# How Do Social Enterprises Manage Business Relationships? A Review of the Literature and Directions for Future Research


## Abstract

Social enterprise–business relationships are an emerging unique form of business relationships. Whilst scholars have recently shown a growing interest in investigating the practices that social enterprises adopt to manage their relationships with businesses, the present literature lacks a synthesis of major findings and a reflection on current developments. The purpose of this paper is to critically and systematically review and assess the current status of research on practices through which social enterprise manage business relationships and to provide an organising framework for future scholarship. Adopting a systematic literature review approach, a total of 51 articles were reviewed. The results of our thematic analysis revealed that social enterprises engage in four key practices of initiation, persuasion, conflict resolution, and value creation to manage their relationships with businesses. Our review of literature also sheds light on the determinants and outcomes of these practices and offers avenues for future research.



**Keywords:** business relationships; social enterprise; systematic review; business networks

## 1. Introduction

Social enterprises (i.e. organisations pursuing a social mission through the application of market-based strategies, Pearce 2003) have become increasingly relevant over the past several years, acting as one of the main channels through which grand challenges are addressed (Gupta et al. 2020; Harding 2004). These enterprises often tackle large-scale social problems by attracting resources and legitimacy from private-sector businesses (hereafter, businesses) (Di Domenico, Tracey, and Haugh 2009; Murphy, Perrot, and Rivera-Santos 2012; Sakarya et al. 2012). Social enterprise–business relationships are a unique form of business relationships wherein often conflict of business logics, power asymmetry, and the heterogeneity of routines prevail (Di Domenico, Tracey, and Haugh 2009; Nicholls and Huybrechts 2016; Pullman, Longoni, and Luzzini 2018). Specifically, social enterprises and businesses often have different aims, values, and business assumptions, leading to two often contradictory logics of business: market logic and the social logic of value creation. While market logic predominantly aims to sell products and services to address profitability goals, social logic utilises economic activities to solve social problems (Di Domenico, Tracey, and Haugh 2009; Pullman, Longoni, and Luzzini 2018). These conflicting frames of cognition lead to conflicting norms of behaviour in these forms of business relationships (Lyon 2011).

Scholars have recently shown a growing interest in investigating the practices that social enterprises adopt to manage their relationships with businesses (e.g. Barinaga 2017; Kwong, Tasavori, and Cheung 2017). The extant studies have introduced and investigated these practices through multiple lenses and concepts such as social bricolage (i.e. social networking activities and spontaneous collective actions, Di Domenico, Tracey, and Haugh 2010), tinkering (i.e. 'the process of involving partners, agreeing on a common vision, and finding resources', Barinaga 2017, 944), and absorptive capacity (i.e. recognising, acquiring and integrating external knowledge, Murphy, Perrot, and Rivera-Santos 2012). However, the

present literature lacks a synthesis of major findings and a reflection on current developments in this area (Siemieniako, Kubacki, and Mitręga, 2021). Although research in various disciplines ranging from industrial marketing and supply chain management to entrepreneurship and organisation studies has attempted to unpack the nature and development of these practices, the tendency to introduce and adopt distinct labels or lenses has prevented the development of cumulative insights. Specifically, a systematic, theoretical articulation of various practices in which social enterprises engage to form and maintain relationships with businesses as well as the determinants shaping such practices is still absent.

Thus, the purpose of this paper is to critically and systematically review and assess the current status of research on social enterprise–business relationships and to provide an organising framework for future scholarship. Our study contributes to the existing business relationships literature in several ways. First, through conducting a transparent and replicable systematic literature review, we extend the understanding of how business relationships are managed (e.g. Forkmann, Henneberg, and Mitrega 2018; Mitrega et al. 2012; Henneberg, Naudé, and Mouzas 2010; Kohtamäki, Rabetino, and Möller 2018) by investigating a unique and emerging form of interorganisational relationship (i.e. social enterprise-business relationship). Specifically, our study identifies and distinguishes practices that social enterprises employ at different stages of relationship management. We further shed light on these practices by identifying their determinants and outcomes in light of various contextual factors. Furthermore, our study seeks to clarify the evidence base surrounding social enterprise–business relationships management by distinguishing different development stages of social enterprises (i.e. the initial entrepreneurial stage and established market-oriented stage, Davies and Ryals 2010; Huybrechtsa, Nicholls, and Edinger 2017; Ozeren, Saatcioglu, and Aydin 2018). Finally, our study suggests several avenues for future research on the management of social enterprise–business relationships.

## 2. Methodology

Adopting a systematic literature review approach (Tranfield, Denyer, and Smart 2003), a review of 51 articles gathered from 15 peer-reviewed scholarly journals and one book chapter published between 2006 and 2020 was conducted. The literature search was executed in Scopus by deploying combinations of alternative keywords including social enterprise, social entrepreneurship, social venture, social innovation, community enterprise, social sector, social business and social alliance. Updates of the preliminary list of terms occurred through an iterative process that included identifying additional terms throughout the search and evaluation process. Applying search conventions such as truncation characters and Boolean connections (i.e. OR) resulted in the construction of the search string.

The search string was looked for among study titles, abstracts and keywords to generate an initial sample. We limited the search to include those papers from highly regarded and world-leading journals identified by the Chartered Association of Business Schools (2018), which generated a sample of 620 articles. Subsequently, we gauged the relevance of these articles in relation to the research objectives. In particular, we selected studies that focused on interorganisational relationships that involved both a social enterprise and a private-sector business. For instance, non-profit organisations that did not fit our definition of a social enterprise (i.e. an organisation pursuing a social mission through the application of market-based strategies, Pearce, 2003) were excluded from this review. We applied these relevance criteria in two stages of abstract and full paper review. After screening the abstracts, we rejected 443 articles because they lacked focus on the business relationship in their examination of social enterprises. In the full paper review of the remaining 177 articles, we applied the same criteria, which led to the selection of 53 articles.

Although we have selected the articles from highly regarded and world-leading journals, we reviewed the final selection of 53 articles against a set of quality-control criteria. First, we

have adopted four criteria to evaluate qualitative articles, including credibility (in preference to internal validity), dependability (in preference to reliability), confirmability (in preference to objectivity), and transferability (in preference to external validity) (Lincoln and Guba 1985; Stenfors, Kajamaa and Bennett 2020). Second, we reviewed construct validity (or validity), internal validity (or reliability), and external validity (or generalisability) criteria to examine the quality of quantitative articles (Easterby-Smith, Thorpe and Jackson 2008). Finally, four criteria are used to evaluate the quality of conceptual articles including meaningful contribution: logical consistency, supported arguments, and effective rhetorical strategy (McGregor, 2019). As a result of these quality evaluations, two articles were excluded, resulting in the final sample of 51.

Our final sample consisted of articles drawn from 16 sources (see Table 1). The trend in the number of articles over time demonstrated that interest has been growing in this topic recently, with more than half the articles we selected having been published in the last four years (see Figure 1). The number of empirical investigations in the sample (40 articles) outweighed the number of conceptual studies (11 articles), with 77% of the empirical research studies adopting a case study approach, followed by those that involved interviews (10%) and secondary dataset analysis (8%). A majority of studies adopted a thematic analysis approach (47%) where they performed first-order coding of the qualitative data, followed by those who performed cross-case analysis in addition to the thematic analysis (22%). The remaining empirical papers applied longitudinal qualitative data analysis (12%), grounded theory first- and second- order coding (8%), regression analysis (8%), and correlation analysis (3%).

