

RESEARCH ARTICLE

## Essay on Social Entrepreneurship from the Perspective of Network Organizations

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**Abstract:** With the growth of social entrepreneurship and the greater promotion of social innovations as a result of their activities, what would be the connection of this result with the perspectives of the networked organizations? In a way, the answer to this question is better explained when one understands what these perspectives are of networked organizations, which are often considered organizations without frontiers. Thus, one of the objectives of this essay is to discuss the individual and collective aspect of social entrepreneurship, but with the intention of showing a new approach of reconciling perspectives and creating new visions. Thus this essay has brought the discussion about what really makes social entrepreneurship real as a practice of creating social value to people that understands of action as a network.

**Keywords:** *Social entrepreneurship, Networking Organizations, Theoretical Essay.*

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### Introduction

In modern times social innovation has been an emerging necessity given the social inequalities that occur mainly in developing countries such as Brazil, but also in other parts of the world where underdevelopment is still a reality. However, even with the difficulties that are perceived in the economic scenario during the last crises, social innovations have emerged, many of them promoted by social entrepreneurship, this new form of enterprise that includes a social mission, not focused solely on profit, but having this as a fact for sustainable development regarding the financial issue [1].

In addition, the development promoted by companies with social proposals has already been observed [2]. However, the perspective of social entrepreneurship is not always seen in a collective logic, as in network organizations, from the beginning of the entrepreneurship creation to the results, that is, its possible social innovations.

So, to this day, some questions still don't seem to have a single answer, so: With the growth of social entrepreneurship and the further promotion of social innovations as a result of their activities, what would be the link between this outcome and the perspectives of networking organizations?

In a way, the answer to this question is best explained by understanding what these perspectives on networked organizations are, which are often regarded as borderless organizations [3].

In this sense, it is understood that networked organizations is a perspective that indicates a new formatting and structuring of organizations to achieve their goals, having as main characteristic interorganizational interactions more intensely favoring mutual benefits between peers that make it up. It is understood that this intellectual effort to critique and to look under the lens of network organizations for social entrepreneurship has its reason, and this reason raised by the author of this essay is inspired by the reading about Perspectives for A New Era [4] when is pointed out that Organizations can be considered social networks, the environment is also a network of organizations, and the comparison between organizations should consider insertion into the networks that support them.

But the discussion in this case will not only be summarized in a formal scientific writing model, because “the essay is a form that breaks the schematic and systematic logic of traditional science, especially positivist

nature” [5]. Thus, for this purpose “the essay needs to be used as a conscious and intentional option, that is, as the most appropriate way to understand something [...] The way the essayist experiences, speculates and experiences the object is only possible in qualitative understanding of it” [5].

Seeking this qualitative understanding and speculation between the object and theories, some reflections have emerged, such as: 1) There is a social entrepreneurship from individual perspectives that have been observed in the analysis of organizations with prominence in the media and in certain publications about the theme; 2).

There is another view from networked organizations that has shown that there is a tendency to change the way we view the results of social enterprises that have very individual-centered logic. Thus, one of the aims of this essay is to discuss the individual and collective aspect of social entrepreneurship, but in order to show a new approach to conciliating perspectives and creating new visions.

### **Social Entrepreneurship from Individual Perspectives**

It is emphasized that social entrepreneurs [1] wants social change, are creative for this purpose, innovate in solving social issues, although they often need financial self-sufficiency for this.

The author highlights in his writings many psychological characteristics such as purity, enthusiasm, among other characteristics that can sometimes only be attributed to the individual, but there are also characteristics that can be attributed to a collective, such as the correct team planning.

Success is often attributed to social entrepreneurs in a very individual way, bringing the responsibility for the success of the venture to a single figure, an entrepreneur who often has his name highlighted as the name of his own company or civil organization, limiting the vision of the movement. that was built collectively to achieve social innovations.

This criticism has been stressed in some works, but no explicit change has been seen so far as to what has been dealt with since.

So, "a common flaw in much of the writing about social entrepreneurship is that it overstates the role of heroic individuals"[6].

