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THE ROLE OF SOCIAL ENTREPRENEURS IN THE PROCESS OF INSTITUTIONAL CHANGE

An exploratory study in Ghana

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Thank you, grazie, tusind tak, me dah see!

“My greatest challenge has been to change the mindset of people. Mindsets play strange tricks on us. We see things the way our minds have instructed our eyes to see.”

Muhammad Yunus

Abstract

Despite the potential of social entrepreneurship to tackle societal and environmental issues through a systemic approach, the implementation of institutional change in developing countries by social entrepreneurs has received little attention from scholars. In order to fill this void in the literature, the present research explores *how social entrepreneurs in Ghana proceed to make institutional change*. To answer the research question, this thesis follows a critical realist approach and is based on qualitative data collected through eleven semi-structured interviews with social enterprises and two field experts during a field trip in Accra, in March 2019.

Based on Battilana, Leca and Boxenbaum's (2009) framework on the process of implementation of institutional change, the findings suggest that Ghana presents a fertile ground for opportunities to change the current institutional arrangements. The field 'societal challenges' also creates opportunities for action, due to the contradictions and uncertainty of the current institutional arrangements. The empirical data have shown that the implementation of institutional change requires a clear vision of divergent change and the mobilization of allies. Our findings prove that social entrepreneurs cannot spread the divergent change alone. The findings suggest that the resulting institutional change is carried out mainly at the normative and cognitive level, rather than at the regulative level. Finally, the insights of this thesis are translated into practical implications for social ventures aiming at implementing divergent change in Ghana, policy makers and supporting institutions.

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Acronyms

Artificial Intelligence	A.I.
Building Resources Across Communities	BRAC
Economic Community of West African States	ECOWAS
Gross Domestic Product	GDP
International Monetary Fund	IMF
Kwame Nkrumah University of Science and Technology	KNUST
Meltwater Entrepreneurial School of Technology	MEST
Multinational Company	MNC
Non-Governmental-Organization	NGO
Sustainable Development Goals	SDGs
Small and Medium Enterprises	SMEs
United States of America	USA

1. Introduction

With an increasing attention to development challenges, such as poverty and environmental issues, the need for a new development paradigm has become more persistent in recent years. Also, with the introduction of the Sustainable Development Goals (SDGs) in 2015, the need for new solutions, apart from traditional structures, has become even more evident. The role of the private sector has been globally acknowledged as a tool for development (UNDP, 2004). More specifically, the role of social entrepreneurship appears as a promising phenomenon to tackle societal and environmental issues (Seelos & Mair, 2005).

The shift in the development paradigm, where businesses are given a key role in development, highlights the need to find innovative solutions to societal challenges by adopting business principles. Especially in developing countries, challenged by a range of deeply-rooted societal problems, as well as market failures, social entrepreneurs have been acknowledged as being well-placed to address certain issues (Nicholls, 2009).

Located in West Africa, Ghana is experiencing a proliferation of social enterprises, aiming to support the country's fast development. In line with the global trend, in sub-Saharan Africa, and specifically in Ghana, there is an increasing interest in the phenomenon of social entrepreneurship and its potential for addressing issues regarding sustainable development. Yet, people around the world, especially in developing countries, demand systemic change, as it seems urgent to reform current institutions (Battilana et. al., 2009; Mair & Marti, 2009). Some scholars believe that social entrepreneurs have the potential *"to change the lives of real people, and to change the systems that create and sustain poverty"* (Seelos & Mair, 2005, p. 5). However, we do not know how, and to what extent, social entrepreneurs are actually able to bring about the changes expected from them.

This thesis contributes to the research on the process of institutional change made by social entrepreneurs, focusing on the situation in Ghana. The aim of this thesis is

twofold: examining the process of institutional change carried out by social enterprises, and assessing the kind of institutional change that social enterprises aim to make.

1.1 Problem field and research question

This thesis is positioned at the intersection of two fields, namely business studies and development studies. Due to globalization, the two fields have been combined under the more recent heading 'business and development studies', which has the aim, among others, to identify the crucial role of entrepreneurship in developing countries (Hansen & Schaumburg-Müller, 2010). Social entrepreneurship represents a perfect example of the combination of the two fields.

There has been little research on social entrepreneurs attempting to transform, or create, new institutions in order to push social and economic development. In fact, scholars have focused more on the macro-solutions to economic development, instead of looking at the micro-level where social entrepreneurs operate (Mair & Marti, 2009). Social entrepreneurs that present solutions that diverge from the current institutional arrangements in a field of activity, can be considered as 'institutional entrepreneurs' (Mair and Marti, 2006). The concept of 'institutional entrepreneurship' has gained a lot of interest, especially regarding the "paradox of embedded agency", questioning how actors can change institutions even if they are institutionally embedded (Seo & Creed, 2002). Considering that institutions, such as norms and rules, are taken-for granted, making individuals and organizations comply with them, the challenge is to understand how new institutions are formed or current ones transformed (ibid.).

