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Deconstructing the Way in which Value Is Created in the Context of Social Entrepreneurship

Martine Hlady-Rispal and Vinciane Servantie[1]
Limoges University, IAE, CREOP Research Team, 3 rue François Mitterand 87031 Limoges, France, [1]Los Andes University, School of Management, Los Andes University, Calle 21 #1-20, Bogota, Colombia
Corresponding author email: martine.hlady-rispal@unilim.fr

According to existing literature, the core of social entrepreneurship (SE) knowledge is evolving and, as such, it has made important contributions to theoretical definitions and essential characterizations. However, more theoretical issues need to be addressed before the SE field can be fully explained and understood. In particular, the authors observe in the literature that, within empirical or conceptual studies, almost all authors use the term 'value', but seemingly assume the dimensions of value rather than define or analyse its connotations and components. This paper uses the value construct and its multi-faceted dimensions to deconstruct the way in which value is created in the SE context. The authors argue that an analysis based on value generation, value capture and value sharing provides important insights into the specificity of SE research and can facilitate future theorizing. Through the conceptual lens of this central concept of value emanating from value theory and business model literature, the authors abductively analyse and classify the studies, providing a practical resource. The authors discuss the phenomenon, presenting an integrative framework that facilitates a clearer understanding of the social value creation process and suggest future research areas as openings for theory development in relation to value creation, its main components and flows.

Introduction

Following over two decades of development, research in the field of social entrepreneurship (SE) still affirms the need to develop firm theoretical ground on which to assess its numerous manifestations (e.g. Chell *et al.* 2010; Choi and Majumdar 2014; Doherty *et al.* 2014). Since Dees's (1998) seminal article, a multitude of studies have clarified the boundaries and goals of SE (Chell 2007) and integrated insights from existing theories to extend SE understanding (Dacin *et al.* 2011). On a general basis, most definitions, such as those by Mair and Marti (2006), Austin *et al.* (2006) or Nicholls (2008), relate to SE as the process of identifying, evaluating and exploiting opportunities to create social value that can occur within or across the non-profit, private for-profit and public sectors. More specifically, SE involves innovative hybrid organizations that engage in 'the dual mission of financial sustainability and social purpose' (Doherty *et al.* 2014, p. 417). Their social entrepreneurs prioritize social value over economic value, even though they actively seek commercial incomes in order to diversify their sources of revenues (Dees 1998).

This paper uses the value construct to analyse the way in which value is created in the SE context. The different dimensions of value are embraced in the SE literature, and almost all authors use the term 'value'

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to characterize social entrepreneurs, social enterprise or the SE phenomenon. Described as the underlying logic of SE (Choi and Majumdar 2014), social value creation is one of the most broadly discussed in the literature on SE (Austin *et al.* 2006; Dacin *et al.* 2011; Kraus *et al.* 2014; Mair and Marti 2006). However, social value creation is perceived as a multifaceted and ambiguous aspect of SE that is complex to measure and to comprehend (Choi and Majumdar 2014). While the main purpose of SE is to create social value, an integrated framework that explains the main distinctive dimensions of value and their interactions is still missing. Following Austin *et al.*'s (2006) approach, we offer a theoretical framework using an analytical model from commercial entrepreneurship referred to, in this review paper, as the 'business model' (BM). The BM has been used in trying to tackle the issue of 'total' value creation (Amit and Zott 2001; Zott *et al.* 2011). It refers to the logic of an organization, 'the way it operates and how it creates value for its stakeholders (Casadesus-Masanell and Ricart 2010, p. 197). Among the main components of value examined by BM literature, value generation, value capture and value sharing define what BMs seek to explain (Shafer *et al.* 2005; Verstraete and Jouison-Laffitte 2011a,b; Zott *et al.* 2011). This clarification is useful for understanding how social ventures evolve to produce social change (Hlady-Rispal and Servantie 2016). We argue that it can also foster a better understanding of the SE domain.

From this standpoint, we examine the SE literature through the concepts of value and BM, extending previous reviews on SE. We thematically code and analyse academic articles published between 1991 and 2014. By establishing the concept of value as a central concept and BM as an analytical grid, we aim to offer a contextually relevant explanation of the process of value generation, value capture and value sharing, enabling readers to understand flows from one dimension of value to another and, consequently, the process of value creation. This review answers Choi and Majumdar's (2014) and Doherty *et al.*'s (2014) call to develop theory on value within the SE field and is guided by the question, 'How is value created in the context of social entrepreneurship?'

The relevance of linking value and BM literature with SE research

Value literature can be found in management research, including SE research. It exposes distinctive understandings and aspects of the value concept in very different contexts, and mentions complex value processes (Bowman and Ambrosini 2000, 2007, 2010; Gummerus 2013; Schmidt and Keil 2013). However, as in the SE literature, there is little agreement on what value creation actually is or how it can be attained (Austin and Seitanidi 2012; Lepak *et al.* 2007). In contrast, the BM literature incorporates the structuration of value, enabling the definition and analysis of different dimensions of value and their interconnections. It provides a framework for understanding value flows and transactions that connect activities in a systemic way (Amit and Zott 2001). In so doing, the BM construct enlightens and predicts value creation processes (Amit and Zott 2001; Casadesus-Masanell and Ricart 2010); it defines the logic of the venture and the way in which value is generated, captured or shared within a value network (Shafer *et al.* 2005; Verstraete and Jouison-Laffitte 2011a,b; Zott *et al.* 2011). We therefore use value definitions from the value literature, including SE research, and the BM literature as a base from which to analyse SE.

In the BM literature, value creation refers first to value generation and value proposition. Value generation is enabled by human capabilities and organizational resources required by the venture in order to operate (Verstraete and Jouison-Laffitte 2011a,b; Zott and Amit 2010). The SE literature argues that value is created by a number of different actors, the first being the social entrepreneur(s) in interaction with other stakeholders (Hlady-Rispal and Servantie 2016; Seelos and Mair 2005). The actors' values and skills as well as the ways in which these actors are linked have an impact on the degree of value generation (Bowman and Ambrosini 2010). Value proposition relates to the value that an entrepreneur wishes to provide to a target market through an organization (Anderson *et al.* 2006; Austin *et al.* 2006; Kraus *et al.* 2014). It requires the analysis of 'use value', what the organization believes its customers value the most (Bowman and Ambrosini 2000; Covin *et al.* 2015), and the transmission of this to the different stakeholders in order to receive resources and skills that will create competitive advantage (Covin *et al.* 2015). According to the value and BM literature, the expansion of value generation depends on the relevance of the value proposition (Covin *et al.* 2015), the ways in which flows of information, resources and goods are managed, and the choice of a pertinent legal form of organization (Zott *et al.* 2011).

