Making Money is not an End in Itself
Creating Meaningfulness among Employees of Social Enterprises
Svensson, Christian Franklin

Published in:
Antípoda. Revista de Antropología y Arqueología

DOI:
10.7440/antipoda18.2014.11

Publication date:
2014

Document Version
Peer reviewed version

Citation for published version (APA):

General rights
Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain.
- You may freely distribute the URL identifying the publication in the public portal.

Take down policy
If you believe that this document breaches copyright please contact rucforsk@ruc.dk providing details, and we will remove access to the work immediately and investigate your claim.

Download date: 14. Dec. 2018

“MAKING MONEY IS NOT AN END IN ITSELF”: CREATING MEANINGFULNESS AMONG EMPLOYEES OF SOCIAL ENTERPRISES

Abstract

The different experiences, motivations and negotiations associated with the social and profit-making dimensions of money are of central concern to the employees of social enterprises. These negotiations become apparent because the social dimension plays a primary role within such organizations. Consequently, it is very important for employees that a balance should be achieved between the two. The meaningfulness of what social enterprises do in expression of their social relations introduces a broader discussion of employees as actors who are embedded within and act across several dimensions and traditions.

KEY WORDS: Social enterprise, meaningfulness, negotiation, plural economy.

Resumen

“EL HACER DINERO NO ES UN PROPÓSITO EN SÍ”: LA RELEVANCIA DE LO QUE SE HACE ENTRE EMPLEADOS EN LAS EMPRESAS CON FUNCIÓN SOCIAL.

Las experiencias, motivaciones y negociaciones que se relacionan con las dimensiones sociales y de la ganancia de dinero son unas características predominantes entre los empleados de las empresas con función social. Estas negociaciones son evidentes, debido a que en las empresas con función social la dimensión social desempeña un rol importante, y, por lo tanto, la relevancia de lo que se hace llega a ser una experiencia con mucho significado para los empleados cuando estas dos dimensiones se libran. La relevancia de lo que se hace como una expresión de las relaciones sociales aborda una discusión más amplia de los empleados como actores que están incorporados dentro de y extendidos a través de varias dimensiones y tradiciones.

PALABRAS CLAVE : Empresa con función social, relevancia de lo que se hace, negociación, economía pluralista.
Introduction

The profile of social enterprises as contributors both to local-level and global growth is rapidly expanding. As a result of the rise of the sector, profit-oriented market approaches are coming under increasing challenge from other more socially-oriented values (Laville, 2011). Social enterprises have distinctive identifications vis à vis the social dimension in different ways. This is apparent among their employees—the subject of this research—who are engaged in a conscious process of negotiation by which they seek to position themselves in relation to the social and profit dimensions. The incentives that affect actors in the social field are diverse and their actions are susceptible to a range of interpretations: those seeking to explain employee motivation by referring simply to the interesting nature of their work or to job satisfaction (Depedri, Tortia and Carpita, 2010: 5) being insufficient. It is therefore important to delve more deeply into employee experiences. One way to do so is to view their engagement in social enterprises as an expression of meaningfulness.

This analytical focus provides an understanding of the approaches and negotiation strategies that are employed by actors in a given field and emphasizes the need to cast light on their experiences and the meanings assigned them (Barth, 1993: 97). This article attempts to extend this field by understanding social enterprises as entities that function as meaning-bearing cultural structures in which—when the social and profit-making dimensions are balanced—employees construct their identifications in ways they find meaningful. Thus, when balanced, the two dimensions create experiences of meaningfulness and, in turn, produce social value. There is, then, a continual process of negotiation underway; it is carried out in accordance with the individual situation of each actor, because meaningfulness is a social construct and is therefore constantly negotiated on an individual and on a communal basis. Research in this field has focused much less on exploring the role played by employees of social enterprises as actors than on systemic approaches that stress organizational, financial or policy themes (Amin, 2009: 31). An anthropological approach could go a long way towards addressing this matter, by stressing the experiences and identifications of individuals (Eriksen, 2001: 313). The semi-structured interviews of twenty employees and of politicians and civil servants that form the basis of this article were exploratory in nature and consisted of open-ended questions. The study was conducted according to Laville’s (2010a: 82) view that research on employees should start with their everyday lives and experiences. Fieldwork was carried out over a period of two years of near continuous presence in the social enterprises and was based on
participant observation, alongside innumerable conversations with informants. This was combined with local knowledge, observations and personal meetings to build up an understanding of the actors in situ (Barth, 1993: 98): establishing in this way an understanding of what it means to be human in this specific setting (Eriksen, 2006: 197).