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The empirical articles reviewee collected qualitative (87%) and quantitative (13%) data from individuals (8%), nascent ventures (4%), firms (62%), dyadic relationships (8%), and industry or community ecosystems, networks, or clusters (12%). Sample sizes ranged 1–266, with a mean of 26.1 and standard deviation of 57.1. The samples were spread across the globe, with a majority of empirical papers collecting data from the UK (25%), US (22%), India (15%), and Italy (8%). Of United Nations sustainability goals, reduced inequality, sustainable cities and communities, and good health and well-being received the highest attention by researchers in 13, 12, and 11 articles collecting data from social enterprises with those objectives, respectively. Social enterprises studied in the articles were also involved in addressing other sustainability goals, including quality education (eight articles), no poverty (seven articles), decent work and economic growth (seven articles), climate action (six articles), peace, justice, and strong institutions (four articles), gender equality (one article), zero hunger (one article), and clean water and sanitation (one article).

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The thematic analysis process involved the extraction and recording of relevant narratives after a review of the full text of each article was completed. The analysis was performed following a two-step coding process (Glaser 1978). First, we began with a line-by-line review of each article to identify the multiple aspects and dynamics at play in the outlined practices through which social enterprise manage business relationships. In particular, we assigned a descriptive label (code) to the segments of text wherein the concept was present so as to cluster the data units into common themes. In order to ensure that the text segments that were assigned to each code reflected the same aspect, we constantly compared the text segments assigned to the same code (Glaser and Strauss 1967). Then, we conducted the process of

generating higher-order codes (Strauss and Corbin 1990) to conceptualise how the substantive themes were related to one another. The results of the thematic analysis in terms of the identified practices and their sub-categories are summarised in Tables 2, 3, 4, and 5 and are further introduced and elaborated on in the following sections. The tables also include the specific labels used by the reviewed articles. The coding process was performed independently by each of the two authors. We then verified the extent to which these authors had allocated the same text segments to the initial codes as one another. This created a basis to assist with the further development of the codes into a robust set of categories.

## 3. Social Enterprise-Business Relationship Management Practices

Our review revealed that social enterprises engage in four broad categories of practices—initiation, persuasion, conflict resolution, and value creation— to form and maintain relationships with businesses (see Figure 2). We have further identified the determinants and outcomes of these practices, including the conditions embedded in the relationships between social enterprises and businesses, such as trust and underlying power asymmetry. The following sections detail the thematic analysis of the literature.

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### *3.1. Initiation*

Social enterprises adopt four practices to identify and access potential business partners with which eventually form relationships: individual-driven, community-driven, beneficiary-driven, or market-driven (see Table 2).

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*3.1.1 Individual-driven*

Social enterprises rely heavily on their founders' and owners' individual networks and networking capabilities to identify and target potential businesses. In order to form business relationships, founders and owners either rely on their existing networks of relationships or proactively invest time and effort to extend their networks (Ozeren, Saatcioglu, and Aydin 2018; Perrini, Vurro, and Costanzo 2010; Sharir and Lerner 2006). Specifically, social enterprises include various stakeholders in their governance structure to access a wide range of key businesses in the market (Di Domenico, Tracey and Haugh 2010; Fazzi 2012). For instance, advisors of a private-sector business were invited to sit on the funding panel of a social enterprise that delivered microfinance solutions (Lyon 2011). Furthermore, social enterprises build relationships by relying on individuals who play different roles in multiple businesses (Sunduramurthy et al. 2016). Similarly, social enterprises' relationship-building activities benefit from including founding individuals with strong interpersonal skills who can easily extend their networks (Ozeren, Saatcioglu, and Aydin 2018).

*3.1.2. Community-driven*

Social enterprises embedded in local communities (also referred to as community enterprises, Nwankwo, Phillips, and Tracey 2007) tend to target local businesses to access their knowledge and resources while boosting their legitimacy (Bublitza et al. 2019; Jain and Koch 2020). These social enterprises often create a governance structure through which community members participate in the management of the enterprise and define its strategic directions (Nwankwo, Phillips, and Tracey 2007). In this setting, social enterprises operate using a slow-growth strategy defined by the needs of the community, focusing on the enhancement of local relationships rather than the extension of the diversity of relationships beyond the local community (Kannothra, Manning, and Haigh 2018). Specifically, local institutions (e.g. local crowdfunding platforms) facilitate the creation of local relationships and enable social

enterprises to share resources in addressing various community challenges (Presenzaa et al. 2019). Social enterprises may even form relationships with their potential local competitors to solve community problems (Pret and Carter 2017).

### *3.1.3. Beneficiary-driven*

Social enterprises can engage in business relationships by including businesses run by people in need in their value creation processes (Pullman, Longoni, and Luzzini 2018). For instance, in order to alleviate poverty, social enterprises might involve suppliers and distributors run by people suffering from poverty. This strategy enables these enterprises to achieve cost reductions and benefit from higher sales prices, due to the availability of low-cost resources and the strong social value embedded in their products/services, respectively. It also helps the target social groups to build capabilities and generate revenue (Sodhi and Tang 2014).

Of note, beneficiary-driven and community-driven relationship formation practices can be combined, wherein social enterprises located in underdeveloped areas might work with disadvantaged community businesses (Kannothra, Manning, and Haigh 2018). However, social enterprises may also develop synergistic social and economic value chains that are not necessarily embedded in communities (Pullman, Longoni, and Luzzini 2018).

### *3.1.4. Market-driven*

Social enterprises with concurrent social and market logic that are sufficiently established are often able to target and form relationships with mainstream businesses of different sizes and from across multiple sectors with no previously defined social objectives (Huybrechtsa, Nicholls, and Edinger 2017). These relationships can be based either on a transactional exchange of resources or a long-term resource-sharing collaboration agreements (Huybrechtsa, Nicholls, and Edinger 2017; Montgomery, Dacin, and Dacin 2012). In these settings, social enterprises include broader objectives in their agendas that may not be limited

to the needs of the local community (Kwong, Tasavori, and Cheung 2017). In general, these enterprises aim to grow quickly and expand their relationships and customer base beyond their community, while still working with their communities of interest (Huybrechtsa, Nicholls, and Edinger 2017; Kannothra, Manning, and Haigh 2018).

### *3.2. Persuasion*

Persuasion involves a set of practices that social enterprises engage in to influence and encourage businesses to form relationships. These involve three practices—framing the potential benefits, shaping solidarity, and shaping the dialogue— as well as the *institutions* that are encouraging and facilitating the relationships (see Table 3).

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#### *3.2.1. Framing the Potential Benefits*

Framing the potential benefits is the first practice that social enterprises employ to persuade businesses to engage in a relationship. Social enterprises frame the emergent or envisioned social problems over time through a complex set of interactions with different actors, such as activists, interest groups, and society as a whole (Barinaga 2017; Rao-Nicholson, Vorley, and Khan 2017; Selsky and Parker 2010). In particular, in this context, social enterprises provide an accurate, credible, and accessible definition of the social problem. This may involve exploring and communicating new qualities about the social problem to attract the interest of businesses (Barinaga 2017). In some cases, social enterprises utilise large-scale events (e.g. organising the 2003 World Summer Games in Ireland by Special Olympics Ireland) to provide visibility to the social problem (McNamara, Pazzaglia, and Sonpar 2018).