This appreciation of individual effort is something that is not unique to social entrepreneurship; in fact, this perspective of individual appreciation comes from conventional entrepreneurship from which many examples are seen in practice. This appreciation is seen in the lectures that many entrepreneurs promote or are individually invited to present their life stories and what they have achieved with their endeavors.

There is hardly such a talk where there is a presence of a work team posted with its chief executive, telling together the success stories of the company. The individual appreciation of the entrepreneur is very frequent in leadership discourses, where the leader is the center of organizational success and his presence is essential for this success. Social entrepreneurs are also seen as transformers and innovative leaders [7].

In some ways leadership does have a great influence on achieving success, but this must be seen in a kind of organizational analysis that is determined in a specific set of organizations, because in other management modes leadership is shared and decentralized. thus reducing the total dependence of an individual, especially if we talk about other modes of administration such as self-managed or collegiate.

One of the problems of dealing with entrepreneurship from an individual perspective or from the role of a few entrepreneurs makes the role of other actors only superficial and reduces its importance to business success. However, such a discussion brings to light the expressed need to value teamwork [6], which in the literature has a vast production that confirms its relevance for the improvement of organizational results.

In some processes the individualization of work makes it possible to assign responsibilities, but in socialization processes there is no way to be done if there is no greater interaction between the individual and his peers. The processes that begin individually in their later stages are taken by the collective actions necessary to achieve the final result.

These discussions are seen in practice in social entrepreneurship regarding innovation processes. Innovation starts with a creative process and later, in order for it to materialize as innovation, it needs to be accepted by society and this involves a well-organized collective process in order to achieve its goals. It is believed that the social innovation scales can be improved with a better transfer strategy and adoption of innovations [8-9].

Regarding this discussion, there is no question in this essay about the importance of individual processes for the birth or strengthening of social entrepreneurship, but the over-appreciation that the individual gives in the whole process from creation to results in a way that the team's role in certain steps is undervalued or even unmentioned.

An important point to note is that social entrepreneurship in modern society is most effective if it is worked from non-individual perspectives. If individual perspectives already permeate social entrepreneurship, it is necessary to carry out awareness actions for the valorization of collective work, in an eclectic approach [10].

Thus, it is understood that the earlier the collective thinking permeates the actions of social entrepreneurship, the less likely there will be conflicts due to the questioning due to lack of appreciation of other organizational members. Thus, the problem has greater impact when it tends to individual valuation throughout the process. Something that goes against the logic of social action and the performance of social actors in the process of building society.

### **A View from Network Organizations**

Network organizations are not simply a cluster of organizations, nor the simple algebraic sum of their resources, whether human, material, financial or technological. The approach is broad in that it is a synergistic action of organizations so that their actions cannot be distinguished as each company with a particular action, but a joint action in the form of a single body. As can be seen in organizational studies are hybrid forms of organization [11].

In this sense, the ways in which network organizations come together may vary in

different formats or certain typologies, varying in nature, degree of involvement, goals, and other criteria and classification criteria. However, the main point is that in modern society one does not think of greater effectiveness of its structure if these new arrangements do not exist. Moreover, when we refer to social innovation promoted by social entrepreneurship, it would be difficult to imagine how it could occur without recognizing the impacts of networks. "All social entrepreneurs start with an endowment of social capital: a network of relationships and contacts that are linked by shared values and interests" [12].

As an exercise, one can imagine that an NGO would not be as effective in raising a large amount of resources if there was not a broad network of relationships, unless a single donor was able to pool all of these resources, but one would still need to. Contact partners. But this behavior of cooperation between organizations is not exclusive of social actions, otherwise this behavior also comes from the adoption of business practices since there are networks such as business conglomerates, strategic alliances, among other forms of *cluster* partnerships that they are carried out to strengthen a similar or similar business group.

Like business networks, non-profit organizations can also organize themselves into forms of networking, which can enjoy similar benefits from profit organizations. As a result, the importance of cooperation, networking, relationships and trust increases for strategic planning and social entrepreneurship evaluation [13].