The article begins by introducing the empirical and ethnographic context, before providing a brief conceptualization of meaningfulness. With the analytical concept of meaningfulness in mind, the article’s final sections discuss the views and experiences of employees in the three social enterprises concerning the profit dimension. This leads to a discussion of the ways in which employees negotiate and seek to balance the social and profit-oriented dimensions of the enterprises where they work, which are understood to provide a culturally determined sense of meaningfulness.

**Empirical context**

The employees of three social enterprises in a municipality in southern Denmark consist of male and female social workers, skilled workers and teaching staff. They range in age from 25 to over 60. The employees stress the collective dimension of the enterprises, and this article takes the lead from their own definitions and representations by defining all paid workers—whether they are directors or regular staff—as “employees”. The three enterprises conform broadly with the definition of Work Integration Social Enterprises (WISEs), which exist principally to integrate vulnerable citizens into the labor market (Bode, Evers and Shulz, 2006). All three enterprises make their profits from market-related production and from close financial cooperation with the municipality. An umbrella term like “social enterprise” suggests a plural approach to research as they concentrate, at one end of the spectrum, on the public good and, at the other, on a more accumulative approach. However, as a result of the mechanisms proper to social enterprises and of the positions of their employees, their focus often lies somewhere between these two extremes (Borzaga, Depedri and Tortia, 2010:13). A conclusive definition of social enterprises remains under discussion, but for the purposes of this article they may be defined as a form of enterprise that balances on the peripheries of the mainstream market. A widely-accepted description stresses their diversity: “Entrepreneurship can be conceptualized as the activity encompassing discovery and exploitation of opportunities in existing and new enterprises. The activity may serve several purposes. Specifically, the purpose may be economic, mainly, and the entrepreneurship is then denoted commercial entrepreneurship. Or the purpose may be societal, mainly, and the entrepreneurship is then denoted social entrepreneurship.” (Schött, 2009: 13). A common way of understanding social enterprises is to see
them as part of the third sector and thus occupying a space that is neither within the market nor the state. Consequently, social enterprises are often considered to be both more moral and more effective than is the norm in either of these two sectors (Alexander, 2010: 222). The motivations that lead people to work in social enterprises are varied and may include a sense of social responsibility, a desire for personal fulfilment or a need to express their entrepreneurial ability (Borzaga, Depedri and Tortia, 2010: 18). Emerging value-based organizations such as these, may be seen as counter-hegemonic entities, motivated by “the aspiration to a better, fairer, and more peaceful world” (Santos, Nunes and Meneses, 2008: viii).

It should be stressed that the plurality of social enterprises extends also to the motivations of employees and other actors associated with them. This processual element consists of a constant process of negotiation and involving the alteration of individual identifications concerning social change and diversity.

The term social enterprise, then, does not have a single universal connotation. On the contrary, it is a term whose meaning is as diverse as are the people involved in the organizations. For this reason, to speak of social enterprises as universal entities with no reference to specific socio-economic contexts makes no sense, as the constructions, negotiations and meanings used to describe them differ enormously. Individual identification processes take place in the social context in which they occur (Jenkins, 2008). Likewise, employee identifications are shaped by the recognition that they are operating in a field where both the social and profit-making dimensions are significant. Engagement, meaningful activities, common business backgrounds, shared activities and the management of boundaries are thus factors that contribute to the make-up of the context of employee identifications.

**Conceptualizing meaningfulness**

If meaningfulness is to be used as an analytical point of departure the term must be negotiated as a social process (Billis, 2010: 62) through a dialectical process framed to make sense of its cultural and social dynamics. Not only are employees influenced by the social constructions and discourse of social enterprises, but the enterprises themselves are also influenced by active and engaged employees: “Culture, here, is not cults and customs, but the structures of meaning through which men [sic.] give shape to their experience” (Geertz, 1973: 312). Culture, in this sense, involves not only the limitations and dimensions of social enterprises, but is also, to a great extent, an expression of actors’ experience of meaningfulness (Barth, 1993: 160). Culture is therefore an expression of
constructs that are both pre-developed and under constant negotiation and evolution. This is a continuous dialectical process, which over time bears witness to the development of both the nature and the context of social enterprises and of their employees.

As human action encompasses negotiations between the social and cultural milieux in which an individual is embedded, so meaningfulness is also a result of negotiation and interpretation: “Meaning is something conferred on an object or an event by a person, not something enshrined in that object or event – that is, it arises in the act of interpretation.” (Barth, 1993: 170). The notion of meaningfulness is as diverse as the actors assigning it and is created through a diversity of elements. Some people may associate meaningfulness with engagement in value-based organizations, some may see it as the accumulation of vast amounts of personal income, while others still think it is found by distancing themselves from the world and entering a monastic order. As Barth reminds us, meaning is an interpreted action, which means that the experience of meaning cannot be molded into a generalized form without adopting a universalist view of human action—and, in this case, we are interested in meaningfulness as experienced by employees in social enterprises. Meaning is not a universal entity for which criteria may be established to determine what is and what is not meaningful: it is both negotiated and a product of culturally related factors (Wenger, 2008: 53, 286).