Social enterprises also further seek to influence businesses by articulating their own social legitimacy and ability to address the social problem (Di Domenico, Tracey, and Haugh 2010). Social enterprises enjoy greater legitimacy than conventional businesses in that they are highly embedded in the local communities they serve, are well aware of the community needs, work closely with them to address their issues, and are accountable to them (Di Domenico, Tracey, and Haugh 2009; Nwankwo, Phillips, and Tracey 2007). Social enterprises illustrate such legitimacy by clarifying how addressing the social problem is aligned with their own values and interests (McNamara, Pazzaglia, and Sonpar 2018), leading to a greater scale of social impact (Bacq and Eddleston 2018). Accessing this legitimacy (in the form of reputation or perceived trustworthiness, Domenico, Tracey, and Haugh 2009; Sakarya et al., 2012) is crucial for businesses (Sakarya et al. 2012; Rao-Nicholson, Vorley, and Khan 2017), as it enables businesses to be accepted by the local communities that are often house many of their customers (Bublitza et al. 2019; Meyskens, Carsrud, and Cardozo 2010), or it can be instrumental in meeting their social responsibility objectives and regulatory obligations (Meyskens, Carsrud, and Cardozo 2010; Ozeren, Saatcioglu, and Aydin 2018). Working with social enterprises would also enable businesses to channel their resources in the right direction (Nwankwo, Phillips, and Tracey 2007) by building capacity in the community (Di Domenico, Tracey, and Haugh 2009; Nwankwo, Phillips, and Tracey 2007; Sakarya et al. 2012) and creating a longer and more sustainable social impact (Nwankwo, Phillips, and Tracey 2007).

*3.2.2. Shaping Solidarity*

In order to attract businesses, social enterprises also shape solidarity by pooling resources, piloting projects (or initial social innovations), and establishing formal network positions. In fact, these activities gradually generate change at a local scale that eventually leads to the engagement of mainstream businesses, resulting in a wider change in social systems (Sakarya

et al. 2012). Firstly, social enterprises work together and with other interest groups, pooling their resources (e.g. through inclusive business incubation) to create degrees of initial awareness, demand, and confidence in solving the social problem (Sonne 2012). This will apply pressure on businesses and government organisations to provide support for that problem (Montgomery, Dacin, and Dacin 2012).

Secondly, social enterprises may conduct a pilot project by focusing on a niche market, to be able to challenge the practices (or lack thereof) of mainstream businesses and eventually partner with them (e.g. fair trade vs. international trade, Huybrechtsa, Nicholls, and Edinger 2017). Engaging in pilot projects reduces institutional barriers and generates infrastructure needed to engage other business actors in addressing the social problem (Rao-Nicholson, Vorley, and Khan 2017).

Finally, in order to attract businesses, social enterprises establish formal positions in their networks, connecting various actors to address the social problem (Sunduramurthy et al. 2016). This includes working with a heterogeneous group of actors that have not previously been associated with the social problem (Barinaga 2017). These networks accommodate diversity, hence shaping a platform to search for a common ground in addressing the shared social problems (Calton et al. 2013). A diverse portfolio of relationships increases access to a wide range of resources (e.g. market access, finances, and information), leading to rapid growth (Davies and Ryals 2010; Meyskens, Carsrud, and Cardozo 2010; Meyskens and Carsrud 2013).

*3.2.3. Shaping the Dialogue*

Social enterprises engage businesses in dialogue to reach a consensus about the definition of a social problem, as well as the roles that each party will play in addressing the issue(s) at hand. Parties in any situation need to provide their own understanding of the underlying problem (e.g. short-term vs. long-term perspective, Selsky and Parker 2010) and engage in

reciprocal theorisation and translation of the concepts underpinning the issue to negotiate and reach a shared understanding (e.g. through forming interest groups and standards bodies, Montgomery, Dacin, and Dacin 2012). Indeed, based on their interpretation and understanding of the market (Sigala 2019), parties challenge the preconceptions brought to the table and work together to achieve shared understanding (Calton et al. 2013). Specifically, social enterprises and businesses need to interact with each other to create such shared understanding (Montgomery, Dacin, and Dacin 2012). For instance, Barinaga (2017, 944) introduced the notion of tinkering as encompassing 'emergent practices that constitute the process of involving partners, agreeing on a common vision, and finding resources', in which social enterprises engage to mobilise interests and shape a set of debates with businesses to reconfigure a stigmatised space (Barinaga 2017).

*3.2.4. Persuading Institutions*

Institutions as a set of formal or informal norms, rules, and regulations play an important role in persuading social enterprises and businesses to form interorganisational relationships for solving social problems. Specifically, government policies, as a form of institution, aim to generate demand and provide services to remove barriers to such relationships (Surie 2017). For instance, preferential procurement programs, including government set-asides and commercial supplier diversity initiatives serve as institutions by which minority entrepreneurs gain the opportunity to work with large businesses through engaging with large government projects (Shelton and Minniti 2018). Similarly, public–private partnership arrangements are set to facilitate social enterprise and business engagements in addressing particularly complex social problems in emerging economies where the participation of multiple actors in the market is required (Rao-Nicholson, Vorley, and Khan 2017). Additionally, communicative institutions, such as walls, texts, and painted murals, embedded in local communities appear to facilitate the dialogue and framing of the problem by establishing a shared language among

the participating organisations, hence encouraging parties to form and maintain relationships (Barinaga 2017). Of note, institutions that encourage businesses to form relationships are not necessarily effective in social enterprise–business relationships. For example, intellectual property rights as a risk-bearing institution are less important in social enterprise–business relationships than in business–business relationships (Murphy, Perrot, and Rivera-Santos 2012).

Social enterprises actively define, create, maintain, and change institutions that guide and limit their relationships with businesses. For instance, they seek to identify new ways of making transactions with businesses and creating a common language (as an informal form of institution) for the underlying social problem (Sigala 2019). Through distributed agency, these efforts are sometimes turned into political activities in order to influence local agendas and effect regulatory changes, leading to a higher level of legitimacy of the social enterprise as perceived by businesses (Di Domenico, Tracey, and Haugh 2010; Sunduramurthy et al. 2016).

### *3.3. Conflict Resolution*

Social enterprises engage in five practices— avoidance, hybridisation, negotiation, generating institutions, and acceptance—to address the conflicts of logic that potentially exist in forming the relationships with businesses (see Table 4).

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#### *3.3.1. Avoidance*

The first practice that social enterprises adopt is to avoid conflicts of logic through working with homogeneous, like-minded organisations with similar frames of cognition and

accountability systems (Davies 2009). Organisations following similar logic (e.g. those embedded in the community) show a strong cognitive relationships (Huybrechtsa, Nicholls, and Edinger 2017; Pret and Carter 2017). Strong cognitive relationships reduce the need for parties to invest time and effort into measuring relationship objectives, such as social value achievement (Smith and Stevens 2010). While full alignment of logic may not be possible in all cases, social enterprises seek to find partners whose core objectives are aligned with theirs (Davies 2009). These shared objectives may not inform all aspects of the business on either side, yet they serve as a crucial factor in the formation of these relationships (Bloom and Chatterji 2009). For instance, some social enterprises, such as those with minority entrepreneurs, tend to build relationships with businesses that are part of an ecosystem shaped by existing (often governmental) institutions striving to remove barriers of discrimination (Shelton and Minniti 2018). Similarly, social enterprises featuring community organisations (e.g. associations of family members and neighbourhood associations) in their governance structure are also shaping homogeneous relationships that provide them with a strong sense of community needs, transparency, and the ability to effectively implement social changes (Fazzi 2012).