And an important aspect is that organizational unions are not only limited to the local, regional or national context, but also broaden their horizons abroad, creating international partnerships. Many social enterprises have benefited from international partnerships or the actions of INGOs – International Non-Governmental Organizations [13], given their growth to obtain financial resources, mainly due to resource constraints or national initiatives. Another imaginative exercise that must be done to understand the new logic of networking organizations is that if there is the opposite of this, isolated ventures trying with their efforts to solve all problems alone, the odds of success are diminishing.

And this reality is not only hypothetical, for there are stories of many non-governmental organizations and civil societies that failed to achieve their mission for many years because of the isolation of organizational networks. On the other side of this reality that is much perceived in the country, there are also initiatives that will bring new perspectives that contribute to the necessary social innovations for the nation.

There are already reports of social incubators, or social business incubators, which are organizations that were created to assist social enterprises in their early stages, usually after their foundation or a few years of life. In addition to the arrangements as seen in the university environment [14], many incubators promote their shared actions to all participants and encourage cooperative work and even co-creation.

Some of these incubators also have co-working spaces. Spaces of cooperation and interaction as well as other forms of sharing and interaction between organizations are thought because of the understanding of the importance of networking organizations for higher productivity, greater idea generation, greater motivation, greater discussion and criticism around products and services offered by social entrepreneurship for social innovation.

### **Reconciliation of Perspectives and Creation of new Visions**

Social entrepreneurship is a new form of entrepreneurship, but it has the same Druckerian innovative spirit or Schumpeterian creative destruction [13] as conventional forms in the following proportions and perspectives: a) the innovative spirit is seeking new solutions to social problems. old in a new way of equating a more qualified service with regard to management similar to a venture; b) creative destruction is the deconstruction of purely economic thinking.

As it is not limited to financial sustainability and business survival, but also to the efficient attainment of a social mission which would often not be seen as compatible with business organizational models and sometimes seen as an unlikely combination. It is emphasized that the goal of entrepreneurship is not only linked to profit,

but to changing standards and exploiting opportunities [9].

From the entrepreneur's vision as a transformative agent and the vision of networked organizations, it is possible to reconcile the propositions of these visions in the following logic: the social entrepreneur is the beginning of social entrepreneurship that will be able to broadly develop its mission through networked organizations which will be your arms to reach the goals that the entrepreneur alone could not achieve.

In this way we have a view of valuing individual action, a view of valuing collective action and another that creates a continuous space between the two visions so that through networked organizations, the initial idea of the individual can be interconnected with force. from the collective to the achievement of the social mission.

This social mission is the key point of social entrepreneurship [9] and the treatment of finance as a means and not the end of its activity. Profit as a means rather than an end, builds a typical model of social entrepreneurial trait [1]. The ways in which enterprises are structured or organized can define a determined position in this continuum between an individual appreciation and a collective appreciation.

For example, foundations and institutes are organizations that value individual aspects because they are constantly preserving the names of their top executives in order to honor their leadership and provide references on what is expected of the entity seeking its legitimacy. On the other hand, regardless of what appreciation the organization has, social entrepreneurship must create value [6].

There are organizations in which the collective presentation has more representation for its visual communication and its mission statement, because a collective nomenclature has meanings for specific movements, denoting a philosophy or symbol of collective reframing from which there can be a connection between members. or even a feeling of sympathy about your identity.

Ratifying the relevance of new visions from the lens of the perspective of networked

organizations, we have to: Through the social sciences, from anthropology to sociology to political science to economics, there is research into the role of networks in shaping phenomena as diverse as migration, entrepreneurship, the viability of communities and international trade. In the business world, the appreciation of the role of informal and organized networks has grown dramatically [15].

However, the importance of networking in the continuum of any position in social entrepreneurship is its enablement as a movement to achieve its mission in quantitative terms. In this sense, the greater the level of insertion or formatting of networked organizations, the greater the likelihood that this enterprise will have extensive collaboration, mutual cooperation, and an extended level of reach.

This importance attributed to this perspective can be understood by what is portrayed when bringing the meanings that networks can have as: [...] Formal exchanges, whether in the form of grouping assets or resources, between two or more parties that involve continuous interaction to obtain the value of the exchange. These more formal network relationships can be forged out of mutual need, but can also lead to interdependence and repeated interactions that reduce the need for formal control [15].