The negotiation of the meaningfulness that employees feel involves a permanent process consisting of a multitude of possibilities. Employees are motivated by experiencing meaningfulness; indeed, it may be a prerequisite of their being able to operate between the social and the profit-making dimensions. As we will see, in practice, employees only experience meaningfulness when the social dimension is the main focus of a social enterprise.

**Embracing the profit dimension**

All employees are acutely conscious of the social and the profit-making dimension, and do not see the latter merely as a necessary evil. On the contrary, there is a sense that it is necessary to make money in order to produce and maintain the social profile of the enterprise. Anita says that she does not consider it a challenge operating in the mainstream market. She does not envisage participating in an alternative market but is concerned that social enterprises should be able to enter the market on their own terms:

> In fact, you could say that social enterprises choose their platform and that they produce, deliver and distribute in a different way, but they still operate in a market where everyone is
doing the same thing. You are in competition, but you are trying to run a little faster than your teammate from the same running club. It’s not a bad thing really. It’s quite stimulating, given human nature.

Anita’s awareness of the need to maintain product quality and to respond to specific demands is shared by all employees. It is a widespread view that if they are to sell anything, the quality must be of the highest. An example of this is provided by one of the enterprises that pursues the goal of excellence by consistently cooperating with and seeking out new partners who are able to deliver the necessary quality. They are able to do this because they operate in a niche market, which obliges enterprises to respond to particular demands to produce detailed specifications, such as industrial components for a conveyor belt company or specially designed cushions for private companies. Other examples of this trait are provided by enterprises producing customized picture frames or fashion clothing. An important factor for all the employees is the ability to produce something useful as opposed to merely existing as an institution occupying a quasi-market position in the public sphere. Susan expresses this view as follows in a focus group interview:

We have made this company because we can do it our own way; we can do something special. We want to produce something unique and peculiar to us, both because of the way we do it, and because of the way we market it.

Maria adds to this view:

We do not produce for the fun of it; we produce only in response to orders from other companies: I think that is an important parameter. I think they use us because we make a good product. I am not sure that we are always competitive or sharp enough in the sense that they could probably get it done cheaper elsewhere, but in return we are flexible, can deliver here and now because we are fairly close to the companies we are talking about here. Also because it means something for the people here to have a connection with a value-based organization.

Susan and Maria exude a sense of pride that they are able to learn how to produce these high-quality specialized products and supply them to a genuine non-quasi market. Susan says that the future for these kinds of social enterprises may be to become more like profit-oriented companies, which
develop their own ideas for the market rather than operating according to a dominant concept of social value. She mentions some possibilities for sustainable production with developmental aspects built into them: organic farming; sustainable construction; citizen involvement in transforming recreational areas; or working with people with disabilities to develop an annual festival. Finally, she sees potential in proposals for several social enterprises to pool their efforts and skills in order to market their products together. In short, Susan seeks to develop visionary initiatives in this pluralistic field in which there is room for everyone. Combining these efforts, she says, will also deliver a welcome cultural and economic boost to rural areas. Among the challenges inherent to this scenario is that social enterprises must employ experienced people with open minds and the ability to see potential where others see hurdles.

The fact that several employees are simultaneously attracted by profit-oriented production and the social approach illustrates a tendency which is clear from other research carried out among employees of social enterprises, where profit is considered a guarantee of efficiency and survival (Borzaga, Depedri, and Tortia, 2010: 10). Similarly, the employees studied in this research are quite enthusiastic when it comes to developing and marketing new products in order to enhance profits. Thus, we may characterize the diverse actions and negotiating practices among the employees as coinciding with notions of the plural economy (Laville 2011, Evers 2004, Hart, Laville and Cattani, 2011). The decision to embrace an approach that takes into account both the social and profitmaking dimensions gains power when it is considered in relation to the plural economy, which emphasizes the possibility of gaining access to a wide range of options (Hart, Laville and Cattani, 2011: 4). Research by Defourny and Nyssens (2012) further confirms this view: the employees included in this research may well be seen as actors who are seeking to balance the apparently dichotomous relation between the economic and the social and we may interpret their negotiations as creating unity between notions of personal meaningfulness, satisfaction and a sense of social justification. Plurality or diversity is experienced and expressed as a multi-layered understanding of connections consisting, for example, of local community, economy and human relations. This is an important factor when attempting to understand the nature of employee experiences. The diversity is inherent, and perhaps needless to say, also constitutes a principal point of identification. As Anita reflects:

The primary goal is not to make money, but it is a secondary goal and we need to have some sort of revenue for the system to work. But making money is not an end in itself. A social enterprise activity—in my head at least, though it may well be a misinterpretation—is about
more than just doing business. It has a double meaning: balancing the economy; and caring for a particular group of people may go well with making a profit.