Social enterprises build relationships with homogeneous businesses, particularly at the beginning of their life cycle, and start working with heterogeneous businesses when there is enough scale and confidence in play (Kannothra, Manning, and Haigh 2018). In fact, social enterprises initially focus on a niche market to build strong economic partnerships and political networks with homogeneous partners. Next, they penetrate the mainstream market through selective collaborations with mainstream businesses whose logic is not so far removed from theirs. This leads to the creation of both social and market logic and eventually enables the social enterprises to grow in the mainstream market and work with even more businesses (although these relationships are often more transactional than those they made

with homogeneous businesses) (Huybrechtsa, Nicholls, and Edinger 2017). However, in those instances where social enterprises are supported by public funds, they may still avoid working with businesses to ensure a provision of equal access to and efficient use of resources (Mollinger-Sahba et al. 2020).

Building relationships with homogeneous businesses may have negative consequences, however. For instance, these relationships may restrict the social enterprise in initiating and implementing new social changes, due to the status quo created. However, when such relationships are formed after establishing ties with heterogeneous businesses, social changes are more likely to occur (Qureshi, Kistruck, and Bhatt 2016).

*3.3.2. Hybridisation*

Social enterprises hybridise their logic of business by simultaneously developing two often-conflicting form of market and social logic in their respective organisations before engaging in the relationship (e.g. through developing hybrid goals and languages, Nicholls and Huybrechts 2016). Hybridisation enables social enterprises and businesses to reach a common ground by recognising their complementary differences. Indeed, it allows parties to identify how their interpretation of value creation may include, at least partially, the partner's different logic of business (Le Ber and Branze 2010). Specifically, a hybrid logic enables social enterprises to have access to both the mainstream and local (or community) markets and resources (Kannothra Manning, and Haigh 2018).

In order to develop a hybrid logic, social enterprises involve a number of actors from different sectors (e.g. private, public, third sector) who boast different business logic in their activities. This helps social enterprises to access various lenses through which they can more comprehensively interpret and discuss market concepts in relation to other organisations (Montgomery, Dacin, and Dacin 2012; Sharir and Lerner 2006). Social enterprises also develop multiple boundary-spanning discourses (e.g. economic development, quality, and

sustainability) that can be interpreted by actors with different logics (Nicholls and Huybrechts 2016). Separately, businesses engage in such practices as the training of employees and recruiting of experienced leaders to create internal capacity for different value creation logics (Kannothra Manning, and Haigh 2018).

*3.3.3. Negotiation*

Social enterprises engage in interactive negotiation processes with businesses wherein they diagnose discrepancies in their value creation logics (e.g. the meaning of fair price based on different logic) and agree on a logic of collaboration through which conflicting views can work together (Le Ber and Branze 2010). This may involve conceding ground on one or more logical components in return for concessions in others. For instance, a social enterprise and a private business may develop mechanisms facilitating community engagement on some issues and managerial discretion on others. They may also agree to account equally for social and financial objectives and/or divide surpluses evenly between community and business investments (Di Domenico, Tracey, and Haugh 2009). Specifically, businesses may be influenced by social enterprises over time to change their practices causing the conflict (Huybrechtsa, Nicholls, and Edinger 2017). Alternatively, social enterprises may rely on legitimate external parties (e.g. interest groups or government) to influence their partner businesses to change conflict-provoking practices (McNamara, Pazzaglia, and Sonpar 2018).

*3.3.4. Generating Institutions*

Social enterprises create and use institutions to resolve their conflicts of logics with businesses. First, social enterprises develop standards, rules, and practices of collaboration within their organisational boundaries to enable interactions with other businesses who are currently using different logic (Nicholls and Huybrechts 2016). For instance, fair trade–labelling businesses created ‘Fairtrade’ certificates and encapsulated their hybrid logic in

these certificates, which could be purchased by any business regardless of their value creation logic (Huybrechtsa, Nicholls, and Edinger 2017). Second, social enterprises cocreate institutions with businesses to sustain their relationship over time (Nicholls and Huybrechts 2016). Specifically, the creation of boundary objects (e.g. artefacts, symbols, and shared stories) guides parties in their interpretation of shared values and understanding of the common problem (Calton et al. 2013). Lastly, social enterprises may rely on third-party institutions (e.g. relationship building schemes by national or international organisations), providing a neutral platform for interactions with businesses. These institutions offer both interfaces and interpretations of value for multiple partners, enabling them to interact with one other (Presenzaa et al. 2019). In some cases, third parties provide interaction mechanisms (e.g. physical spaces) at the initial stages of relationship building, when there is a low level of trust among parties (Trujillo 2018).

*3.3.5. Acceptance*

The final practice that social enterprises apply to resolve conflict of logic with businesses is to accept the other party's logic (e.g. adopting the objectives proposed by businesses, such as cost and quality metrics). However, this acceptance necessitates significant efforts to learn and deliberately retain the newly acquired logic (Le Ber and Branze 2010). In particular, social enterprises tolerate disagreements and conflicts better when higher-level social objectives are to be addressed (Bloom and Chatterji 2009; Nicholls and Huybrechts 2016). In some settings, acceptance is the only possible practice from which relationships can be built. For instance, some communities discourage any debate about existing norms, where the newcomers can join only if they conform to the existing rules (Pret and Carter 2017). Although acceptance may divert the original goals of the accepting party and include new agendas in the value creation process, it has been shown that this practice still satisfies the original goal to a large extent (Kwong, Tasavori, and Cheung 2017).

### *3.4. Value Creation*

Social enterprises adopt three value creation practices— resource utilisation, joint resource utilisation, and replication— to achieve their objectives through the relationships formed with businesses (see Table 5).

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#### *3.4.1. Resource Utilisation*

Social enterprises identify and integrate external resources that are accessed via business relationships with their own resources to achieve their objectives (e.g. developing and delivering new products) (Tasavori, Kwong, and Pruthi 2018). First, through an interactive learning process, social enterprises explore and identify resources that can be utilised to address social objectives (Selsky and Parker 2010). These resources include human, social, financial, intellectual (e.g. knowledge and expertise), cultural (e.g. creative inspiration), and symbolic (e.g. reputation) capital (Fazzi 2012; Pret and Carter 2017; Pullman, Longoni, and Luzzini 2018). Resources are either voluntarily shared by businesses at the local, regional, or national levels free of charge without losing control or ownership (Lyon 2011; Trujillo 2018) or are exchanged for resources that are owned or controlled by the social enterprise (Mirvis et al. 2016). Next, social enterprises develop and apply a set of processes to integrate the newly acquired resources (e.g. knowledge and finance) throughout their organisations (Murphy, Perrot, and Rivera-Santos 2012). Specifically, these processes involve adaptation of the newly acquired resources to make them appropriate for the new context (Ozeren, Saatcioglu, and Aydin 2018). In some cases, social enterprises may even exploit underused, slack resources in the partnership to create value beyond the common goals of the relationship (e.g. utilising unused spaces of the partner business, Kwong, Tasavori, and Cheung 2017). Where

access to the partners' resources takes place through the outsourcing of the value creation activities (Walske and Tyson 2015), the role that the social enterprise plays revolves around the coordination of these activities through facilitating the exchange of information, knowledge, and resources (Pullman, Longoni, and Luzzini 2018; Surie 2017).

Power asymmetries that exist in social enterprise-business relationships may limit social enterprises' ability to absorb resources from the businesses (Murphy, Perrot, and Rivera-Santos 2012). For instance, social enterprises may make concessions (e.g. on price) to businesses with higher levels of power (e.g. those owning non-substitutable resources, McNamara, Pazzaglia, and Sonpar 2018). Similarly, when social enterprises depend largely on their relationship with a business, their ability to innovate and create new solutions and address new social problems in the market might be limited (Kwong, Tasavori, and Cheung 2017). In severe cases of power asymmetry, coercive behaviour may lead to a destructive relationship wherein social enterprises are unable to receive an equitable amount of resources in return for their services. In these situations, power is exerted by the explicit threatening of sanctions, such as ending the process of resource dissemination (Lyon 2011).

