ2 - Vision	6
RQ3 - Building family wealth	6
RQ1 - Empowering beneficiaries as a motivation	5
RQ1 - Mastery	5
RQ1 - Personal experience	5
RQ2 - No conflict between profit motive and social impact	5
RQ3 - Autotelic activity. Motivated by achieving that high	5
RQ1- Closeness to the community	4
RQ1 - Desire to help others	4
RQ1 - Extension of the individual	3
RQ1 - Search for meaning	3
RQ3 - Desire to prove that it could be done	3
RQ3 - Empowerment of black people as a motivator	3
RQ3 - Motivated by the satisfaction of creating value	3
RQ3 - Significant person influences entrepreneur in early life	3
RQ1 - Doing the right thing	2
RQ1 - Opportunity identification	2
RQ1 - Passion	2
RQ1 - Taking ownership of the country's problems	2
RQ2 - Intrinsic motivation to do the work overrides lack of resource	2
RQ3 - Extrinsic rewards a motivator	2
RQ1 - Its an obsession	1
RQ1 - Its seeded in you	1
RQ1 - Motivated by money	1
RQ1 - Saviour or martyr mentality	1
RQ2 - Being able to be creative	1
RQ2 - Commercial entrepreneurs more resourceful than SE	1
RQ2 - Social entrepreneurs embrace business principles	1
RQ3 - Grit	1
RQ3 - Redressing the inequities of apartheid system	1

Appendix 5: Ethical Clearance Letter

Gordon Institute of Business Science University of Pretoria

Dear Ms Sithembile Mthombeni

Protocol Number: Temp2015-01290

Title: **Motivating factors of social entrepreneurs: the experiences of social entrepreneurs based in Gauteng.**

Please be advised that your application for Ethical Clearance has been APPROVED.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

Kind Regards,

GIBS Ethics Administrator