The second dimension of value creation – value capture – relates to value retention (Lepak *et al.* 2007) or value appropriation by the social venture (Santos 2012). It is enabled by revenue streams derived from the goods or information being exchanged, the financial streams from different stakeholders, after taking into account the cost of capital and the cost of the resources assembled (Morris *et al.* 2013; Santos 2012; Zott and Amit 2010). In sum, it refers to the firm's economic model, its logic for earning profits and its ability to manage its cost structure (Morris *et al.* 2013) as well as its financial and non-financial performance (Verstraete and Jouison-Laffitte 2011a,b). Examining the ways in which value capture occurs in social ventures enables us to characterize the specific challenges of social ventures' sources of revenues, their multifaceted performance and their associated challenges.

The third dimension, value sharing, refers to the value flows that take place in the ecosystem within which the social organization evolves (Emerson 2003; Verstraete and Jouison-Laffitte 2011a,b; Zott and Amit 2007). Value sharing considers the transfer of value from the social venture to a wider ecosystem, including returns for other stakeholders and society at large (Hlady-Rispal and Servantie 2016). It is related to the impact that the venture has on the architecture of the ecosystem in which it evolves and the advantages it provides for stakeholders and society (Porter and Kramer 2011). The returns for the stakeholders are defined by the value literature as exchange value (Bowman and Ambrosini 2000, 2010; Lepak *et al.* 2007), and these can be: financial, in terms of the price paid in exchange for using a service or product; social, in relation to the reputation or notoriety the stakeholders build through their investments in another organization; or societal, insofar as they benefit the environment and the community (Bowman and Ambrosini 2000). The distribution of value enables the creation of a value network – a network of relations with external stakeholders (suppliers, customers, partners, institutions, regulators) – that spreads the venture's resources (Amit and Zott 2015; Demil and Lecocq 2010; Zott *et al.* 2011). The SE literature insists on the social ventures' specific purpose, which favours a greater redistribution of resources toward the disadvantaged, their communities and society (Austin *et al.* 2006; Certo and Miller 2008; Chell 2007; Mair and Marti 2006).

Thus, value generation deals with the sources of value creation, value capture relates to the benefits retained by the venture, and value sharing refers to value exchanges and value reallocation (Hlady-Rispal and Servantie 2016; Verstraete and Jouison-Laffitte 2011a; Zott and Amit 2010). The three components highlight, to varying degrees, the social entrepreneurs' capabilities and organizational resources needed to turn value into reality (value generation), the overall benefits retained by the venture (value capture), and the value flows that occur in an ecosystem during exchanges with stakeholders that benefit the social venture through a value network and society as a whole (value sharing). As stated by Amit and Zott (2001), value-creation mechanisms bridge the boundaries of the venture and the ecosystem. The BM literature offers a modelization grid that makes the SE phenomenon more easily understandable and can facilitate future theorizing. We argue that an analysis of SE research based on value generation, value capture and value sharing may contribute to the conceptual understanding of a field that defines itself through the concept of value. The following method section explains how we built an integrated theoretical framework to analyse how value is created in the SE field.

Method

This review involved several steps and follows the principles of thematic coding of qualitative research (in particular, we scrupulously examined and adapted the method developed by Jones *et al.* 2011). The analysis followed a series of iterative steps.

- *Phase 1: Paper selection and database consolidation*

We first searched for papers that clearly explore SE as a phenomenon including social entrepreneurs and their enterprises, characterized by a social purpose achieved, at least partially, through an economic activity. We included refereed journal articles published between 1991 and 2014 only, identifying 581 papers (before 1991, we only identified working papers, books and book chapters). We conducted a keyword search identifying pertinent SE titles and publications through the ABI Inform and EBSCO search engines, with the terms 'social entrepr*', 'social entrepreneur', 'social enterprise', 'social entrepreneurship' and 'social venture'. We searched selected key journals to ensure that we also included pertinent articles that did not contain the specified keywords. Both authors then agreed on which papers should be included. Of 581 papers, we selected 470, excluding studies on charities, nonprofits or sustainable enterprises and associations that did not deal with entrepreneurship as well as papers published in non-academic journals (see Appendix S1).

- *Phase 2: Descriptive codification*

The aim of this codification phase was to explore the current status of the field. A database was created in Dropbox to record and compare the researchers' coding, and each paper was coded according to the research topic, the papers' purpose and/or research question, its main theoretical constructs, the research contributions, the methodology and the definitions of SE. Each author made general comments on the papers. This first descriptive codification enabled the researchers to identify the recurrent concept of 'social value' in almost every paper. In some papers that we later also positioned in the value literature (Phase 3), we identified other aspects of value, such as 'value creation', 'value capture', 'value devolution', 'value sharing', 'exchange value' or 'social value proposition'.

- *Phase 3: Abductive codification*

Once we had noted that almost every SE paper quoted the term 'value', we decided to follow an abductive approach that enables the researcher to interpret and recontextualize a phenomenon within a conceptual framework (Hlady-Rispal and Jouison-Laffitte 2014). We examined value literature inspired by Austin *et al.*'s (2006) approach, which characterizes SE using an analytical model from commercial entrepreneurship. We observed that, within value literature, the BM literature offered a modelization grid that explained value creation. We created a second database of 96 papers separated into two Excel tables: value papers (41 papers, some of them also belonging to SE literature, such as Agafonow 2015; Austin *et al.* 2006; Austin and Seitanidi 2012; Santos 2012); and BM papers (55 papers) (see Table 1). In the BM literature, we found concepts that we also identified in the SE literature, but were considered in relation to one another in order to explain value creation; i.e. value generation, value capture and value sharing. In particular, we mobilized the definitions and frameworks by Casadesus-Masanell and Ricart (2010), Shafer *et al.* (2005) and Verstraete and Jouison-Laffitte (2011a,b). Amit and Zott (2001, 2015), Zott and Amit (2007, 2010) and Zott *et al.*'s (2011) value flows analyses also contributed.

We therefore established a general codification based on the value concept. We conducted a systematic search for the word 'value' to identify its meanings and use in all the SE papers. Each paper's content was recoded according to the framework built from the value and BM literature; i.e. value generation (through social entrepreneurs and organizational value creation), value proposition, value capture (the way in which value is captured by its sources and outcomes), value sharing (the returns for the community and society at large, through the understanding of the different stakeholders' contexts and expectations) in connection with a value network (the network of relations spreading the social venture's resources).

- *Phase 4: Article classification*

The final step consisted in deepening the codification of each article within each specific category: value generation, value capture or value sharing. In this final stage, the papers were coded by their different value themes, so that the concepts in a paper classified as 'value generation' would include supporting themes such as 'social entrepreneurs' or 'organizational value creation'. Then, a paper dealing with 'social entrepreneurs' would also have another specific theme derived from Phase 2 (descriptive codification such as 'values and prosocial motivation', 'types', 'personality traits', 'education' or 'rhetorical strategy'). In order to code the articles, the themes were regarded as mutually exclusive, even though a number of articles dealt with one or several interconnected value dimensions. Themes were reviewed for redundancy or duplication by both researchers.