Despite the recognition of social entrepreneurs as actors able to change institutions, there is little literature connecting the topics of institutional entrepreneurship and social entrepreneurship (Battilana et al., 2009; Dacin et al., 2011). Furthermore, there is an increasing request to study institutional entrepreneurship in developing countries such as Ghana (Larsen, 2013; Tracey & Phillips, 2011).

By leveraging on the field of ‘business and development studies’, we can study social entrepreneurs acting as institutional entrepreneurs in Ghana, and answer the following research question:

How do social enterprises in Ghana proceed to make institutional change?

1.2 Scope and delimitations

This thesis pivots on the process of institutional change carried out by social entrepreneurs. Hence, the units of analysis in this paper are social entrepreneurs starting new ventures, which have been initiated by one or more founders. During a field trip to Accra, Ghana, in March 2019, eleven social entrepreneurs aiming to solve different issues were interviewed. In addition, we also interviewed two field experts to gain further insight into the current situation of social entrepreneurship in the country. In this thesis, we apply the perspective of institutional entrepreneurship to social entrepreneurship, which has been identified by Mair and Marti (2006) as a useful way to examine the emergence of social entrepreneurs and understand the role of social entrepreneurship in creating or transforming institutions.

As already mentioned, the focus of this thesis is merely the process of the implementation of institutional change, carried out by social entrepreneurs. For this reason, we will use Battilana, Leca and Boxenbaum’s (2009) framework. The model starts from identifying the enabling conditions of the emergence of institutional entrepreneurs, followed by the different stages of the process to implement the change. After having delimited the focus of this research, we exclude evaluating the social impact of social enterprises and measuring their performance from the scope of this thesis.

In this thesis, the term ‘institutions’ is based on North’s (1990) definition, who interprets them as humanly created constraints that give shape to the ‘rules of the game’ of society. More precisely, we refer to Scott’s (2001) three categories: the regulative, normative and cognitive pillars. We, therefore, consider not only formal institutions (regulative level), but also informal ones (normative and cognitive). Furthermore, the

concept of 'institutional change' means the transformation of current institutions or the creation of new ones.

Finally, we consider the possibility that other theories might have provided a different insight to analyse more specific activities in the process of institutional change. However, focusing on the enabling conditions and the implementation of divergent change, carried out by social entrepreneurs, is useful for giving a more holistic view of the process. It can also contribute to fill the gap in the literature, regarding social entrepreneurs acting as institutional entrepreneurs in developing countries.

1.3 Case justification

This research focuses on social entrepreneurship in Ghana. Like many other sub-Saharan African countries, Ghana has experienced rapid economic growth in recent years, almost winning the title of the year's fastest-growing economy worldwide in 2017 (World Bank, 2018). The country's improvements not only lie in the economic field, but they also regard technological and digital development. Ghana is, indeed, one of the leading countries in Africa's emerging digital economy (Osiakwan, 2017). The cities are full of innovation and entrepreneurial centres, creating a rising dynamic and entrepreneurial synergy. Despite its current transition towards a middle-class country, Ghana still lags behind in terms of human development, as well as on social and environmental issues. The population faces various social and environmental problems, ranging from healthcare concerns to waste management. In 2018, Ghana's government launched the vision 'Ghana Beyond Aid', which puts a lot of focus on the power of entrepreneurship as a tool for development. In particular, the image of social entrepreneurs is seen as a promising new actor that can solve societal problems. The fact that the government is working on a specific policy for social entrepreneurs explains the rising interest in their work. For all these reasons, Ghana constitutes an appealing case for exploring the process of institutional change, carried out by social entrepreneurs.

1.4 Outline of the structure

This section presents an overview of the contents of the next chapters. The thesis starts with a literature review that introduces the concepts of entrepreneurship, social entrepreneurship and institutional entrepreneurship. Then, the analytical framework is illustrated, based on the model of the process of institutional entrepreneurship developed by Battilana, Leca and Boxenbaum (2009). The succeeding chapter explains the methodology used in this study and the field research conducted in Ghana. An introduction of the Ghanaian socio-economic context and the situation of social entrepreneurs is then provided in chapter 5. The following chapter empirically analyses the findings, in relation to the analytical framework. Furthermore, the analytical framework and the methodology are discussed in chapter 7. The final chapter concludes the research and presents recommendations based on the findings.

2. Literature Review

This chapter provides a review of the relevant literature and theoretical reflections on the main concepts used in this thesis, with the aim of identifying an analytical framework. Firstly, an overview of entrepreneurship will be given, with a particular focus on developing countries. Secondly, the social entrepreneurship concept will be introduced, followed by a section on social entrepreneurship related to institutions. Then, the theory of institutional entrepreneurship will be unpacked and will lead to the analytical framework, which forms the basis for the analysis.