*3.4.2. Joint Resource Utilisation*

Social enterprises and businesses jointly utilise the resources that are shared in the relationship to address social problems (e.g. through joint investment, co-creation of ideas, co-development of new products, De Silva et al. 2020; Mirvis and Googins 2018; Montgomery, Dacin, and Dacin 2012). In particular, social enterprises enable business partners to take an active role in resource utilisation activities and, hence, the delivery of their chosen contributions (McNamara, Pazzaglia, and Sonpar 2018). Joint resource utilisation is needed when the practice of value creation requires the parties involved to jointly activate all of the complementary resources that are shared in the relationship (Corner and Ho 2010; Kwong, Tasavori, and Cheung 2017; Presenzaa et al. 2019; Tate and Bals 2018). In these

activities, resources are either shared by parties without losing their control or ownership or owned jointly by the parties involved (e.g. through a joint-venture arrangement) (Mirvis et al. 2016). Joint resource utilisation requires high levels of information exchange and coordination, as the individual parties do not have autonomy in their actions (Kwong, Tasavori, and Cheung 2017). Furthermore, the resources brought to the table need to be adapted and transformed by both parties to meet the requirements of the specific contexts (Murphy, Perrot, and Rivera-Santos 2012). Joint resource utilisation results in efficient value creation, as the shared resources can be used for multiple purposes (e.g. having two events at the same time) or to create an economy of scale (e.g. through collective purchasing) (Kwong, Tasavori, and Cheung 2017).

Working towards a common objective and frequent interactions in joint resource utilisation activities generate mutual trust (Kwong, Tasavori, and Cheung 2017; Liu, Ko, and Chapleo 2018; Sigala 2019). Parties with a higher level of trust often adopt an informal approach to managing the relationship. These actors are willing to take risks in their relational exchanges, leading to a higher level of resource-sharing (Davies and Ryals 2010; Fazzi 2012; Kwong, Tasavori, and Cheung 2017; Presenzaa et al. 2019).

*3.4.3. Replication*

Replication is a specific value creation process that combines earlier practices (i.e. resource utilisation and joint resource utilisation) and aims for social enterprise growth. This practice is mostly observed where the social enterprise creates a network of replicators (e.g. affiliates, franchisees or subsidiaries) who can copy the core value creation processes and help with the spread of products and services. Although the social enterprise is heavily engaged in the design and delivery of the replicators' key processes (i.e. joint resource utilisation), they also coordinate other processes that allow replicators to have their own interpretations (i.e. resource utilisation) (Bloom and Chatterji 2009). In both cases, social enterprises need to

oversee the replication by developing strong relationships and effective communication processes (Bloom and Chatterji 2009). The social enterprise level of involvement with replicators may vary at the different stages of growth. For instance, fair-trade organisations were heavily involved with replicators initially where they formed subsidiaries, providing an initial boost within the fair-trade market. They then helped these subsidiaries to become completely independent, facilitating the rise of the next generation of fair-trade companies (Davies 2009).

## 4. Discussion and Directions for Future Research

Our findings provide a synthesis of practices used by social enterprises to form and manage relationships with businesses. We now discuss these findings by identifying directions for future research and the potential managerial implications for social enterprises. A summary of discussion including potential future research questions, potential future theoretical or methodological approaches, and managerial implications is presented in Table 6.

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Insert Table 6 about here

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### *4.1. Initiation*

Our review categorised practices that social enterprises adopt to target potential business partners with which they intend to initiate a relationship into individual-driven, community-driven, beneficiary-driven, and market-driven practices. Understanding of these practices is of particular importance for social enterprises who can better design their efforts in initiating relationships with businesses. Specifically, the review of the literature suggests that social enterprises employ these practices according to their level of establishment. While social

enterprises at the early stages of development tend to predominantly adopt individual-driven, community-driven, and beneficiary-driven practices, they conversely follow a market-driven approach in later stages once they are established. However, the nuances of how these practices may evolve according to the attributes of the environment in which social enterprises are embedded or the characteristics of the enterprise itself have remained largely overlooked. For instance, social enterprises may adopt a market-driven practice in their earlier stages of development in less competitive environments. Alternatively, these enterprises may rely on a beneficiary-driven approach to achieve a competitive advantage, despite being established. As such, more evidence is needed to shed light on the contingencies that affect the effectiveness of social enterprises' initiation practices. Specifically, future studies may adopt quantitative methods to generate generalisable insights for social enterprises at different stages of development.

Furthermore, studies have investigated how the diversity of a business relationships portfolio is evolved and benefits social enterprises in shaping solidarity. However, these prior studies have focused only on the direct relationships in which these enterprises are engaged. Future research is required to investigate the structural properties of the broader network within which a social enterprise is embedded to unravel how the characteristics of these connectivity patterns, such as centrality (Ahuja 2000; Wang, Chen, and Fang 2018), density (Cheng and Shiu 2020), or brokerage (Burt 1992; Walter Lechner, and Kellermanns 2007) can enable or constraint the behaviours and performance of a social enterprise. In particular, future studies may adopt social network analysis to operationalise and investigate the impact of network structural properties (e.g. centrality, density, or brokerage) on social enterprises' ability to form and manage relationships with businesses. These insights are crucial for social enterprises who can strategically decide on the ecosystems or clusters in which they can actively develop their relationships.

### *4.2. Persuasion*

Our study has further identified four practices through which social enterprises persuade businesses to engage in a relationship: framing the potential benefits, shaping solidarity, shaping the dialogue, and benefiting from institutions. These practices are highly associated with organisational *identity work* as 'the cognitive, discursive, and behavioural processes in which individuals engage to create, present, sustain, share, and/or adapt [the] organisational identity' (Kreiner et al. 2015, 985). Specifically, while social enterprises constantly draw on their organisational identity (e.g. legitimacy and reputation, Di Domenico, Tracey, and Haugh 2010) to persuade and attract businesses to form relationships, the persuasion practices that are used may themselves change and refine their organisational identify. Therefore, future research should investigate how persuasion practices and the social enterprises' identity work (Ladstaetter, Plank, and Hemetsberger 2018) are interrelated. Specifically, ethnographic approaches are suitable to be applied in such research to unpack implicit elements of social enterprise identity and the way it evolves in relationships with businesses. These insights will assist social enterprises to adopt persuasion practices that best fit their organisational purpose and identity.

The adoption of persuasion practices may also depend on how the social or environmental issue is perceived in the business world. Indeed, persuasion practices may be adopted to raise awareness of the issue if there is a lack of awareness, whereas they could be applied to promote the social enterprise as a competent provider of social or economic benefits where the cause is well known and there is consensus in how to address it. Future research should operationalise and investigate the characteristics of social or environmental causes and the role they play in the choice of persuasion practices. Specifically, quantitative methods are recommended to operationalise attributes of social or environmental causes (e.g. level of awareness, complexity) and develop generalisable insights. These insights will be crucial for

social enterprises to rationalise their engagement with persuasion practices and be aware of their choice based on the characteristics of the social or environmental issue they are addressing.