The following section analyses the SE literature through the value framework that was progressively elaborated. The key and most clarifying papers of each dimension are quoted. While such articles can only offer partial support for academic evidence for our purpose, they offer useful insights that elucidate the way in which value is created in the SE domain.

Findings

The findings progressively reveal a theoretical framework, built from the SE, value and BM

Table 1. Reviewed publications

		Number of papers			
SE literature	470	Value generation and social value proposition	Value capture	Value sharing	Review articles
		54%	16%	26%	4%
Value and BM literature	96	Management literature	SE literature	BM literature	
		36%	7%	57%	

literature, which explains how value is created within the SE context. The section 'value generation and social value proposition' examines how SE literature studies social entrepreneurs' and social enterprises' role in value creation and the social ventures' distinct offer; 'value capture and performance' examines the specific revenue streams and performance characterizing SE; 'value sharing' and 'value network' analyse papers focusing on the ecosystem, value exchanges with stakeholders and returns to society.

Value generation to fulfil the social value proposition

The discussion concerning value generation must clearly articulate both its sources and its targets (Lepak *et al.* 2007). Value generation occurs through entrepreneurs (individual level) and organizations (social enterprise level). The BM literature indicates that entrepreneurs are a major source of value creation in interaction with a value network that provides the project with resources (Shafer *et al.* 2005). Together with their teams, they elaborate a value proposition, which communicates the benefits that will create value for different stakeholders (Anderson *et al.* 2006; Verstraete and Jouison-Laffitte 2011a,b). Value is also generated through an organizational system that will seize and combine resources to deliver the proposed value to its targets (Zott *et al.* 2011). This section shows both the content and the process of value generation in the SE context. It unravels several characteristics and specific challenges as regards social entrepreneurs in interaction with their stakeholders, organizational issues such as management systems, social innovation, legal forms and the strategic role of the social value proposition.

Social entrepreneurs. Within a value perspective, research on social entrepreneurs presents them as a source of value creation. It appears from the SE literature that the potential for a social venture to create value for society is a function of the entrepreneurs' values, motivations and skills. Among the early studies, Waddock and Post (1991) employ the term 'catalytic change' when analysing social entrepreneurs. Many subsequent studies tend to build on Dees (1998) to describe social entrepreneurs as a rare breed of change agents in society (Hemingway (2005) uses the term 'moral agent'). Through radical or adaptive social innovations, they adopt a wider viewpoint on value creation than traditional entrepreneurs. What all the definitions have in common is that social entrepreneurs are not driven by profit, but rather by social impact (qualified as 'pro-social motivation' by Renko 2013). Prosocial motivation is entrenched in values of universalism and benevolence. It stresses the importance of generating benefits for others (Grant 2008) and encourages social entrepreneurs to find new means of social value creation (Renko 2013). Some of the rare studies related to social entrepreneurs' backgrounds point out that they may have suffered traumas in their childhoods (Barendsen and Gardner 2004), and that women (especially non-whites) are more likely to play such roles in society (Van Ryzin *et al.* 2009). Their social values may be the product of their own experiences or their awareness of social injustice. Nga and Shamuganathan (2010) also demonstrate that personality may be affected by an individual's perception, values, beliefs and experience, which, along with demographic factors, motivate SE decisions.

Questions regarding 'what is value/valuable, who values what, and where value resides' (Lepak *et al.* 2007 p. 181) are also tackled by authors focusing on types of social entrepreneurs facing different contexts and purposes, such as the civic entrepreneur (Henton *et al.* 1997), the ecopreneur (Dixon and Clifford 2007; Pastakia 1998) or the international for-social-profit entrepreneur (Marshall 2011). Responsible citizenship, respect for the environment and the search for balance between profitability and social impact are values promoted by both European and North-American researchers. The study by Zahra *et al.* (2009) also detects different types of social entrepreneurs – bricoleurs, constructionists or engineers – who face different ethical challenges, depending on their rationale, the resources they need to pursue their goals and the established governance systems that regulate their behaviours. Value resides in community participation, transparency and stewardship. Such behaviours facilitate interactions with the value network, social entrepreneurs being recognized as 'others-serving' rather than 'self-serving' (Zahra *et al.* 2009). Few studies consider types of social entrepreneurial teams, their members' complementary management skills, their potentially conflicting values and their distinctive relationships with the value network (Doherty *et al.* 2014). This is surprising, given that many social ventures are governed by teams rather than by a social entrepreneur (Defourny and Nyssens 2008).

The acquisition of values is also tackled by research on social entrepreneurs' education. It insists on the need for dedicated business training, which enables future social entrepreneurs to integrate social, environmental and economic values. For example, Pache and Chowdhury (2012) propose an overall educative model based on the three logics characterizing SE: social progress, and economic and public sector logic. They show how various pedagogical tools can help students acquire the skill of bridging these logics by understanding the presupposed norms and values that influence the behaviour of the different actors with whom they will be in contact. In line with Gummerus' (2013) analysis, their model helps students to understand that value is context specific and that their actions will become valuable through interaction with their value network.

Convincing strategic stakeholders to be part of the value network is another challenging but mandatory exercise for the entrepreneur (Verstraete and Jouison-Laffitte 2011a,b). Developing an optimal relationship with identified stakeholders is indeed essential for the participation of the value network in value generation. Social entrepreneurship studies that focus on this topic use the words 'rhetorical strategy' (Ruebottom 2013) or 'advocacy' (London 2008) to characterize the social entrepreneurs' conviction exercise. They show that, since the value distributed is not mainly economic, it is more difficult to convince stakeholders to commit to a social project. In order to create legitimacy, Ruebottom (2013) explains that social entrepreneurs exploit distinct blends of meta-narratives, including grassroots social movements, science and entrepreneurship, or the traditional business–charity combination. He states that language is a significant and underexploited tool that can be used by social entrepreneurs who often have limited resources and power to convince others. London's (2008) study on advocacy also shows that the motivation of social entrepreneurs is a function of their conviction, self-confidence and extroversion. Other studies insist on marketing communication skills to create value (Bloom 2009; Eikenberry and Kluver 2004). They demonstrate that value means different things to different stakeholders, specifically its beneficiaries, employees, volunteers, customers and investors, and that different communications need to be developed. They also sometimes adopt a more critical perspective on marketing practices and their potential contradictory impact on value creation. For example, Dempsey and Sanders (2010) analyse a number of social entrepreneurs' autobiographies to elucidate how marketization models the interpretation of professional life and favours a servant leadership perspective based on self-denial at the expense of wellbeing and family.