2.1 Entrepreneurship

Studies have shown that, in contemporary open markets, entrepreneurs are important drivers for economic growth and are crucial actors to sustain and give inputs to the market's dynamic forces (Baumol & Strom, 2007; Deakins & Freel, 2009; Wennekers & Thurik, 1999). The central role that entrepreneurship nowadays holds in the economy is due to the recent changes that the world is experiencing, such as globalization and disruptive technology transformations, which bring with them a necessity for fundamental change and a new distribution of resources (Wennekers & Thurik, 1999). Indeed, the crucial role of entrepreneurs is even more determinative when the economy is characterized by transformations, ambiguity and unpredictability (Deakins & Freel, 2009). Thus, the entrepreneur's formulation of the business idea is influenced by chances created by transformations in the economy, together with former events. As the society and its economy are constantly changing, more and more opportunities emerge (*ibid.*).

The concept of 'entrepreneur' has been considerably studied by scholars, who all have different perspectives on its definition, its attributes and role (Steyaert & Hjorth, 2003; Hébert & Link, 1989; Wennekers & Thurik, 1999). In order to obtain a holistic view of the attributes that are conferred to entrepreneurs, and to gain a deeper understanding of their possible attitudes and influencing factors, we will consider all three approaches to entrepreneurship analysed by Deakins and Freel (2009), namely the economical,

the personality and the social-behavioural approach. Then, since our study is centred in Ghana, a developing country, we will also consider the theories of entrepreneurship focussing on development, namely, the social network approach, the business model approach and the institutional approach.

Firstly, we consider the economic approach to entrepreneurship. The main economic theories on entrepreneurship take their roots from Richard Cantillon, the first scholar who acknowledged the essential role of the entrepreneur for economic growth (Deakins & Freel, 2009). The literature is divided between “*the German tradition of Thunen and Schumpeter, the neoclassical tradition of Knight and Schultz, and the Austrian tradition of Kirzner and Shackle*” (Hébert & Link, 1989, p.41). Kirzner, representative of the Austrian model, considers the entrepreneur as a middle-man, a person who is able to recognize an opportunity and has the ability to benefit from current technologies. This perspective states that anyone has the potential to be an entrepreneur, and that his or her role is to establish stability in the economy, which is in contrast with the Schumpeterian or German view (Wennekers & Thurik, 1999; Deakins and Freel, 2009; Hébert & Link, 1989). In line with German tradition, Schumpeter sees the entrepreneur as being unique and an innovator. He introduced the concept of ‘creative destruction’, describing the procedure of entrepreneurs in creating new goods and services that disrupt former societal structures (Deakins & Freel, 2009). The last perspective to be introduced is the neoclassical perspective of Knight, which focuses on the way economic actors react to structural uncertainty. He perceives the entrepreneur as a risk-taker, who earns profit from operating in an uncertain world, where change is unpredictable (Deakins & Freel, 2009).

We will now take into consideration the second stream of research, namely the personality approach, which will give an overview of the personal traits that scholars believe are present in an entrepreneur’s personal character (Deakins & Freel, 2009). The main assumption of this psychological approach is that some people possess innate, constant and permanent personal attributes that make them more inclined to being an entrepreneur and starting a new business than others (Greenberger & Sexton, 1988). The major limitation of this approach is its static nature, while in this thesis we are looking at more dynamic theories that take into account the social and cultural factors as well as the surrounding environment of the entrepreneur. Moreover,

it ignores important factors such as gender, age, social status and academic background, which influence the probability that a person will become an entrepreneur (Deakins & Freel, 2009).

We move now to the socio-behavioural approach, which recognizes the importance of personality traits, but focuses more on contextual factors that support or inhibit entrepreneurship's favourable outcome (Lee & Peterson, 2000). According to this approach, the elements that may influence an entrepreneur's action can be family and close acquaintances, access to capital, the surrounding society and government organizations (ibid.). Gartner (1985) also looks at the environmental factors influencing entrepreneurs' actions. For example, the presence of relevant supportive entrepreneurial environments, such as venture accelerators, have the capacity to actually create an entrepreneur. Moreover, Granovetter (1985) argues that behaviour is mainly enclosed within social networks. In fact, the socio-behavioural approach relies on the social network and on social capital theory, especially when considering developing countries, where access to resources depends on social relations and connections (Woolcock & Narayan, 2000).

Entrepreneurship, in the development field, also takes into consideration the theory of business models, which argues that enterprises can gain a competitive advantage through their business model. The definition of the business model is that it describes in a holistic way the manner of doing business of an enterprise, and its goal is to illustrate the way value is created. The strengths of this approach are its simplicity, the holistic view it provides of the business and the fact that it considers both value creation and value capture. However, its limitation is that it does not consider the surrounding environment because it is predominantly centred on the firm and its activities (Zott et al., 2011).

