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PREFACE

BACK IN THE LATE 1980S, as an economics undergraduate at the Vrije Universiteit Amsterdam, I learned about the importance of entrepreneurship to resilient and innovative societies. Throughout my unfolding career as a professional—I worked in a founder-led IT company whose global workforce grew from 16,882 full-time persons upon joining in 1995 to 108,000 full-time employees on my departure in 2011—and later as an entrepreneur, the idea stayed with me. I subsequently returned to the Vrije Universiteit in 2015, and it is a pleasure to now present this dissertation on a specific form of entrepreneurship, which is known as social entrepreneurship.

In this "elongated preface" (Yin, 2011, p. 262), I offer a personal account on this dissertation, addressing the reasons for pursuing a Ph.D. degree in business, describing my affinity with the research topic, and explaining why we chose to draw empirical material from Greece. This preface thus provides a general context; the academic content of this Ph.D. dissertation unfolds from Chapter 1, the introduction, onward.

In Chapters 1 to 6, the use of "we" in scientific writing reflects the collaborative nature of the work conducted with my two supervisors. Elsewhere, the first-person voice is used to relay personal anecdotes and private reflections, and to mark decisions where it is considered important to communicate individual responsibility.

HUMAN INTERACTIONS AND BUSINESS STUDIES

Interaction is deeply ingrained in human society. Just try to imagine economic outputs *without* interactive efforts. There are none; even a simple pencil requires mining graphite, mixing it with clay, heating, wood harvesting, cutting, waxing, impregnation, assembly, packaging, marketing, transportation, and distribution until the product is on display in a shop. By the time a kid buys the end product and starts drawing, this pencil would have passed through the hands of countless people collaborating, managing, organizing, leading, and venturing out (Friedman,

1980). It is thus impossible to have even a simple pencil coming into being without management, organization, and entrepreneurship. Although these phenomena are integral to our existence as a human species, they are understood quite differently, and often poorly, among management practitioners and researchers. For instance, to date, debates continue what kind of management is "best" for different organizational forms, or whether management is necessary altogether.

Furthermore, our understanding decreases substantially as the complexity of what we aim to accomplish increases. Envisage, for instance, the managerial challenges of a human mission to Mars and back or the development of a brand-new Meningococcal vaccine that is safe, effective, affordable, and deployable on a full scale. Teasing apart the Gordian knot of management, organization, and entrepreneurship—and better understanding its component strands—presents a daunting task for scholars. However, it must be done, particularly for the benefit of ensuing generations.

Young people, more than anyone else, face unprecedented and compound global challenges such as poverty, resource scarcity, and environmental degradation. Addressing these issues will not only require a supreme scientific understanding of the workings of nature—i.e., the hard sciences—it will also necessitate new and sophisticated forms of management, organization, and entrepreneurship, i.e., business studies.

History has shown that, even in the most scientifically advanced environments, the lack of adequate management practices can lead to disastrous outcomes. NASA is a case in point. In the 1990s, its Hubble Space Telescope was one of the most advanced scientific instruments ever built, and it has positively and radically advanced our understanding of the universe. Nonetheless, its first production version was an expensive and total failure, attributed to a range of managerial issues by scholars (Capers & Lipton, 1993; Quinn & Walsh, 1994). Likewise, when Richard Feynman, a Nobel Laureate in Physics, investigated the 1986 Space Shuttle

Challenger disaster, he found that "the management of NASA exaggerates the reliability of its product, to the point of fantasy" (Feynman, 1986, p. 284). The issue was, of course, that management was bearing enormous responsibilities, hence, the necessity to have the checks and balances in place to develop a comprehensive view of the actual risks involved, which they so dramatically underestimated (Vaughan, 1997). Why was that? Business researchers should methodologically examine such tough questions and pass on their knowledge to university students prior to joining the labor force.

This basic operating model came to life in the last year of my doctoral studies when I started supervising master's students with their final thesis. Over the preceding four years, I had steadily internalized an array of academic tools, concepts, frameworks, and values that I could now draw on in my conversations with students. However, only when starting to engage with students did I realize how valuable my academic knowledge and skills had become, especially when coupled with practical experience. This was a profound experience that coincided with the forming of a new identity as an academic (Conroy & O'Leary-Kelly, 2014). Apart from the rather intuitive motivation that doctoral research is "interesting," finally, I had found a clear and compelling reason for conducting Ph.D. research: To use the newfound knowledge, skills, and ways of thinking to help other people become better professionals and researchers.

SOCIAL ENTREPRENEURSHIP

My attentiveness to social entrepreneurship grew with time. After having worked in (and with) publicly listed corporations for nearly 20 years, with their constant pressure to meet investor expectations, it was time to be involved in smaller, ethics-driven businesses. Social entrepreneurship seemed a natural choice and a time-honored concept (Bacq & Janssen, 2011). However, following several failed attempts as an acting social entrepreneur, I had to admit to

lacking relevant knowledge and skills. So, I figured that the best way to learn more about for-impact businesses would be to do a Ph.D. on social entrepreneurship.