This enthusiasm towards applying profit incentives in order to further social ends is a dominant feature of social enterprises (Borzaga, Depedri, and Tortia, 2010:12). Employee responses make it clear they are aware that profit alone does not guarantee them either sustainable livelihoods or an experience of meaningfulness. When speaking of the possibility of cooperating with private profit-oriented companies they frequently mention the challenge of balancing the social and profit-making dimensions. Knud mentions a potential partnership in which a private company would provide classes and activities for disabled citizens: ‘The hurdle with this idea is that there is no time or money to create such a project. But I think both sides would think it was fun, and it would have to be done by someone who had the time. But I don’t know who that should be, or where to find someone who has both the ambition and the audacity to do it.’ He is very aware of the experimental aspect of the idea, and sees both it and the financial aspects as potentially problematic. On the other hand, the money might come from the public sector, and if that were the case then it would not imply extra expense, as the resources would come from the existing, sizeable, public spending in this field, he says. In his view, it is only a matter of channeling the funding in another direction.

Negotiating the two dimensions

Pursuing the social and the profit-oriented dimensions simultaneously provides both a sense of identification and a clear challenge for several actors in social enterprises (Cornforth and Spear, 2010). On the other hand, research shows that the requirement to balance the two principles need not always imply dire consequences for the social value dimension, as value-based organizations “can maintain their values, even in the very constraining circumstances of contract culture, [though this] may require special vigilance and organizational characteristics.” (Aiken, 2004: 5). One way of taking into account both the social value and profit dimensions is to see them as elements to be negotiated and balanced. This is the view of a local politician in the municipality, who, furthermore, sees no problem in accepting profit as a primary goal, as long as it is used to strengthen social value:

I think you really ought to turn things on their head and say: if the primary purpose is production and you have achieved it, then you can take on the social function, because then
you have unequivocal justification. I also think this will be an easier path to take. It is not easy to do in practice, but it is a more robust way than to have a primary object called “the social” and then to have to find something to do that justifies it.

Inherent to this politician’s reflections appears to be a point of view that sees the market and social value as dichotomous (Defourny and Nyssens, 2012). This article advances the view that to identify a dichotomy is to oversimplify, as it is not always possible to distinguish between a market-oriented rationality and a social mission. Additionally, it is not always possible to predict all the implications inherent to developing each dimension; what we can learn, though, is how the actors themselves balance them in the course of their work. Their overall attitude is based on a conviction that social value must always be the main objective. When this is the case, employees gain a sense of meaningfulness and that they are making a genuine contribution (Cartwright and Holmes, 2006). Subsequently, they develop identifications as actors who have achieved an active and socially responsible profile by maintaining and developing a pluralistic understanding rather than a dichotomous one. The social production of meaning is thus achieved by way of a process of negotiation between the two dimensions.

A shared sense of meaningfulness will often widen engagement and activity within an enterprise, and may in turn reinforce a sense of shared meaningfulness (Wenger 2008: 200). Employee engagement seems to imply that a mechanism of communality is at play when they negotiate their raison d’être as a continuing commitment to the social and the profit-making dimensions of their social enterprises, always as long as the social predominates.

For employees, meaningfulness among employees thus places an emphasis on the social in social enterprises, and it is of primary significance to them that they can identify with the social dimension of their work. As Jenny says: “I think the most important thing is revenue and social value. And having the faith that everything more or less comes back to the social.” In this sense, employee actions are negotiated through an experience of meaningfulness when they are acting in a social context and with a social aim, as may be observed in the general incentives and overall concepts that govern social enterprises.