### *4.3. Conflict Resolution*

The conflicts of logics that uniquely exist between social enterprises and businesses may act as a barrier to relationship formation. Our review suggests that social enterprises engage in five practices—avoidance, hybridisation, negotiation, generating institutions, and acceptance—to resolve these underlying conflicts of logics. Addressing an attribute specific to social enterprise–business relationships, this strand of literature has become well-established over the years. Nonetheless, a systematic, theoretical articulation of how social enterprises address conflicts of logics in these relationships has yet to be attempted. We suggest that the notion of *boundary work*—referring to purposeful individual and collective efforts to influence the social, symbolic, material, or temporal boundaries, demarcations, and distinctions affecting groups, occupations, and organisations (Langley et al. 2019) —would provide an appropriate lens through which conflict-resolving practices can be explained. Indeed, dealing with conflicts of logic is directly linked to the way in which social enterprises define, change, and redefine their boundaries. For instance, avoidance represents a type of boundary work through which social enterprises defend their own boundaries to distinguish themselves from others (i.e. competitive boundary work). Similarly, hybridisation, negotiation, and acceptance embody boundary work where social enterprises draw on, negotiate, blur, or realign boundaries in interaction with businesses to form relationships (i.e. collaborative boundary work). Lastly, generating institutions involves a type of boundary work through which social enterprises strive from outside existing boundaries to design, organise, or rearrange sets of boundaries influencing others' behaviours (i.e. configurational boundary work) (Langley et al. 2019). Specifically, through adopting boundary work as a

frame of conceptualisation, future research could investigate new types of boundary work that social enterprises adopt to address conflicts of logics. We suggest future research to adopt ethnographic approaches to explore hidden practices through which social enterprises resolve conflicts of logics. These investigations will assist social enterprises to identify and adopt new ways through which they can resolve such conflicts.

Furthermore, the choice of conflict resolution practices may also depend on the social enterprise business model. For instance, it might be challenging to separate market and social logic in those social enterprises that include beneficiaries in their value chain. Alternatively, those social enterprises with a strong commercial logic may not be able to adopt avoidance practices. As such, future research should investigate the relationship between the business model and the effectiveness of conflict resolution practices. Specifically, longitudinal quantitative studies are recommended to establish such relationships, given the existence of potential recursive relationships, as sometimes the adoption of certain conflict resolution practices may lead to a change in business models. Social enterprises will benefit from these studies by finding the right fit between their business model and conflict resolution practices.

### *4.4. Value Creation*

Our review has identified three value creation practices— resource utilisation, joint resource utilisation, and replication—that social enterprises use to achieve their objectives through the business relationships formed. The literature investigating these practices has predominantly focused on underlying task-oriented processes. For instance, extant studies have examined the ways in which social enterprises explore and identify partner resources (Selsky and Parker 2010) or adapt the identified resources to the new context (Murphy, Perrot, and Rivera-Santos 2012; Ozeren, Saatcioglu, and Aydin 2018). However, these studies lack an understanding of the processes that are required to be put in place to support the management of business partners. These processes have been studied extensively in the

business relationship literature (e.g. Forkmann, Henneberg, and Mitrega 2018; Mitrega et al. 2012; Henneberg, Naudé, and Mouzas 2010; Kohtamäki, Rabetino, and Möller 2018). Specifically, Kohtamäki, Rabetino, and Möller (2018) provided a systematic review of the partner management literature wherein they identified a comprehensive list of processes underpinning partner management, integration, and learning capabilities. Future research needs to explore the partner management processes in the context of social enterprise–business relationships in case-based studies. In particular, processes such as partner goal–setting, control, development, evaluation, and trust-building have been typically neglected in the literature (Kohtamäki, Rabetino, and Möller 2018). This line of research would provide social enterprises with a set of practices they need to develop to have effective relationships with their partner businesses.

Furthermore, little is known about the determinants, outcomes, and contingencies of the processes underpinning value creation practices in social enterprise–business relationships. For instance, while extant studies have documented how knowledge integration capabilities lead to financial (e.g. Adams and Graham 2017) or innovative performance (e.g. Wang, Chen, and Fang 2018; Xie, Wang, and Zeng 2018) in business-to-business contexts, such studies need to be replicated in the social enterprise–business setting adopting quantitative methods. This line of study will assist social enterprises to adjust their value creation practices in different contextual settings to utilise the full potential of their collaborations with businesses.

Prior work has also identified a set of factors in joint resource utilisation practices, such as frequent interactions and cooperative culture that shape mutual trust, leading to a higher level of resource-sharing. Nonetheless, existing studies have largely adopted a static view, where the role of these factors in the formation of trust has been examined at a single point in time. Most recently, in a business-to-business context, Akrout and Diallo (2017) used a

longitudinal case study approach and showed how trust is developed at the different stages of the relationship (i.e., exploration, expansion, and maintenance) by identifying the specific drivers that underpin the formation of such in each stage. A similar approach in a social enterprise context can shed light on how social enterprises could develop trust over time in their interactions with businesses. This is of particular importance to social enterprises that have a changing relationship with business partners due to significant learning of both parties with respect to each other.

Finally, we have also found that the power asymmetry that exists between a social enterprise and a business impacts the behaviour of the social enterprise in terms of resource exchange, flexibility, and accountability. However, the nuances of how different forms of power may impact social enterprise–business relationships have yet to be fully clarified. While in business-to-business contexts, scholars have investigated the role of coercive, reward, expertise, and referent interorganisational power in the relationship outcomes (e.g. Clauss and Bouncken 2019), future investigations could clarify these linkages in social enterprise–business relationships. These insights assist social enterprises in finding creative ways to recognise and resolve issues resulting from potential power asymmetry in managing their relationships with businesses.

## 5. Limitations

One of the key limitations in the body of the literature on social enterprise–business relationships is the fragmentation of the studies (Tables 2–5). This is a result of the fact that this area of literature is in its early stages of development, and a majority of the studies reported in this review were of an exploratory nature. Furthermore, the idea of social enterprise as a new form of business has been developed only recently (compared to other forms of businesses), which makes the availability of data on social enterprises a challenge for researchers. Finally, there are a variety of social enterprises in terms of

size and stage of development, which has resulted in the literature providing a heterogeneous set of insights on social enterprises.

Our review is an effort to unify this fragmented literature into a homogeneous framework. We have identified the four key practices of initiation, persuasion, conflict resolution, and value creation in social enterprise–business relationships in order to provide a basis and direction for future research. However, the validity and generalisability of these findings need to be further investigated empirically. Specifically, further studies need to construct datasets, collect data from different types of social enterprise, and seek to enhance the conceptual clarity among the proposed practices and their potential impact on social enterprise successes and relationship benefits.

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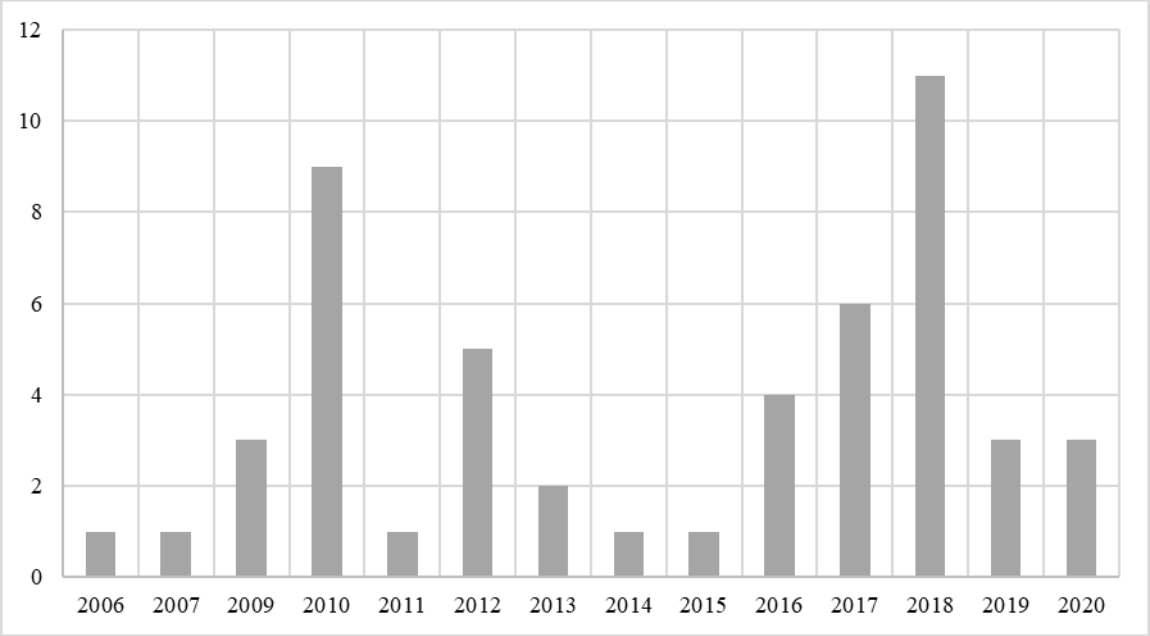