Organizational value creation. Research focusing on organizational value creation shows how the offer can be produced by the enterprise (Casadesus-Masanell and Ricart 2010; Verstraete and Jouison-Laffitte 2011a,b; Zott *et al.* 2011). It relates to the acquisition, combination and delivery of information, resources and skills that form modes of governance and management practices. These value flows are strongly connected with the social venture's mission and value proposition (Covin *et al.* 2015; Dees and Elias 1998).

Without building new theories, SE studies on modes of governance propel new insights into governance mechanisms, organizational methods and BMs that could potentially enrich the theory in this area (Dacin *et al.* 2011). They insist on a more active and instrumental role of boards within social ventures (Coombes *et al.* 2011) and on the deployment of communitarian values (Ridley-Duff 2010). They underline the need to invest in building organizational capabilities based on the complexity created by the existence of different targets, the capture and combination of different resources, and tensions present in social–business (e.g. Smith *et al.* 2013; Zietlow 2001). When they focus on alternative BMs, studies point out that successful social ventures create value by building complementary networks of stakeholders and integrate their target groups into the social value network (Hahn 2012; Mair and Schoen 2007).

Bricolage and effectuation are emergent concepts dedicated to the understanding of management systems and value creation (Desa and Basu 2013; Sarasvathy *et al.* 2013). Within the SE literature, the term 'bricolage' is sometimes preferred to 'effectuation', because bricolage highlights SE's flexible dimension and may be particularly suited for studying enterprises designed to create social and commercial value in the midst of resource scarcity (Di Domenico *et al.* 2010; Mair and Marti 2009). However, both concepts are used to examine how opportunities are created, recognized and/or enacted in the context of institutional entrepreneurship (bricolage – Mair and Marti 2009) or social value creation (effectuation – Corner and Ho 2010).

Social value creation is also achieved through innovation and change. Social entrepreneurship is, by essence, a value-creation process that combines resources in innovative ways (Mair and Marti 2006). Social innovation is an integral aspect of SE (Choi and Majumdar 2014). Over the past few years, the topic has received growing attention (Shaw and de Bruin 2013), and recent studies show more precisely how social innovation is enacted by organizations. For example, Chalmers and Balan-Vnuk (2013) examine how social innovation highlights the importance of social innovators' community engagement. Among the rare studies exploring the exploitation and maximization of SE opportunities, Perrini *et al.* (2010) describe a process-based approach to SE, in which they recognize the interdependence between individual, organizational and contextual levels. Some studies also consider innovation from an international perspective, explaining the factors that influence the rapid and early development and internationalization of social ventures (Chell *et al.* 2010; MacDonald 2010) or exploring how research in SE can contribute to the field of international entrepreneurship (Zahra *et al.* 2009, 2014).

As indicated by Zott *et al.* (2011), the choice of a relevant legal form of organization also contributes to value generation. Although SE studies mainly address the topic of legal forms without linking it to value creation, a few more analytical studies (e.g. Bacq and Janssen 2011; Defourny and Nyssens 2010, 2008; Townsend and Hart 2008) specifically show that there are different possible explanations for the generation of value through the choice of an organizational form. For example, Defourny and Nyssens (2008) examine a number of new European legal forms that serve a broad community and concentrate on collective value creation such as the 'cooperative' in Italy, the 'Community Interest Company' in the UK, the 'social purpose company' in Belgium, the 'collective interest co-operative societies' in France or, in Finland, the 'work insertion social enterprises'. They also show that numerous European legal innovations have destroyed value generation owing to the considerable number of requirements for social ventures. The American approach is less dependent on legal forms and, rather, focuses on activities of substantial social value (Defourny and Nyssens 2010).

The social value proposition. Austin *et al.* (2006) and Kraus *et al.* (2014) present the social value proposition as a core concept that enables the exploration of the differences and similarities between traditional and social ventures. The social value proposition focuses on the opportunity 'to create social value by stimulating social change or meeting social needs' (Mair and Marti 2006, p. 37). It represents a convincing promise to provide direct beneficiaries with something that is of value to them, and this is perceived as valuable by different stakeholders (Verstraete and Jouison-Laffitte 2011a,b). It thus refers to the social venture's distinct offer, which is developed after an analysis of the costs, benefits and value that a venture can deliver to its beneficiaries (Covin *et al.* 2015). Austin *et al.* (2006) affirm that a clear alignment to the operational system is required, warning social entrepreneurs to remain focused on the social value proposition. They observe that social entrepreneurs can become progressively committed to managerial matters, rather than focusing on their value proposition of realizing social change.

A close examination of the social missions is needed to analyse the relevance of the social value proposition. A dominant social mission creates social value (Certo and Miller 2008; Desa 2012; Miller and Wesley 2010) and enables the social entrepreneurs to remain focused on the social value proposition (Austin *et al.* 2006). Studies focusing on the social mission acknowledge the complexity inherent in social value creation that needs to be translated into the social mission. However, few studies analyse the dual mission complexity that can dampen value creation as a result of differing values (Doherty *et al.* 2014; Moss *et al.* 2011; Stevens *et al.* 2015). Stevens *et al.* (2015) highlight that divergences between social missions and economic purposes is echoed in their values and identity; for example, social values relate to the well-being of people, communities and societies, whereas economic values relate to economic return and shareholder wealth. Moss *et al.* (2011) explore the main values outlined in mission statements, which reveal organizational identities. The authors demonstrate that the social ventures have dual identities: product-oriented missions (i.e. utilitarian organizational identity) and people-oriented ones (i.e. normative organizational identity). The social ventures analysed show a greater normative identity and an equivalent utilitarian identity compared with commercial ventures.

Value capture

Even if a limited number of studies investigate value capture exclusively, many mention the specific social ventures' resources and a broader view of 'classical' value capture and financial performance. Value capture refers to the company's ability to seize value (Bowman and Ambrosini 2000; Lepak *et al.* 2007; McWilliams and Siegel 2011). It is measured at organizational level (Santos 2012) and is affected by revenue streams and enterprises' fundamental cost structure that will potentially enable performance (Morris *et al.* 2013). Within the SE context, value capture is geared primarily towards the achievement of the social value proposition (Austin *et al.* 2006). Durable value capture depends on social value creation (Dees 1998), and activities that enable value capture without social value creation will be considered illegitimate by society (Santos 2012). At the same time, some financial partners may strive to understand the social value proposition and to consider social ventures as financially sustainable (Weerawardena *et al.* 2010).