Finally, we will look at the institutional theory in entrepreneurship research, which is particularly useful to understand the reasons why an entrepreneur is successful, especially when embedded in the context of developing countries (Bruton et al., 2010). We will begin by defining institutions, which, according to North (1990), are *"the rule of the game in a society or, more formally, are the humanly devised constraints that shape human interaction"* (North, 1990, p.3). Therefore, enterprises are rooted in the

particular country's institutional structure, which differs between countries and can influence the ability and chances of the entrepreneurs to start a successful new venture (Busenitz et al., 2000). Moreover, especially when analysing developing countries, it is essential to acknowledge that institutions can be either formal or informal (North, 1990). On the one hand, formal institutions pertain to the regulatory system, and entail laws, rules, regulations and means of enforcement. On the other hand, informal institutions belong to the normative and cognitive system through unwritten social codes and norms respected by a tacit social contract, invisible structures and beliefs about social conduct that are presumed (ibid.).

There are different streams of research available in the literature that study how institutional theory applies to entrepreneurship. The first stream of research is about the institutional setting, which can facilitate or restrain entrepreneurial action and can delimit the entrepreneur's opportunities to start a new venture and be successful (Bruton et al., 2010). Taking inspiration from Soto (2000), Bruton, Ahlstrom and Li (2010) state that the absence of a formal institution will inhibit entrepreneurs from creating a new venture. Vice versa, their activity can also be hindered by an environment with excessive institutional formality, such as strict rules, procedural requirements and reporting to a diverse range of institutions, which entails a lot of financial and human resources (ibid).

The second stream of research ties the entrepreneur's success to legitimacy. A new venture, for the sake of survival, needs to align its business strategy to the socially constructed system of the society to gain legitimacy, to avoid being sanctioned. Indeed, this limits the new venture's spectrum of actions and the extent to which it possesses individual agency (Bruton et al., 2010). Lastly, institutions relate to entrepreneurs when they change or create new structures within the current institutional arrangements (ibid.). This phenomenon is due to entrepreneurs operating in under-organized environments, where they are more inclined to make changes and create new and more performant institutions that will then support their business or their sector (ibid.). This thesis will focus on this latter stream of research, namely institutional entrepreneurship, which will be further analysed in section 2.4.

After having reviewed the theories behind entrepreneurship, the following section will focus specifically on entrepreneurship in developing economies. Most of the studies about entrepreneurship have been carried out in developed areas such as Europe and North America (Naudé, 2010). As this thesis is based on social entrepreneurs operating in Ghana, particular attention is, therefore, drawn to the context of developing countries.

2.1.1 Entrepreneurship in developing countries

The Global Entrepreneurship Monitor found that, currently, the level of entrepreneurial actions is surprisingly elevated in developing countries compared to developed countries (Reynolds et al., 2001). Rosa, Kodithuwakku and Balunywa (2006) tried to explain this phenomenon by arguing that, in poorer countries, entrepreneurs are created out of necessity, meaning survival motives, whereas in developed countries they are driven by opportunity and innovation. Other motivations have been identified as being critical for starting out as an entrepreneur in developing countries, such as the entrepreneur's status within society and being able to profit from economic development (Rosa et al., 2006). Another explanation for this high level of entrepreneurial activity in developing countries may be the conducive environment that emerging markets attempt to create. Developing economies are beginning to concentrate on the private sector, a crucial tool for economic growth, and on establishing a commercial area that is favourable for setting up a business that can be either local or foreign (Acs & Virgill, 2010). Moreover, a growing middle class, which embodies the values of social competitiveness, and the rise of new technologies, encourage entrepreneurial activity (ibid). Many scholars argue that not only entrepreneurship is widespread across developing countries, but also that entrepreneurs are crucial for the economic development of these countries (Bruton et al., 2010; Naudé, 2010; Acs & Virgill, 2010). Entrepreneurs are seen as actors of development, they contribute to economic growth and they push fundamental changes of society. They also contribute to a decrease in poverty by creating jobs, they increase women empowerment and augment the welfare of some individuals (Acs & Virgill, 2010).

