

RESEARCH SUMMARY

Spreading the love: How motivation impacts the internationalisation of social enterprises

2019

Research Aim

The aim of this research was to examine the role of firm and founder motivation on the internationalisation process of social enterprises.

Background

- Social enterprises seek to balance a double bottom line, that is they focus on achieving both financial and social or environmental outcomes through their business activities.
- Social enterprise firms are receiving increasing levels of recognition, both publicly and academically, due to their ability to produce both social and financial value
- Despite acknowledgement that social enterprises are internationalising to address issues of global significance, little is known about their internationalisation process.
- Literature within the social enterprise domain predominantly focuses on the drivers of internationalisation and is yet to explain how motivation differs between these organisations and the role this plays in firm internationalisation

Literature and Theory

- **The Motivation-Opportunity-Ability Model (Macinnis, D., et al. 1991).**

The Motivation-Opportunity-Ability (MOA) framework is based off the concept that an individuals motivation impacts their intention to behave in a certain way. Ability and opportunity act as moderators between the intended behaviour and the behaviour itself. This research draws upon the MOA framework as a theoretical lens for which to examine the international behaviour of internationalisation social enterprises, taking in to account the role of founder and firm motivation.

- **Globalization of social entrepreneurship opportunities (Zahra et al., 2008).**

The increase and awareness of global issues has driven social enterprises to globalise. This research investigates the forces contributing to the formation and rapid internationalisation of social enterprises. Behavioural theory of the firm is used to distil key attributes of social opportunities and show how these attributes influence the timing and geographic scope of social ventures' international operations. This research calls for further research to investigate how the differences in goals and business models effect social enterprise internationalisation.



Method

To conduct this research, a multiple case study research design was employed to examine the motivations behind the internationalisation of social enterprises and how this impacts the firm's international market entry.

The sample included four Australian social enterprises that had internationalised. To achieve both literal and theoretical replication, the sample was selected based on whether the social enterprises were (i) entrepreneurially founded, or (ii) owned by a commercial corporation and/or subsidiary or a parent organisation. A combination of in-depth interviews and thematic analysis of archival data was utilised, such as annual reports and publicly available information, including marketing and website collateral.

Following the completion and transcription of the interviews, the coding framework was extended to allow for the emerging themes and to support the major MOA framework. Both manual coding and NVivo was utilised to identify themes that responded to the research question and uncovered empirically significant insights

Findings

How and why does firm and founder motivation influence the internationalisation process of social enterprise firms?

- Founders with deeper internal connection to the firm's social mission had increased intrinsic motivation. It is suggested that firms with higher intrinsic motivation are also seen to have lower levels of internationalisation
- Founders who were less personally connected to their social mission were more likely to respond to external pressures (i.e., market saturation, the need to generate profit and customer demand) when internationalising, achieving higher levels of internationalisation

How and why does firm and founder recognition of opportunities and abilities influence the internationalisation process of social enterprise firms?

- Entrepreneurially founded firms purposively created and exploited international opportunities and were more prone to adapting their product or service offerings to meet foreign market requirements when seeking opportunities
- The unique ability of social enterprise firms to view markets as an opportunity to create and achieve social impact has enabled them to select markets traditionally viewed as "unappealing" to commercially driven firms.

Contributions and Implications

Theoretical Contributions:

1. Motivation is linked to the social enterprise internationalisation process
2. Internal firm and founder resources are important for social enterprise internationalisation
3. The firm's social mission can be used as a strategic lever for network creation and internationalisation

Managerial Contributions:

1. Social enterprise founders need to work towards achieving a balance between extrinsic motivation and the internal firm requirements
2. Internal founder and firm-level resources need to be developed for social enterprises' internationalisation
3. Social enterprise founders can leverage the firm's social mission to align with key partners for internationalisation

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