Revenue streams. Silby's (1997) is the first study related to the acquisition of financial resources in a SE context to be published in a finance journal. Many subsequent studies evoke the potential that social ventures have to diversify their sources of funding to include earned income as well as grants, donations and other forms of philanthropy (Emerson and Twersky 1996; Miller and Wesley 2010; Teasdale 2010). Many also point out that some level of value capture is important to secure the development of the ventures, mentioning, for example, the fast-paced growth of microfinance organizations (Ivins 2008; Khoja and Lutafali 2008) and the factors that influence their capacity to repay when they create both economic and social value (Moss *et al.* 2015). When philanthropic venture capital is preferred, SE investors need to be selected according to their social preference; that is, they should prefer those value-creating activities that benefit society, reduce poverty or preserve the environment, depending on the social ventures' mission rather than those value-creating activities that add to their short-term profits (Mair and Marti 2006). The fact that non-profit social enterprises have to reinvest their earnings in the project helps to align the interests of the donors with those of the receiver, making the investor focus on the operation rather than the benefits (Scarlata and Alemany 2010). Another way to deal with the challenges regarding the mobilization of financial resources is to develop commercial, financial or cross-sector partnerships (e.g. Austin *et al.* 2006; Di Domenico *et al.* 2009; Nwankwo *et al.* 2007).

Performance – social return on investment (ROI). Performance is linked with the capacity for social ventures to elaborate and communicate a value proposition assessed as appropriate by beneficiaries and other stakeholders (Covin *et al.* 2015; Kraus *et al.* 2014). It relates to the efficiency with which the social venture fulfils its intended promise rather than to its capacity to capture revenue (Austin *et al.* 2006). Indeed, Seelos and Mair (2005) shed light on the limited potential of social ventures to generate financial resources from the value created in several SE contexts, such as those addressing basic social needs – nutrition, housing, education – because the beneficiaries cannot afford to pay even a small percentage of the cost of the products and services provided. Therefore, efficiency rather than exclusive financial profitability needs to be considered as regards performance. Several studies tackle the problem of performance measurement, mentioning the issue of denoting potential for social impact (e.g. Austin et al. 2006; Dees and Anderson 2003; Short *et al.* 2009).

Financial performance focuses on profit as part of the value captured by the firm. Real profit only exists when the income statement is positive even after discounting the cost of capital and, predominantly in a SE context, the cost of the mobilized resources (e.g. Bowman and Ambrosini 2000; Mizik and Jacobson 2003; Morris et al. 2013). Social ventures aim to capture the exact value they need to maintain operations and reinvest in expansion and in the achievement of the social mission (Dacin *et al.* 2010). However, Townsend and Hart (2008) explain that stakeholders' and entrepreneurs' perspective of economic or social value creation will affect their decision of whether or not to adopt a more profit-oriented approach. In a completely different context, Van Putten and Green (2010) find that recessions have a positive impact on social ventures' financial performance thanks to factors such as cheap skilled labour and supplies, new Web instruments, tax benefits and social networks. In contrast, Austin *et al.* (2006) suggest that philanthropic donations are more challenging to secure in economically trying times.

What makes performance a difficult concept to quantify within SE is that societal benefits are often intangible, difficult to reckon, problematic to accredit to a specific venture, and best assessed in the future (Dees and Anderson 2003). For example, Owen *et al.* (2000) state that the absence of clear and reliable social impact measures makes it difficult to demonstrate convincingly the social benefit of a particular organization to key stakeholders. Kroeger and Weber (2014) quantify and compare social value creation and assess the effectiveness of interventions, regardless of the sector in which they occur. Among these studies, a key concept relating to value capture – the social ROI – is of particular interest for the SE domain. Nicholls (2008, 2009) suggests that value captured should not be assessed only at an economic level, but also at social and environmental levels within 'an organizational legitimacy approach'. The social ROI is meant to assess the total performance and returns for the social venture. Non-financial performance that accounts for social and environmental outcomes is intrinsically coupled to financial performance (Nicholls 2009). In addition, social ventures do not necessarily need to relinquish their financial performance in order to generate more social value (Emerson 2003). On the contrary, they need to account for the value of social benefits they create and deduct the costs of achieving those benefits in order to convince their stakeholders to stay engaged (Rotheroe and Richards 2007). A good reputation, socio-effectiveness, eco-effectiveness, sufficiency and ecological equity are diverse components of non-financial performance that may increase financial performance in the long term (Parrish 2010; Young and Tilley 2006). However, social performance also reflects trade-offs between value creation and captured revenues. For example, financial investors often need to consent to a lower and slower rate of return in exchange for social value creation (Doherty *et al.* 2014). All the same, social entrepreneurs may reinvest profits into the social venture to increase outreach and maximize the quantity–quality mix for the sake of poor customers, preventing their distribution. In that case, Agafonow (2015) employs the concept of 'value devolution' that, according to the author, 'forgoes value capture' (p. 2).

As shown by Nicholls (2009), several studies focus on the challenges related to the capture and measurement of quantitative financial data, while others examine more qualitative social and environmental performance. From a contextual perspective, Doherty *et al.* (2014) observe that North American SE research is dominated by market-based studies on profit generation and social change, whereas in Europe, a more societal approach to value capture is privileged.

Value sharing

Value sharing reflects the value flows that take place in the ecosystem within which the organization evolves, and it occurs at societal level (Emerson 2003; Verstraete and Jouison-Laffitte 2011a,b; Zott and Amit 2007). Stirred by the social value proposition, value sharing triggers a value network that provides the social enterprise with resources (Demil and Lecocq 2010). Value exchanges benefit the social enterprise, the community and society at large when the ecosystem allows reciprocity and incites the partners to embrace a collaborative spirit (Das and Teng 2002). Social entrepreneurship studies on ecosystems, value exchanges with stakeholders, and returns to society from a value perspective enable a better appreciation of how value is distributed within a value network in the context of SE.

The ecosystem. Surprisingly, few SE studies analyse the effects of ecosystems on value creation. An ecosystem is an economic community relating different organizations to a common development objective (Moore 1993). It enables new value creation that no organization could realise alone (Adner 2006). Understanding the ecosystem within which a social venture project takes place is crucial to its success (Shaw and de Bruin 2013). Porter and Kramer (2011) warn entrepreneurs about not accounting for the broader influences that determine companies' long-term success in creating value. Companies need to understand the ecosystem that they are in or want to penetrate, their own process of construction, and the architecture of exchanges that occurs between actors that potentially belong to their value network (Amit and Zott 2015; Teece 2010; Verstraete and Jouison-Laffitte 2011a,b).

Ecosystems are shaped by macroeconomic factors. Without being all-inclusive, Austin *et al.* (2006) state that macroeconomic factors such as political, demographic, sociocultural, regulatory and tax factors affect the social value proposition and value generation. More comprehensively, Gray *et al.* (2014) also elaborate a model showing how external and chance factors affect the recognition and exploitation of sustainable opportunities, considering objectives that seek to increase the value for the community. Ecosystems are also characterized by distinct sets of norms, rules or conventions. For example, Duhl (1993) analyses the conditions for healthy cities and insists on the need for different stakeholders to reason in terms of systems and their associations to create societal value. Entrepreneurs act according to institutions' values and norms, sometimes because they believe in such values and norms, others because they fear the loss of the main stakeholder's commitment (Katre and Salipante 2012). Moreover, the conflicting demands and expectations between social entrepreneurs, institutions and business actors are challenging (e.g. Berglund and Schwartz 2013; Dees 1998; Katre and Salipante 2012) and may inhibit value sharing within the value network.