Developing countries are still characterized by precarious and weak institutions, which force entrepreneurs to overcome different challenges in conducting their business and make them operate in an uncertain environment (Tracey & Phillips, 2011). As stated by Peng (2000), formal institutional barriers in emerging markets include the absence of a reliable legal support and of a solid political framework. Since formal institutions need the support of high infrastructural and institutional costs, people may prefer informal institutions (Boisot & Child, 1996). Moreover, formal institutions may suffer from a high level of corruption (Tracey & Phillips, 2011). As such, due to the instability of formal institutions, entrepreneurs rely on informal institutions to carry out their enterprises. Informal institutions guide the behaviour of local enterprises and relate to cultural norms and values (Puffer et al., 2010). Simultaneously, it seems complicated for 'outsiders' to engage in entrepreneurial actions due to the highly entrenched networks and personalized trade typical of informal institutions (Tracey & Phillips, 2011). To allow 'outsiders' to overcome the liability of newness, it is crucial for them to understand the process of acquiring cognitive and moral legitimacy of the specific environment they are operating in (Stinchcombe, 1965). Thus, the constraints of these informal institutions lead those 'outsiders' to claim for more formal institutions and rules. Meanwhile, 'insiders' benefit from it and prefer those informal settings (Puffer et al., 2010).

Institutional complexity can be seen both as a challenge but also as an opportunity for entrepreneurs. In developing countries, entrepreneurs play a crucial role in facing institutional complexity, and they have the potential to help to alleviate poverty and solve the problems of society by filling institutional voids (Mair & Ignasi, 2009). In the next section, we will focus on a specific type of entrepreneur, that is the social entrepreneur, whose mission is to look for new ways to confront social problems and needs (Dees & Anderson, 2006).

2.2 Social Entrepreneurship

Social entrepreneurship is a relatively new phenomenon that emerged around the globe mainly due to two factors: the crisis of the welfare state and an increased competition in the non-profit sector (Dees, 1998). The field has raised the interest of

researchers in the last two decades (Austin et al., 2012), after those who practised it started the research already in the early 1980s. The founder of Ashoka, Bill Drayton, was the first to coin the term 'social enterprise' and he funded an organization to provide support to social innovators and to scale their impact (Drayton, 2002). Even if social enterprises have proliferated across the world, research lags behind practice. This applies especially to developing countries and emerging economies, where social entrepreneurship is considered a new potential tool to unlock their development (Azmat, 2013). Desa (2010) identified four streams of academic research on the topic of social entrepreneurship: 1) the definition of the term; 2) the measurement of social performance; 3) the resource-constrained environment in which social enterprises work and 4) the role of institutions. Based on these different streams, we will explore the existing theories behind social entrepreneurship and focus in particular on the last category that will be dealt with in depth in a specific section.

In general, social entrepreneurship focuses on reaching both economic efficiency and a social aim by discovering and exploiting opportunities for social change, using a business structure (Austin et al., 2012; Mair & Marti, 2006). Yet, there is no universal definition of social entrepreneurship, which leads to blurred boundaries and, therefore, a weak academic legitimacy (York et al., 2010). The term has been used also as an umbrella for concepts from different researchers that most of the time can be used interchangeably (Grassl, 2012), such as 'social venture' (Sharir & Lerner, 2006), 'social business' (Yunus et al. 2010), 'social purpose business venture' (Hockerts, 2006), 'hybrid organization' (Battiliana & Dorado, 2010) or 'social entrepreneurial organization' (Mair et al., 2012).

Dees and Anderson (2003) carefully differentiate 'for-profit social ventures' with other related models of enterprises: 'non-profit business ventures'; 'socially responsible businesses'; 'purely profit-motivated firms operating in the social sector'. What makes 'for-profit social ventures' unique is their for-profit model combined with a social purpose (ibid.). The main difference with traditional entrepreneurship is that social entrepreneurship aims to adjust or alleviate social issues that, instead, mainstream enterprises disregard (Mair et al., 2012; Nicholls, 2006). They are anyhow similar because social enterprises must use the same operating principles as mainstream entrepreneurs to sustain their innovative business and make the vision real (Makhlouf,

2011). Indeed, social enterprises are “*explicitly designed to serve a social purpose while making a profit. Having a social purpose involves a commitment to creation value for a community or society rather than just wealth for the owners or personal satisfaction for customers.*” (Dees & Anderson, 2003, p. 2). To better understand the dynamics between the social and the financial goal of a social enterprise, we can look at Dees and Anderson’s Spectrum (2003) (see Fig. 1).

	Purely Charitable ←————→ Purely Commercial		
Motives, Methods & Goals	Appeal to goodwill Mission-driven Social value creation	Mixed motives Balance of mission and market Social and economic value	Appeal to self-interest Market-driven Economic value creation
Key Stakeholders			
Targeted Customers	Pay nothing	Subsidized rates, and/or mix of full payers and those who pay nothing	Pay full market rates
Capital Providers	Donations and Grants	Below-market capital and/or mix of donations and market rates capital	Market rate capital
Work Force	Volunteers	Below-market wages and/or mix of volunteers and fully paid staff	Market rate compensation
Suppliers	Make in-kind donations	Special discounts and/or mix of in-kind and full price	Charge full market prices

Fig. 1: Social Enterprise Spectrum (Source: Dees & Anderson, 2003, p.51)

Overall, social enterprises are considered as organizations that generate revenue for the sake of a social mission (Dart, 2004), but also as agents of change in the social sector (Dees, 2001). Even if it lacks clear barriers and a theoretical definition, in this thesis we will use one of the most relevant and cited definitions of social entrepreneurship, which is the process of “*involving the innovative use and combination of resources to pursue opportunities to catalyse social change and/or address social needs*” (Mair & Martí, 2006, p. 37).