*Figure 1. Article distribution per year*

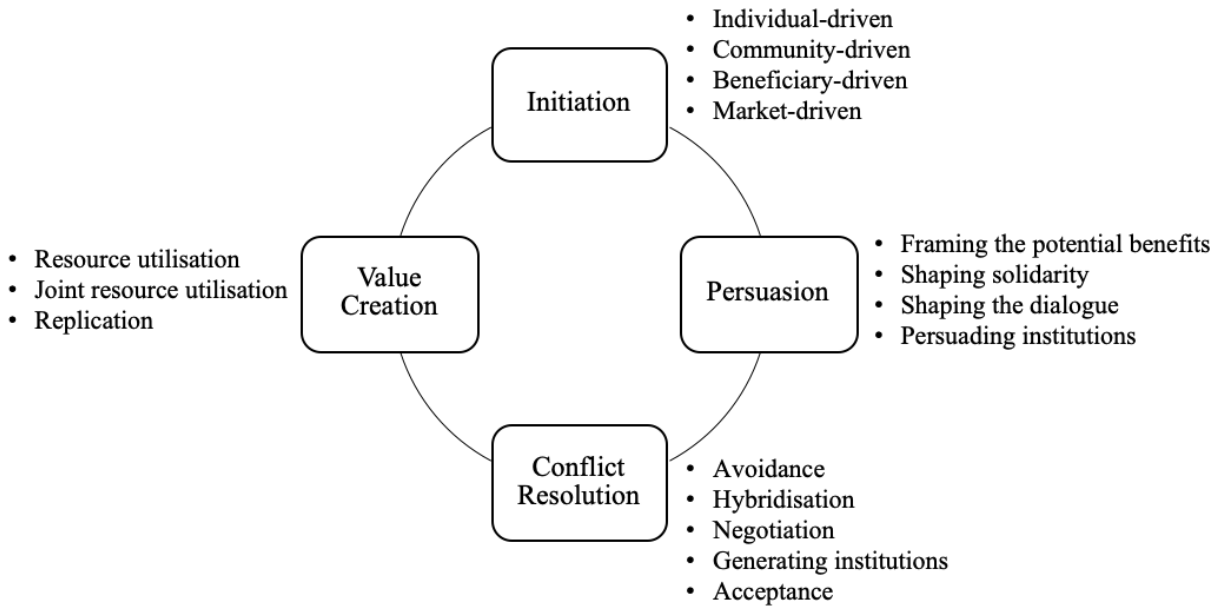


*Figure 2. Social enterprise-business relationship management practices*

| Source Title | Number of Article |
|---|---|
| Journal of Business Ethics | 13 |
| Entrepreneurship and Regional Development | 8 |
| Technological forecasting and Social Change | 4 |
| Journal of Business Research | 4 |
| Entrepreneurship, Theory and Practice | 3 |
| Organization Studies | 3 |
| California Management Review | 3 |
| Journal of World Business | 2 |
| Industrial Marketing Management | 2 |
| Small Business Economics | 2 |
| Journal of Management | 1 |
| Journal of Organizational Change Management | 1 |
| Marketing Theory | 1 |
| Journal of Supply Chain Management | 1 |
| Production and Operations Management | 1 |
| Public Management Review | 1 |
| Book chapter (Book: Nicholls, A. and Murdock, A. (2011), *Social Innovation: blurring boundaries to reconfigure markets*, UK: Palgrave MacMillan) | 1 |

*Table 1. Article distribution by journal*

| Practice Sub-Category | Concept Represented in the Literature | Author, Year |
|---|---|---|
| Individual-driven | Using personal networks | Ozeren, Saatcioglu, and Aydin 2018 |
| | Social networking | Di Domenico, Tracey and Haugh 2010; Fazzi 2012; Perrini, Vurro, and Costanzo 2010; Sharir and Lerner 2006 |
| | Engaging in distributed agency | Sunduramurthy et al. 2016 |
| | Key personnel sitting on the management boards | Lyon 2011 |
| Community-driven | Forming community enterprise | Nwankwo, Phillips, and Tracey 2007 |
| | Building local relationships | Bublitza et al. 2019; Jain and Koch 2020 |
| | Forming community-focused enterprises | Kannothra, Manning, and Haigh 2018 |
| | Building local relationship platforms | Presenzaa et al. 2019 |
| | Embedding in communities | Pret and Carter 2017 |
| Beneficiary-driven | Engaging with business run by people in need as suppliers and distributors | Pullman, Longoni, and Luzzini 2018; Sodhi and Tang 2014 |
| | Impact sourcing | Kannothra, Manning, and Haigh 2018 |
| Market-driven | Active appropriation | Huybrechtsa, Nicholls, and Edinger 2017 |
| | Trading of resources across sectors | Montgomery, Dacin, and Dacin, 2012 |
| | Including broader objectives | Nwankwo, Phillips, and Tracey 2007 |
| | Being client-focused growth orientated | Kannothra, Manning, and Haigh 2018 |

*Table 2. Initiation practice thematic analysis*

| Practice Sub-Category | Concept Represented in the Literature | Author, Year |
|---|---|---|
| Framing the potential benefits | Rearticulating the meanings | Barinaga 2017 |
| | Interactive learning | Rao-Nicholson, Vorley, and Khan 2017 |
| | Constructing envisioned or emergent public issues over time | Selsky and Parker 2010 |
| | Organising large-scale events that provide visibility to the social problem | McNamara, Pazzaglia, and Sonpar 2018 |
| | Persuading stakeholders | Di Domenico, Tracey, and Haugh 2010 |
| | Framing legitimacy | Meyskens, Carsrud, and Cardozo 2010 |
| | Framing local legitimacy | Nwankwo, Phillips, and Tracey 2007 |
| | Framing community legitimacy | Di Domenico, Tracey, and Haugh 2009 |
| | Aligning social issue with social enterprise values | McNamara, Pazzaglia, and Sonpar 2018 |
| | Framing social impact | Bacq and Eddleston 2018 |
| | Providing readymade resources | Ozeren, Saatcioglu, and Aydin 2018 |
| | Framing enhanced reputation | Sakarya et al. 2012 |
| | Providing local knowledge | Bublitza et al. 2019 |
| Shaping solidarity | Generating social impact at the micro-level leading to the mezzo and macro levels in the long run | Sakarya et al. 2012; Sonne 2012 |
| | Convening | Montgomery, Dacin, and Dacin 2012 |
| | Shaping sector solidarity | Huybrechtsa, Nicholls, and Edinger 2017 |
| | Engaging in pilot projects | Rao-Nicholson, Vorley, and Khan 2017 |
| | Establishing formal positions in networks | Sunduramurthy et al. 2016 |
| | Working with a heterogeneity of actors | Barinaga 2017; Davies and Ryals 2010; Meyskens, Carsrud, and Cardozo 2010; Meyskens and Carsrud 2013 |
| | Shaping global action networks | Calton et al. 2013 |
| Shaping the dialogue | Bringing own definition of the social problem | Selsky and Parker 2010 |
| | Cocreating shared understanding | Montgomery, Dacin, and Dacin 2012 |
| | Providing multiple interpretations of the market | Sigala 2019 |
| | Engaging in generative dialogue | Calton et al. 2013 |
| | Tinkering practices | Barinaga 2017 |