The perspectives presented here are not static, since in modern society changes happen in a dynamic way and there are possibilities of enterprises having their whole structure changed by social action, the influence of external factors such as the impact of governmental actions or even environmental changes. Another point not also considered static is the role that network organizations can influence social entrepreneurship.

This view may favor a new view of the role of network organizations as a means to the expected outcomes of the social mission involved in social entrepreneurship. Management processes in networked organizations are considered to have a certain level and complexity that requires clear delineation and inter-harmonization [16]. This role may vary depending on the structure of the network organization itself, its levels, whether between organizations or

within the organization itself [16] and the way it operates, even its philosophy.

Structuring ranges from this internally coupled division of distinct business units or distinct companies within a group or inter-organizational with distinct links within the value or production chain. This is because organizations that have few links in the network and have a very decentralized action may be devoid of a standard of action and the effects of their actions may be difficult to manage. On the other hand, a multi-link and centralized decision-making network can favor greater scope and more standardized action.

However, there are other combinations that can be made according to what has been mentioned above about network formation. Care should be taken when adopting the perspectives of networked organizations in order not to think that the complexity will be less due to the decentralization of actions or sharing of responsibilities within the network. In addition, it is necessary to highlight the influence of social capital and the complexity of the project on its management, especially when there is a cooperative interaction that directly influences the transaction costs associated with its management [17-18].

Thus, the creation of new perspectives and the interrelationship between concepts and ways of acting in organizations, whether in social entrepreneurship or other formats, is an intellectual activity that requires participatory planning and synchronization with management processes so that it does not start a process of change without connecting it to the reality presented by the institution.

### **Final Considerations**

Thus this essay brought the discussion about what really makes social entrepreneurship something real as a practice of creating social value before people, which is the understanding of action as a network. However, it is observed that the way in which social value is communicated to people, focusing on individual or collective action, can pose problems for understanding what social entrepreneurship really is.

Therefore, social entrepreneurship was discussed here from the perspective of network organizations' perspectives to make

it clear that social entrepreneurship cannot be merely attributed to a kind of phenomenon that aims only to highlight one or a restricted group of individuals without considering new perspectives. Creating a heroic perspective on entrepreneurship can mask the problem when entrepreneurial actions do not really have a social mission in focus.

This is because there is not always a real description of what organizations practice that may vary according to the interests of participants, as well as political and power struggles, which were not the focus of the discussion here. The problem of mimicry with social entrepreneurial actions of overvaluing leadership is also a risk that can increase once the diffusion of these ideas is greater. However, it is important to discuss leadership within organizations that has as a success factor the adoption of this organizational behavior or structure focused on this configuration.

It was also observed that the improvement of innovation with networks is a fact that has been accompanied both empirically and theoretically by the ways in which organizations in the present times are generating their results within what they plan and within what the socioeconomic dynamics presents itself.

Even though the discourse about teamwork is often accepted as relevant to organizational success, there are still aspects that are not fully resolved. There are cases where the valuation of collective work is still a matter of discussion in entrepreneurial areas or actions where the social factor is the main feature and that cooperation is the key to the effectiveness of actions. Within this logic, it is

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necessary to strengthen the network of contacts that in the present times do not limit to local borders but also bring new possibilities beyond borders which have brought quite positive results for those who have skills with international business or global communication.

New visions and creations also arise from a continuous space of understanding and appreciation between the role of the entrepreneur and the formation of entrepreneurship as a movement of a contingent of people who are aligned with a particular mission. This is because some barriers are being broken down over knowledge areas.

The interdisciplinary of work teams and projects allows the creation of networks within their own areas and in other areas to achieve the same goal, in a way they are macro-objectives, ie objectives that need more participatory cooperation and planning. The formality and informality of network organizations are not discussed in terms of importance in this essay, but research objectives are possible if these aspects are relevant to understanding network performance due to greater or lesser degree of formality.

Finally, complexity should be considered as a factor of major concern with the strategic planning of network organizations and also in the case of social entrepreneurship. However, it is emphasized that in social entrepreneurship the focus on social mission as the strategic objective to direct cooperation and interaction efforts between organizations that have the same object of work or philosophy.

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