The complexity of defining social entrepreneurship derives mainly from the great difficulties in assessing social performance and impact for both practitioners and scholars. This is, indeed, the second stream of research identified by Desa (2010). Social enterprises lack the resources needed to measure the impact, and yet there is no common impact measurement system in the field (Nicholls, 2009). However, more organizations are now experimenting social impact measurements due to stakeholders' pressure (Dees & Anderson, 2003; Nicholls, 2009). For example, the Social Return on Investment (SROI) has been developed by the Robert Enterprise Development Fund, with the goal of quantifying social value creation (Javits, 2008).

The third stream of research on social entrepreneurship deals with the resource-constraint environment in which social enterprises operate. In order to survive with limited resources, social entrepreneurs often apply 'bricolage' strategies (Baker & Nelson, 2005), which is the "*continuous combination, recombination and re-deployment of different practices, organizational forms, physical resources, and institutions*" (Mair & Marti, 2009; p.431). The sustainability and the model of social enterprises is not only influenced by the combination of limited resources, but also by some personal factors, such as social entrepreneurs' past experiences and social identity (Desa, 2010). For example, some entrepreneurs were inspired to start their venture by encountering important adults with high values during their childhood to start their venture (Bornstein & Davis, 2010 in Swanson & Zhang, 2012). Other personal traits that are important to acquire resources include "*their personal credibility as established by their network of contacts, status, and professional histories; framing and reputational effects, which involves persuading others to support their missions by stressing the social values they espouse; and leveraging their social network*" (Swanson & Zhang, 2012, p.175).

Moreover, there are some particular personality traits that positively influence social entrepreneurs: agreeableness, openness and conscientiousness (Nga & Shamuganathan, 2010). Some authors find similarities between the personality traits of social entrepreneurs and 'classic' entrepreneurs, such as their innovative traits (Perrini & Vurro, 2006). Differently, others consider social entrepreneurs as real pioneers and as a 'rare breed', owning a better ability to leverage resources and unique features such as cognitive capacities and a strong altruistic attitude (Dacin et

al. 2010; Dees, 2001; Seelos & Mair, 2005). As already mentioned, the fourth category of study, as defined by Desa (2010), will be examined in the next section.

2.3 Social Entrepreneurship and institutions

The role of institutions for social entrepreneurship is defined in the last stream of research identified by Desa (2010). Social entrepreneurship arises where the three sectors that shape modern society overlap, namely the private, the public and the non-profit sectors. Institutions are not always present to give stability to a country's population. Especially in developing countries, institutional structures that support the economy are missing, they are fragile or unable to succeed in their duty of meeting social needs (Desa, 2010; Dees & Anderson, 2006; Mair & Marti, 2009; York et al. 2010). This includes the state, the market and social institutions. This phenomenon, coined by Khanna and Palepu (1997), is called 'institutional voids' and its effect is to exclude some people, especially poor individuals, from participating in the markets (Mair & Marti, 2009).

In line with the concept of 'institutional voids', scholars also highlight the concept of 'institutional complexity', which is defined as the "*phenomenon when organizations are confronted with incompatible prescriptions from multiple institutional logics*" (Cherrier et al., 2018, p. 245). In general, some scholars consider institutional complexity as a limitation to social entrepreneurship (Sud et al. 2009) and claim for more institutional support from both formal and informal institutions (Stephan et al., 2015). Institutional complexity is, therefore, viewed as a main concern for social entrepreneurs (ibid.), as they need to combine their social purpose and values with market pressure and shareholders' requests (Austin et al., 2012). Furthermore, as the field of social entrepreneurship is emergent, it has not received full legitimacy yet (Sud et al., 2009), which may lead to less attention by the regulatory agencies and authorities (Battilana & Lee, 2014). Even when social enterprises will eventually receive legitimacy, they will be pressured to adjust the current structures and operations, following the isomorphism argument (Sud et al., 2009). All these factors, together with a "*moral, political and structural argument*" (ibid., p. 201), lead Sud, Vansandt and Baugous (2009) to conclude that social enterprises are unable to solve large-scale societal

issues by themselves (ibid.). Starting with a localized impact, social entrepreneurs hope to scale up their solutions to tackle complex issues and bring societal change (Santos, 2012 in Cherrier et al., 2018), which may cause conflicts or unexpected consequences (Dorado and Ventresca, 2013 in Cherrier et al., 2018).