Value exchanges with stakeholders. Value exchanges take place between the social ventures and their stakeholders; these being disadvantaged persons, consumers, donors, commercial partners, institutions or internal stakeholders.

The targets (beneficiaries and donors) to whom the social value proposition is addressed are very important to consider, as they influence the way in which value is created (Lepak *et al.* 2007). Among the few studies concentrating on disadvantaged persons, customers or donors, Hibbert *et al.* (2002) consider the consumer response to SE in a paper based on a famous example of SE in the UK: the *Big Issue* magazine sold by and for the homeless. The authors examine how the magazine considered public values to benefit the homeless, as consumers appreciate its content and believe that they are helping. De Clercq and Honig (2011), also focusing on disadvantaged people, see entrepreneurship as an integrating mechanism. They show that the disadvantaged successfully participate in social value creation for their community, when they manage to combine the conventions operating in their own sector (the disadvantaged) with those operating in the activity's sector.

Commercial partners are another group of main stakeholders. Austin and Seitanidi (2012) identify different sources of value for commercial partners, including legitimacy, attentiveness to employees, new networks and specialized technical know-how, which can facilitate innovation. The identification of new clientele may also lead to new laws and establish industry standards. Moreover, the authors show that sound identification of the mutual returns can be beneficial for both partners and lead to new types of value exchanges, which they define as 'associational value', 'interaction value', 'transferred resource value' and 'synergistic value'. In the same line, Di Domenico *et al.* (2009, p. 889) evoke that social ventures 'exchange value' when they offer local expertise, network knowledge and social acceptability to their partners in return for financing and commercial know how. Le Ber and Branzei (2010) also stress the advantages of value transfer through partnership between for-profit and non-profit ventures. They do, however, caution that opposing identities and logics on value creation can hinder social transformation in cross-sector partnerships and develop a grounded model that disencumbers the analogous process of value creation in transversal partnerships.

Institutions such as the police (K'nife and Haughton 2013; Roberts and King 1991), the state and cities (Korosec and Berman 2006; Luke and Verreynne 2006) also have great interest in partnering with social ventures that will, for example, contribute to social peace and extend education to violence-stricken areas (Hlady-Rispal and Servantie 2016). In return, institutions will help social entrepreneurs to capture resources, synchronizing with other entities to apply programmes or use tax exemptions and preferential utility charges as incentives (Wong and Tang 2006).

Value exchanges with internal stakeholders also need to be considered. Within the SE context, many workers are part of a community benefitting from the social venture's activity. They take an original stance in participating in the value network by freely giving of their time and their skills, and sharing their knowledge of the community (people, rules and norms) with the social venture, which, in return, gives them a job and provides them with training (Tracey *et al.* 2005). Depending on the social venture's legal form, they can also benefit from profit distribution. Here, a contextualized analysis is required, owing to the divergent position of national actors towards legal forms and the value exchanged between owners and workers. Bacq and Janssen (2011) evoke the existence of three different schools with different positions. They suggest that the North American Social Innovation School has never held a strict position regarding the adoption of a specific legal form or compelled any limitation regarding profit distribution, as it expects an increase in the social added value expected. More restrictively, the American Social Enterprise School has recently admitted the diversification of legal forms for SE organizations that allows some profit distribution to owners or workers. Finally, the EMES

European School encourages a limit to profit distribution to internal stakeholders, given that the main goal is to benefit the community and create social value.

Returns to society. Returns to society refers to the process of value creation for society as a whole (Meyskens *et al.* 2010). They consider social ventures as embedded in a community in which the beneficiaries live; they affect the region, and sometimes even the nation. Returns to society are the main component of the BM of social ventures, and it is this emphasis that differentiates SE from traditional entrepreneurship (Hlady-Rispal and Servantie 2016).

The studies on returns for the community or those focusing on the role of community-based ventures show the economic, social and political implications of the social venture as well as the obstacles inherent in this original positioning (e.g. Tracey *et al.* 2005). They highlight the capacity of social ventures to drive community development (e.g. Thompson 2002; Wallace 1999) and present community entrepreneurs and their entrepreneurial ventures as models (e.g. Borch *et al.* 2008). Recent studies are more focused. For example, McCarthy (2012) examines the capacity of social entrepreneurs to build new institutional fields such as cultural tourism in regional Ireland. Other studies broaden the definition of SE and adopt a more theory-driven objective based on case studies. For example, Peredo and Chrisman (2006) offer a theory of the community-based enterprise, adopting a holistic definition of the concept. Mair *et al.* (2012) propose a typology of SE models that enables four possible forms of capital that can be leveraged: political, human, economic and social. As a whole, the studies insist on the emergence of new environments through the action of quite different actors, and pay attention to the local value network.

In addition, research on regional development shows how the community and different types of networks contribute to expansion and welfare. Many studies are based on illustrations and show how the building of networks and partnerships creates specific societal value in different regions, both emerging (e.g. Biggs 2008; Van Rensburg *et al.* 2008) and developed (e.g. Anderson *et al.* 2006; Brennan and Ackers 2004). For example, Brennan and Ackers (2004) assess the 'Liverpool Model' in the UK, where recycling has integrated into a wider strategy of employing the best-value structure to promote social enterprises, including community businesses and intermediate labour markets. Papers also emphasize the need for a greater understanding of the place of embeddedness in SE (Elfenbein 2007; Seelos *et al.* 2011). The concept of embeddedness implies the impossibility of isolating the social entrepreneur from the community, society or network. Mair and Marti (2006, p. 40) understand the concept of embeddedness 'as the nexus between the ideas and theoretical perspectives', such as institutional entrepreneurship, structuration theory, social movements and social capital. Studies illustrate the positive effect of embeddedness on social ventures' possibility to create value, accessing and guaranteeing critical resources; however, a potential negative effect is that it could destroy value, hindering the emergence of social change initiatives, especially when they imply changing the rules (Kistruck and Beamish 2010; Mair and Marti 2006). Among the few studies analysing the process of social venture creation within an embedded context, Haugh (2007) proposes a model highlighting resource accession and network building, which precedes the official creation of community-led ventures.