A social enterprise, or so the common explanation goes, endeavors to resolve thorny or neglected societal or environmental issues through business activities. At first sight, this portrayal seems straightforward and clear. However, as it turns out, in practice, many social enterprises do not conform to this description. They often lack a business model that would allow them to survive on their own, i.e., operating with neither subsidies nor volunteers, or they struggle to fulfill their societal aspirations; more often than not, they do not meet either criterion though visibly adopting a social enterprise identity.

A turning point in the positioning of my dissertation was watching a TV-news item on Dutch social enterprise Fairphone. In the program, the then-Fairphone CEO, Bas van Abel, explained how he was overcome with utter panic after he had finally obtained the financial resources needed to drive his company forward: “We weren’t prepared for this at all” (Rozinga, 2016, 19:12-20:42), the CEO recalled—still seemingly in bewilderment—the moment when his company had secured multimillion Euro funding. The trouble was, by that time, Fairphone did not have a product available to take to market (for an academic case study of Fairphone, also see Akemu, Whiteman & Kennedy, 2016). The CEO’s statement on unpreparedness, specifically, conceived my interests in how social enterprises *convert* their hard-won financial resources and human talent into tangible products and services.

This conversion is of the utmost importance because social enterprises, like all other forms of entrepreneurship, must adapt to ever-changing circumstances to stay relevant. If not, they could quickly falter or even perish. So, to survive, social enterprises must continually develop or enhance products, services, marketing messages, human relationships, and working practices—and, by definition, the bulk of such work occurs once resources have been committed to the venture.

Our initial review of the literature showed that Fairphone did not seem to be an isolated case and that resource conversion or utilization in social enterprises represented a relevant, albeit underexposed, broader field of research. Moreover, to empirically study this phenomenon, we required extreme cases, or “polar types” (Pettigrew, 1990, p. 275), to exhibit the potential mechanisms involved, which, under more resourceful conditions, might remain obscured. This is what drew our attention to Greece.

SAMPLING OF CASES IN GREECE

Cataclysmic social issues, lack of regular employment opportunities, and government incentives contributed to a sharp increase in social entrepreneurship in Greece. The Ministry of Employment Registry reported that over 2,000 social enterprises launched between 2010 and 2017 (Nasioulas, 2018). We were hoping that such Greek social enterprises would explicitly reveal how they operate and utilize their exceedingly scarce resources—not least *because* they have to fight so hard to survive as a business.

I am no stranger to Greece. Initially, this was to see my then-girlfriend, now wife, Elena. After she joined me to live in the UK in 2006, we would always spend our holidays in her home country. We continued doing this after we had moved to the Netherlands a few years later. Despite the distance, we kept close tabs on the country. Thus, Greece’s debt crisis of 2009 came as no surprise to us. We knew, for instance, that Greek governments had a long history of living well above their means and that corruption was an institutionalized problem. It just seemed a matter of when, and not if, the country was going to experience economic corrections.

However, like anybody else, we did not foresee its spectacular freefall, in part triggered by forces far beyond its national borders, in what became colloquially known among Greeks as “the crisis.” After some time, this phrase, though, began feeling like a strange euphemism when it became apparent that Greece was not just experiencing *a* crisis but, in fact, suffered several intertwined cris*e*s raging simultaneously.

As media outlets began speculating about whether the country's hosting of the Olympic Games in 2004 had given the country its final push off the cliff of debt, thousands of its vital and educated workforce began leaving the country. These were the young people in which typically the government had invested much through education, expecting that their citizens' taxable income later in life would generate the necessary revenue to fill the coffers. Instead, in their most productive years, young professionals were leaving the country in droves, taking their knowledge, hard-won skills, motivation, and (prospective) families with them.

In 2017, during a field trip to Athens, the scale of the poverty and deterioration in the city was immense. I was deeply moved by the countless homeless people on the streets during that cold and wet January evening—many of them clearly in need of immediate medical assistance and psychiatric care.

What is more, I had always known the metro system in Athens as a vibrant place, but now awkward silences cropped up among its travelers who, like me, did not know how to respond to young mothers begging for money in the confined space of a busy metro carriage. What are the prospects of their babies? Will they ever have dignified lives? How on earth could Greece have fallen so deeply so quickly?

During my field trips, I would always stay in the same hotel in downtown Athens, which was clean and employed friendly staff. The comments on Booking.com showed that, for many years, the hotel had received excellent reviews from its guests. However, now, at just a stone's throw from its premises, there was a hangout place for drug addicts and street prostitution. From the window in my hotel room, it was clear that this group amounted to about 50 people. It was mid-day.

This dark theater was the harsh reality of a country struggling to survive as a sovereign European Union (EU) member state (who actually was in charge?), a country desperately trying to retain its integrity as a debtor (would Greece be the first country to default on its loans and

abandon the Euro?), and a country clinging to its shared national identity (would Greece as a cultural entity be torn apart by the combined forces of emigration and immigration?). Amid the crisis, these were the profoundly existential questions that came and went, day in day out, seemingly going nowhere, like the lost souls outside my hotel window.

To me, if there were a word to describe the many images and vivid memories of my research trips to Greece, it would be "sinister." Indeed, I generally felt uncomfortable during my field trips and, at times, unsafe. Nevertheless, I was lucky, for I could decide when to come—and when to leave. Many did not have that option. They had to swim or sink.

Thus, my study endeavors to make sense of what entrepreneurship means under extraordinarily challenging conditions.