Differently, other scholars link institutional constraints to new opportunities for societal change (Czech, 2014; Tracey & Phillips, 2011). Mair and Marti (2009) drew attention to the role of actors with no or few power in addressing institutional voids, such as social entrepreneurs, to their strategies and to the type of resources utilized. Using the case of BRAC ('Building Resources Across Communities') in Bangladesh, the authors conclude that through a 'bricolage' behaviour, entrepreneurs with limited resources manage to fill institutional voids and bring about social change.

Dees (2001) defines social entrepreneurs as change agents in the social sector, "*although the impact of the change might be less than broadly transformational*" (Swanson & Zhang, 2012; p.174). Differently, Martin and Osberg (2007), together with other scholars, declare that in order to be a social enterprise, an organization must act to cause transformational social change, and not just bring little or incremental improvements on the current conditions of a particular issue. This view is consistent with Ashoka's core belief. Indeed, the biggest organization that promotes social entrepreneurship across the world strongly supports systemic-changing ideas (Ashoka, 2019). This is illustrated by one of their examples: "*rather than support a person who is building a school [...], we look for people who are transforming the way children learn, at a national or even international level*" (ibid.).

In this thesis we consider 'transformational social change' and 'systemic change' as 'institutional change', and therefore we can conclude that institutional voids are seen, by some scholars, as opportunities for social entrepreneurs to create new institutions. Indeed, by mixing the traditional limits between the state, the market and society (Mair & Marti, 2009; York et al., 2010), social entrepreneurs can build new institutions and create new meanings (Perrini & Vurro, 2006). Also, renowned practitioners believe that social entrepreneurs need to make systemic changes that affect a large number of people in order to be called so. In the next section we will focus on the concept of 'institutional entrepreneurship' and the process of creating institutional change.

2.4 Institutional Entrepreneurship

Institutional entrepreneurs are actors, whether individuals or organizations, that mobilize resources to create new or transform existing institutions (DiMaggio, 1988). When institutional entrepreneurs see an opportunity to realize their interests (Mair & Marti, 2009), they engage with the creation of new mechanisms, norms, values and behaviours (Battilana et al., 2009). The relationship between actors and institutions is, therefore, mutual: institutions shape actors' behaviour, but also vice versa: actors can transform or create new institutions (DiMaggio, 1988). Institutional entrepreneurs range from individuals to firms, governmental organizations and non-governmental organizations (NGOs); in this thesis the focus is on the role of social enterprises in Ghana. This section will shed light on the existing theories and concepts on institutional entrepreneurship, and in particular on the strategies and processes in which entrepreneurs engage with institutional change, in order to find the most suitable framework to analyse the empirical data.

The notion of institutional entrepreneurship has been introduced by Di Maggio (1988), building on Eisenstadt's (1980) study. Later, the need for the development of a clear theory of action emerged (DiMaggio & Powell, 1991 in Battilana et al., 2009), with the challenge of overcoming the "paradox of embedded agency", which is based on the tension between agency and institutions (Seo & Creed, 2002). In other words, the question is how actors can create institutional change, if norms and collective beliefs are institutionally determined. Research on institutional entrepreneurship has been criticized for portraying those actors as unique "species", who behave as "heroes" (Meyer, 2006, p.732 in Battilana et al. 2009), which is linked to personal traits (Beckert, 1999). Differently, Seo & Creed (2002) link the ability of institutional entrepreneurs to imagine a new or different institutional arrangement with their view of a contradictory reality among institutional logic. The last attempt to overcome the paradox is presented by Battilana, Leca and Boxenbaum (2009) and it goes beyond the definition of institutional entrepreneur, focusing on the enabling conditions for such a process to start. Still, institutional entrepreneurship allows to further study the institutional theory and analyse actors' degree of agency, even if they are institutionally embedded (Battilana et al. 2009).

In countries where the level of institutional uncertainty is high, entrepreneurs might be obligated to formulate new institutional settings to surmount the difficulties of such a poor degree of institutionalization, becoming institutional entrepreneurs. Usually institutional entrepreneurs in developing and emerging markets have specific sets of skills, such as the capacity to create networks and alliances and to gain legitimacy for new practices (Tracey & Phillips, 2011). However, the majority of literature on institutional entrepreneurship has focused on developed countries and has overlooked the context of developing countries, where formal institutional frameworks are absent or incomplete (Larsen, 2013; Tracey & Phillips, 2011). Thus, through a study on the role of an informal economy association acting as an institutional entrepreneur to fill institutional voids in Zambia, Larsen (2013) claims that institutional entrepreneurs in the informal economy should fill institutional voids instead of changing current institutions. Another study on institutional entrepreneurship in developing countries has been put forward by Tracey and Phillips (2011), who have identified three 'institutional strategies' that entrepreneurs in such environments can adopt. For the term 'institutional strategies' is meant "*patterns of action that are concerned with managing the institutional structures within which firms compete for resources*" (Lawrence, 1999, p.162). The three institutional strategies are: 1) 'institutional brokering', where entrepreneurs act as intermediaries and reduce the institutional uncertainty faced by other actors in a specific organizational field; 2) 'spanning institutional voids', where entrepreneurs fill institutional voids through the means of a proto-institution that will become institutionalized and 3) 'bridging institutional distance', where entrepreneurs replicate and adapt an institution from another country with considerable institutional diversity (Tracey & Phillips, 2011). Overall, the institutional strategies developed by Tracey and Phillips (2011) make an effective argument on how institutional voids can become opportunities for entrepreneurs in developing countries, but it does not provide any details on how to do it.