Employee negotiations may be said to be determined by cultural expressions in social enterprises. They are shaped by the shared cultural and social background and common experience of working in a social enterprise, or what may be seen as “an ethnographically ascertained degree of common reality.” (Barth, 1993: 96). Developing a distinctive practice and engaging with the world implies
an “active involvement in mutual processes of negotiation of meaning” (Wenger, 2008: 173), and a sense of meaningfulness, understood to imply ‘doing what needs to be done’, is a major cultural incentive for employees. Wenger argues pragmatically that actors in any field do what needs to be done (Wenger, 2008: 6). What the employees of social enterprises need to do is expressed by the requirement to produce and maintain the social dimension, which in turn is enabled and enhanced by the profit-making dimension. Such behavior may be understood as a process of self-definition: “(…) aligning our efforts with the styles and discourses of certain institutions, movements, or systems of thought can be a very profound aspect of how we define ourselves.” (Wenger, 2008: 196) Similarly, the configurations that occur among employees conform to identifications that come to transcend daily practice, because for them meaningfulness implies making a positive change for others and also as a sense of individual reward.

Identification through boundary demarcation—in this case, of employees vis à vis the profit-oriented market—is a significant feature of any social group, by which it defines itself in opposition to what it is not. This identification process often becomes an expression of selfhood or of a (counter-) identity constructed by others (Barth 1982 [1969], Eriksen, 2002, Jenkins, 2008). Thus, it is not always up to the individual or the group to define the points of identification of which they will be a part. Indeed, it may frequently be a question of which identifications or communities are assigned to them by the contexts in which they operate. These multifaceted identifications are distinguished by the surrounding community and by the employees themselves as alternatives to pure social-benefit or the exclusively profit-oriented mainstream markets. This fits well with the notion that there is often a gap between the two and significant room for maneuver between social value and the profit-oriented market (Laville, 2010b: 231). The process of balancing different dimensions is one of continuous and renewed negotiation, as Etienne Wenger argues: “The meaningfulness of our engagement in the world is not a state of affairs, but a continual process of renewed negotiation.” (Wenger, 2008: 54). The negotiations the employees engage in imply a constant awareness that they should not become overly identified with either the economic or the social dimension of the organizations they work in. This awareness and negotiation is a balancing act between, on the one hand, avoiding too marked a pursuit of profit (with its implied danger of diminishing the social side) and, on the other, being too socially-oriented, implying a dominant focus on the provision of public services. The latter option is no more available to employees than the former, as they would then be identified as public sector or social workers rather than as
employees of social enterprises with their concomitant, plural, connotation of being simultaneously productive, experimental and socially and profit-oriented.

Conclusion
This article’s actor-oriented approach to the social and profit dimensions of social enterprises has discussed the findings of research into the views of employees and how they simultaneously embrace and negotiate the social and the profit-oriented dimensions of their places of work. Research into social enterprises generates a reflection on societal movement towards alternative and diversified economic forms and social sustainability as an alternative to rigid ways of understanding sustainability and the accumulative economy. Though employees in social enterprises embrace the profit dimension, they are always conscious that the dimension of social value remains a central trait of social enterprises. The negotiations employees engage in are concerned with achieving social value and social responsibility by means of a profit-oriented approach; making money presents no problems for employees as long as social value remains the primary focus. Social enterprises, therefore, are not seen as a capitulation to the discipline of the profit-oriented market, because mere profit-making is not countenanced by the employees. The social enterprises examined in this article operate according to the terms of the market, and they may be seen as entities that identify with both sides of the ‘dichotomy’ every time employees mention or reflect on the mainstream market in the same breath, as they emphasize social value as a prerequisite for their existence. Conversely, because they draw inspiration from both dimensions, they are also very aware of maintaining boundaries between them. This article makes no attempt to idealize this balancing act between the public good and the market, with its attendant dangers that the social may be held to be isomorphic with the profit dimension. A leading characteristic of the employees is their ability to consistently balance and remain true to the features of social enterprises by maintaining vigilance and remaining conscious of the changes that could potentially tip the continuum too far towards one or the other of the two dimensions.

In a non-quasi market, the profit dimension plays a significant role for social enterprises, and price, quality, networking and product consistency as well as the monitoring of targets and outputs—play major roles. The awareness displayed by the employees who are the subject of this research when they approach the mainstream market, underlines that for them the profit dimension is a means that is justified by the end of generating social value and sustainability. This inherent reserve accorded profit may symbolize a balance or symbiosis between the market and social sustainability, where it
is no longer a question of speaking of one or the other, but, rather, of employee identifications that might best be described as an espousal of the plural economy.

The cultural dimensions of social enterprise generate a shared experience of meaningfulness as a common reality which is negotiated among employees, further underlining their diversity. Employees gain their experience of meaningfulness by creating social value, pursuing the profit dimension and by producing well developed, professional, market-oriented products. Indeed, it could be argued that these three factors combined—meaningfulness, social value, profit—constitute some of the core elements characterizing the social enterprises examined in this research. In combination, they are factors that in turn reinforce an experience of meaningfulness amongst the employees.

References