Discussion and future research

In their reviews, Choi and Majumdar (2014) and Doherty *et al.* (2014) invited researchers to examine further the characteristics of value creation in the context of SE, value being a central concept defining the domain. Many papers have offered a rich understanding of the distinctive role of values and value creation in the SE context (e.g. Agafonow 2014, 2015; Austin *et al.* 2006; Austin and Seitanidi 2012; Chell 2007; Dacin *et al.* 2011; Haugh 2005, 2007; Mair and Marti 2006; Santos 2012; Short *et al.* 2009). However, the definitions of value, the different dimensions of the concept, and their overall interactions have not previously been clearly identified. The combination of value and BM literature enabled us to build a proper and effective framework through which we could analytically study the challenges related to the fulfilment of the fundamental goal of SE: value creation for society.

Prior research has brought to light that social ventures face specific challenges owing to their hybridity (Doherty *et al.* 2014), their specific BMs (Seelos and Mair 2005) or the diversity of their legal forms and associated constraints (Bacq and Janssen 2011), all quoting value creation as a core concept. Our examination of the SE literature reinforced that value is both a central and polysomic term. In this field, the notion of value has not been constricted to

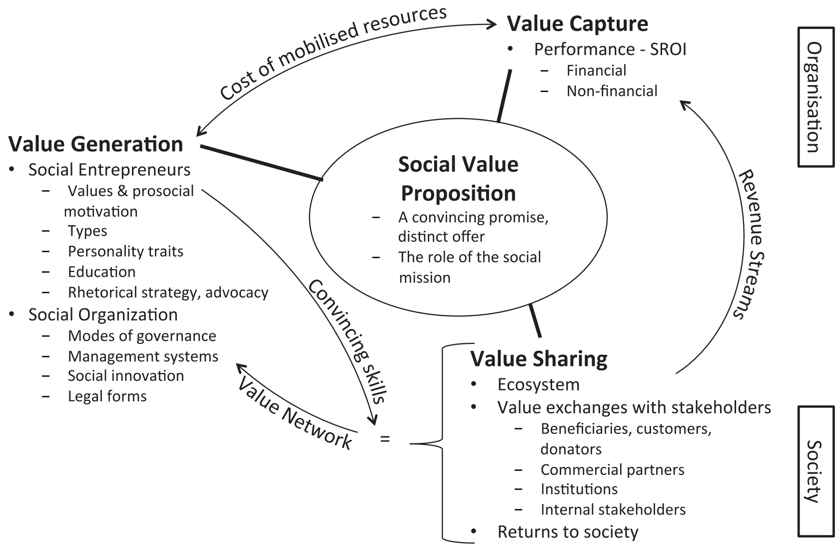

Figure 1. A conceptual framework for value creation in the context of SE

examining profitability and economic returns exclusively, which is normally the case with business literature (Harrison and Wicks 2013). Value, in the plural, refers to social entrepreneurs' moral principles and beliefs or to a community's accepted standards (e.g. Dees 1998; Mair and Marti 2006; Nicholls 2010). Economic value creation has often been opposed, compared or associated to the creation of social value (e.g. Dacin *et al.* 2011; Dees 1998; Santos 2012). Furthermore, the value of SE ventures has been associated with regional and community development (e.g. Anderson *et al.* 2006; Haugh 2007; McCarthy 2012).

Drawing on value and BM literature, Figure 1 presents an integrative framework that considers the distinctive dimensions of value as connectors between the social entrepreneurs, the social organization and society. The framework highlights the necessary human interactions and financial flows that might enable the achievement of social value creation and therefore facilitate a clearer understanding of the social value creation process and its associated challenges.

First, the social value proposition is the central concept of the framework that sets in motion a dynamic interaction between value generation, value capture and value sharing. We observed that, within the BM literature, the value proposition is seen either as a component of value generation (Verstraete and Jouison-Laffitte 2011a,b) or as an independent component (Demil and Lecocq 2010; Morris *et al.* 2013; Zott *et al.* 2011). Within the SE context, the social value proposition is viewed as the unambiguous characteristic that distinguishes SE, formulated as a far-reaching, reframing benefit that contributes either to a particular community or to society at large (Kraus *et al.* 2014). After reviewing the SE literature, we define it as a 'steering axle' that enables value generation, facilitates value capture, and targets value sharing. The social value proposition spurs the social venture in the first phase of its activity and needs to remain a priority (Austin *et al.* 2006; Kraus *et al.* 2014; Hlady-Rispal and Servantie 2016). A social venture's social impact depends on its ability to anticipate the benefits required by the beneficiaries and to adjust its social value proposition as the number of beneficiaries evolves and new needs appear. As shown by Covin *et al.* (2015), value proposition is interconnected with organizational performance. The social value proposition legitimates the social entrepreneurs' discourse in order to convince the value network of its social utility for the ecosystem and to capture revenue streams from institutions and private stakeholders. It appeals to the beneficiaries, inviting them to become part of a community (Seelos and Mair 2005) as the promise becomes reality. Moreover, private stakeholders will support a social value proposition, which is in line with their corporate social responsibility policy, and public institutions will also contribute to a proposition that involves social impact (Luke and Verreynne 2006).

Secondly, value creation mechanisms bridge the boundaries between ventures and ecosystems (Amit and Zott 2001). Through the study of the interactions between value generation, value capture and value sharing, we underline several of the challenges that social organizations and their ecosystem face. The amount of resources needed to generate value in times of economic crisis lead social ventures to increase their proportion of commercial revenues (Emerson and Twersky 1996; Miller and Wesley 2010). At the same time, when social ventures become more business-like, they may face social investors' disapproval and diminish their value capture (Dees 1998). All the same, an emphasis on social value may be estimated as less interesting to conventional financial institutions (Mair and Marti 2006) and will make value capture more difficult. Value sharing triggers value networks, but value exchanges are not easy to measure and compare (Smith and Stevens 2010). Another challenging illustration of interrelations between the dimensions of value refers to internal stakeholders. In order to generate value, an arbitrage between coaching local volunteers requiring time and support or selecting skilled employees asking for better pay is a genuine puzzle (Doherty *et al.* 2014). Its resolution may affect the social venture's value capture capacity in terms of efficiency (value generation) and attractiveness to social investors (value network).

Thirdly, in the context of SE, value processes are grounded on interpersonal exchanges that are never solely economic. Social ventures are characterized by their limited capacity to capture financial value (Seelos and Mair 2005). Research insists on the need to diversify revenue streams (Doherty *et al.* 2014) and search for mutual benefits (Austin and Seitanidi 2012). Social entrepreneurship illustrates widespread social exchanges that occur between many stakeholders, where there is no systematic direct mutual benefit among them (Das and Teng 2002). We saw that collaborations with commercial businesses are based on the exchange of different resources (Di Domenico *et al.* 2009) and that donations can come from private businesses that, in return, strengthen their social policy, or from institutions that give grants in the hope of benefiting from greater social peace (Hlady-Rispal and Servantie 2016). As stated by Das and Teng (2002), social exchanges within the framework of what they call 'constellations' may or may not include external remunerations with independent economic value. The authors show that, in contrast to economic exchanges, the advantages derived from social exchanges are rarely attained plainly. Social entrepreneurship literature also shows that social ventures and their stakeholders deliver intangible benefits that are not explicitly stated (Dees 1998). Accordingly, exchange partners have no absolute certainty of receiving a comparable compensation or counterpart (Emerson 2003).