| Practice Sub-Category | Concept Represented in the Literature | Author, Year |
|---|---|---|
| Persuading institutions | Government policies and regulations | Surie 2017 |
| | Preferential procurement programs | Shelton and Minniti 2018 |
| | Public private partnerships | Rao-Nicholson, Vorley, and Khan 2017 |
| | Meaning stabilizing material | Barinaga 2017 |
| | Property rights | Murphy, Perrot, and Rivera-Santos 2012 |
| | Market practices | Sigala 2019 |
| | Engaging in political activity | Di Domenico, Tracey, and Haugh 2010 |
| | Affecting regulatory changes | Sunduramurthy et al. 2016 |

*Table 3. Persuasion practice thematic analysis*

| Practice Sub-Category | Concept Represented in the Literature | Author, Year |
|---|---|---|
| Avoidance | Working with homogenous like-minded organisations | Davies 2009 |
| | Shared goals and values | Bloom and Chatterji 2009; Pret and Carter 2017; Smith and Stevens 2010 |
| | Working under institutions that remove discriminating barriers | Shelton and Minniti 2018 |
| | Adopting homogenous governance structures | Fazzi 2012 |
| | Preempting of tensions | Kannothra et al., 2018 |
| | Schisming process | Mollinger-Sahba et al., 2020 |
| | Insulating the niche market | Huybrechtsa et al., 2017 |
| | Forming homophilic ties | Qureshi et al., 2016 |
| Hybridisation | Formalizing hybrid logics | Nicholls and Huybrechts 2016 |
| | Framing elasticity | Le Ber and Branze 2010 |
| | Recruiting experienced leaders | Kannothra, Manning, and Haigh 2018 |
| | Multivocality of lenses | Montgomery, Dacin, and Dacin 2012 |
| | Adopting multiple lenses | Sharir and Lerner 2006 |
| Negotiation | Negotiation processes | Le Ber and Branze 2010 |
| | Compromising on each morphological component | Di Domenico, Tracey, and Haugh 2009 |
| | Changing conflicting practices | Huybrechtsa, Nicholls, and Edinger 2017; McNamara, Pazzaglia, and Sonpar 2018 |
| Generating institutions | Building standards | Nicholls and Huybrechts 2016 |
| | Implementing fairtrade certificates | Huybrechtsa, Nicholls, and Edinger 2017 |
| | Creating boundary objects | Calton et al. 2013 |
| | Building interaction platforms | Presenzaa et al. 2019 |
| | Sharing physical spaces | Trujillo 2018 |
| Acceptance | Framing plasticity | Le Ber and Branze 2010 |
| | Tolerating higher-level social objectives | Bloom and Chatterji 2009 |
| | Tolerating dissonance | Nicholls and Huybrechts 2016 |
| | Conforming to existing rules | Pret and Carter 2017 |
| | Complying | Kwong, Tasavori, and Cheung 2017 |

*Table 4. Conflict resolution practice thematic analysis*

| Practice Sub-Category | Concept Represented in the Literature | Author, Year |
|---|---|---|
| Resource utilisation | Resource utilisation | Tasavori, Kwong, and Pruthi 2018 |
| | Learning | Selsky and Parker 2010 |
| | Mobilizing community resources | Fazzi 2012 |
| | Resource exchange | Lyon 2011; McNamara, Pazzaglia, and Sonpar 2018; Murphy, Perrot, and Rivera-Santos 2012; Pret and Carter 2017; Pullman, Longoni, and Luzzini 2018 |
| | Capital circulation | Trujillo 2018 |
| | Knowledge transfer | Lyon 2011; Mirvis et al. 2016 |
| | Knowledge adaptation and transformation | Kwong, Tasavori, and Cheung 2017; Murphy, Perrot, and Rivera-Santos 2012 |
| | Knowledge absorption | Ozeren, Saatcioglu, and Aydin 2018 |
| | Outsourcing of activities | Walske and Tyson 2015 |
| | Resource acquisition | Surie 2017 |
| Joint resource utilisation | Cocreation | Kwong, Tasavori, and Cheung 2017; Liu, Ko, and Chapleo 2018; Mirvis and Googins 2018; Mirvis et al. 2016; Montgomery, Dacin, and Dacin, 2012; Sigala 2019 |
| | Opportunity cocreation | De Silva et al. 2020 |
| | Delivering chosen contributions | McNamara, Pazzaglia, and Sonpar 2018 |
| | Collective action | Corner and Ho 2010 |
| | Sharing resources | Davies and Ryals 2010; Fazzi 2012; Kwong, Tasavori, and Cheung 2017; Presenzaa et al. 2019 |
| | Sharing complementary resources | Kwong, Tasavori, and Cheung 2017; Tate and Bals 2018 |
| | Co-developing fundraising campaign | Presenzaa et al. 2019 |
| | Knowledge integration | Murphy, Perrot, and Rivera-Santos 2012 |
| Replication | Replication capability | Bloom and Chatterji 2009 |
| | Forming a subsidiary or clone of an organisation | Davies 2009 |

*Table 5. Value creation practice thematic analysis*

| Practices | Potential Future Research Questions | Future Theoretical or Methodological Approaches | Managerial Implications |
|---|---|---|---|
| Initiation | What are the contextual factors affecting the choice of initiation practices?<br>Which initiation practices are more productive for social enterprises at different stages of development?<br>What is the impact of network structural position on relationship initiation? | - Quantitative methods (e.g. survey, longitudinal survey, dataset construction)<br>- Social network analysis | To configure the most productive relationship initiation path depending on environmental and organisational characteristics |
| Persuasion | How do persuasion practices impact the evolution of social enterprise identity?<br>Which persuasion practices are more productive for specific social or environmental causes? | - Identity work; ethnographic approaches<br>- Quantitative methods (e.g. survey, longitudinal survey, dataset construction) | To adopt the best persuasion practices in line with organisational purposes and social or environmental causes |
| Conflict resolution | What are the new conflict resolution practices?<br>Which conflict resolution practices are more productive for social enterprises with specific models of business? | - Boundary work; ethnographic approaches<br>- Quantitative methods (e.g. survey, longitudinal survey, dataset construction) | To adopt the most innovative conflict resolution practices in line with the model of business |
| Value creation | How are social enterprise-business relationships managed?<br>What are the determinants of value creation practices?<br>How do social enterprises develop trust over time in their interactions with businesses?<br>What is the impact of different types of power on social enterprise–business relationships? | - Case studies<br>- Quantitative methods (e.g. survey, longitudinal survey, dataset construction)<br>- Longitudinal case studies | To manage the relationship with businesses productively, developing trust and balancing power dynamics |

*Table 6. Future research questions, theoretical or methodological approaches and managerial implications*