Building on the current SE literature examination, we now suggest four topic areas as openings for theory development in relation to value creation, its main components and flows.

Furthering the study of the links between the social value proposition, value generation, value capture and value sharing

Austin *et al.* (2006) and Kraus *et al.* (2014) are among the few studies that mention the social value proposition as a central concept contributing to the definition of SE specificity. In particular, the study by Austin *et al.* (2006) insists on the need for the social venture to remain focused on the social value proposition. Understanding the factors that enable social entrepreneurial organizations to stay committed to their social value proposition while capturing value to expand the organization's scope is a first interesting research question. To that end, a first possibility consists in seizing the capability of social ventures in different contexts to identify the required value proposition changes to maximize value for the beneficiaries and the ecosystem. All the same, research into the organization's capacity to implement such modifications may also further theory development. As suggested by Covin *et al.* (2015), the gains and drawbacks concomitant to the modifications made by the organizations to their value propositions also need further investigation. Research into this topic may contribute to explaining the connections between value proposition evolution and social venture value capture.

Consideration of the beneficiaries' use value in relation to the formulation of the social value proposition

In this review, none of the studies considers the beneficiaries' use value; i.e. the value perceived by the beneficiaries, as defined by Bowman and Ambrosini (2000), even though Hibbert *et al.* (2002) study the consumers' motivations, but not the homeless beneficiaries directly. The use value is a key concept in value literature that can be found in marketing, entrepreneurship and management literature. In SE, the use value perceived by consumers and donors is quite different from that of the disabled, homeless youths or most-at-risk persons, and thus studies on different types of use value are required. The targets find the offer interesting, and they accept it, even though beneficiaries are not always the usual clients, because paying a price to receive the offer is also stimulating. It may help social entrepreneurs to formulate better their value proposition (O'Cass and Ngo 2011) and develop knowledge on the interaction needed between the social organization and the targeted community.

Scaling social value through the concept of value network in relation to embeddedness

Reflecting on the estimation of social value, Smith and Stevens (2010) use the notions of 'scaling up' and 'scaling deep' to explain different contexts in which social entrepreneurs seek either to replicate their model or to focus on their specific community's needs to achieve social performance. The authors explain the role of the value network in the scaling decision, but observe that, in order to answer the question on where and how to scale, more research is needed to look into the influence and specificities of value networks in relation to the concept of embeddedness. Embedding is the mechanism whereby an entrepreneur becomes part of the local structure (Mair and Marti 2006) and, together with Smith and Stevens (2010) and Mair and Marti (2006), we argue that embeddedness is a central concept characterizing SE. Different types of embeddedness could be considered, such as cultural embeddedness, emotional embeddedness or network embeddedness. The study of cultural embeddedness defined as 'shared collective understandings' (Smith and Stevens 2010, p. 592) could focus on how social entrepreneurs evolving within different social contexts and local environments use the rules, norms and conventions present in their value network to create value for the ecosystem. Also, following Elfenbein's (2007) analysis, emotional embeddedness could shed light on how the positive emotions of others (social entrepreneurs and/or stakeholders) are recognized and how they influence behaviour and cognition, enabling value networks. Or, as suggested by Kistruck and Beamish (2010), more research on the ambivalent or negative impacts of network embeddedness on social ventures could highlight their simultaneous enabling and constraining of the effects on value networks.

How the social ventures experience the exchange value processes, their associated risks and tensions

Exchange value processes are value flows that enable value generation through the value network, value capture through revenue streams, and value sharing within the ecosystem. Reciprocity is challenging in SE, because social enterprises, the community and institutions often do not exchange value with one another directly (Das and Teng 2002). Examining the risks and tensions involved in exchanges and how trust among partners can be built might reduce uncertainty and facilitate reciprocity in the long run. A theory to clarify which mechanisms might reduce the need for coordination between partners would develop an understanding of how social ventures can be more convincing in order to gather greater resources. Moreover, studying rhetoric and legitimacy as key tools for changing the systems of practice (Ruebottom 2013) might be another possibility. Indeed, the exchange value has to do with perception (what a stakeholder views as the outcome of the transaction), and perception is influenced by the way in which social entrepreneurs explain how the social venture generates social value to their stakeholders in order to convince them to commit. The greater the social venture's legitimacy, the more quickly the stakeholders will be convinced. The rhetorical strategy is part of the legitimacy-building process, along with the factual data demonstrating financial and non-financial performance. Understanding the exchange value process through the concepts of rhetoric and legitimacy could be of great interest to social ventures as well as their potential partners.

Conclusion

The central SE concept of value has been used to delineate SE specificity and originality through an abductive approach that mobilizes the value and BM literature. By doing so, this paper offers a theoretical framework that analyses and deconstructs the SE phenomenon through the concepts of value generation, value capture and value sharing in connection with the concept of social value proposition. Our attempt at reviewing existing work identifies several knowledge gaps regarding the way in which SE research analyses value dimensions and their interactions. This study has revealed the richness and complex character of the research field of SE, and we hope that this conceptual perspective continues to bring together the, as yet, missing pieces and further research opportunities to a bigger and clearer picture of the knowledge accumulated. In this review, we have expounded precise research opportunities that contribute to the SE body of knowledge.

From the value and BM perspectives, SE can be viewed as a phenomenon allowing – within a value network – social value sharing through the logics of social value generation and value capture. We propose the revision of the initial representation of SE research through the concept of BM and the richness of the value concept according to the stated remarks concerning the implications for future research. This involves two major modifications: furthering the research on the centrality of the concept of social value proposition and analysing the interaction of value dimensions through the theoretical lens of social exchange theory.

We also suggest that our review can help to advance future SE research in two ways. First, an understanding of SE in terms of value generation, value capture and value sharing would compel researchers to state explicitly which component and sub-component they emphasize in their examination of SE. This would make it easier for the community of researchers to expand on colleagues' work, since they will be able to identify more easily the relevant literature for their research. Secondly, conceptualizing SE through the BM and the interactions between different dimensions of the value concept could serve as a broad research agenda for the SE field. For example, during data analysis, we observed that more research is notably needed on the concepts of use value and beneficiaries, social entrepreneurial teams, social ROI and social impact measurement.

Our theoretical framework is given as a model for academics or social entrepreneurs to help them understand how SE might generate, capture and share value in order to achieve its original purpose of social value creation.

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Appendix S1. List of references included in the review