Considering our focus on social entrepreneurs, which is one type of institutional entrepreneur, we will now define our position among the different theories. Firstly, one can notice different perspectives between the studies of institutional entrepreneurship and social entrepreneurship. The social entrepreneurship's studies mostly come from the firm's or from the individual's point of view, concentrating on the motivation, objectives, characteristics and opportunities. Differently, institutional entrepreneurship

is more focused on the context, the embeddedness of actors and the enabling conditions. Therefore, positioning social entrepreneurs as institutional building agents contributes to the institutional theory, as it highlights social opportunities and innovation as driving forces for institutional change (Battilana et al., 2009). It also allows to understand the role of social entrepreneurs in changing existing institutions, or even creating new ones (Mair & Marti, 2006; Battilana et al., 2009). The Grameen Bank is the perfect example, as it introduced a new institution that modified the norms of banks and started lending money to the poor without collateral (Mair & Marti, 2006). Nevertheless, social entrepreneurs may address and change existing institutions rather than starting new ones (Nicholls, 2006).

For the purpose of this thesis, we decided to study how social entrepreneurs proceed to bring institutional change with the model developed by Battilana, Leca and Boxenbaum (2009), as we consider this framework to be the most comprehensive and holistic. Focusing on the different stages of the process of institutional entrepreneurship, starting from the emergence of this kind of entrepreneurs to the implementation of change, the model represents a coherent theory of action, where the actor's role and actions are clearly defined (ibid.). Figure 2 outlines the key points of the model. We will scrutinize the model and its key concepts in the 'Analytical Framework' section.

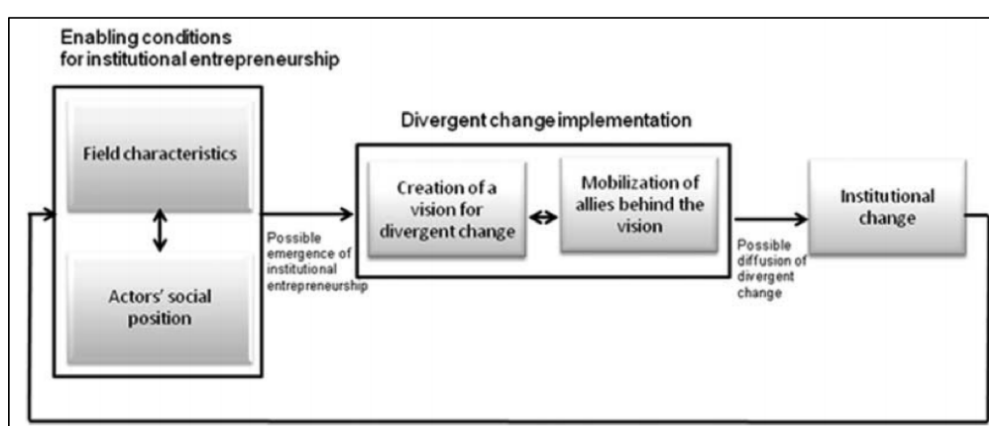


Fig. 2: Model of the Process of Institutional Entrepreneurship (Source: Battilana et al., 2009; p. 87)

Overall, this section has given an overview of the process of institutional entrepreneurship, which will be at the basis of our analysis. In summary, through the lens of institutional theory, we will analyse social entrepreneurs' behaviour in transforming current institutions or creating new ones to overcome institutional voids. Institutional voids are indeed seen as opportunities for social entrepreneurs to meet beneficiaries' needs but also to meet their own interest. In brief, this thesis will apply the framework developed by Battilana, Leca and Boxenbaum (2009) to identify how social enterprises in Ghana proceed to create institutional change.

3. Analytical framework

This chapter presents the analytical framework of this thesis, which will help to answer the following research question: *How do social enterprises in Ghana proceed to make institutional change?* Figure 3 illustrates the analytical framework, which is strongly based on the proposed model of the process of institutional entrepreneurship developed by Battilana, Leca and Boxenbaum (2009). However, taking into account the social entrepreneurship context, the original model has been slightly modified.

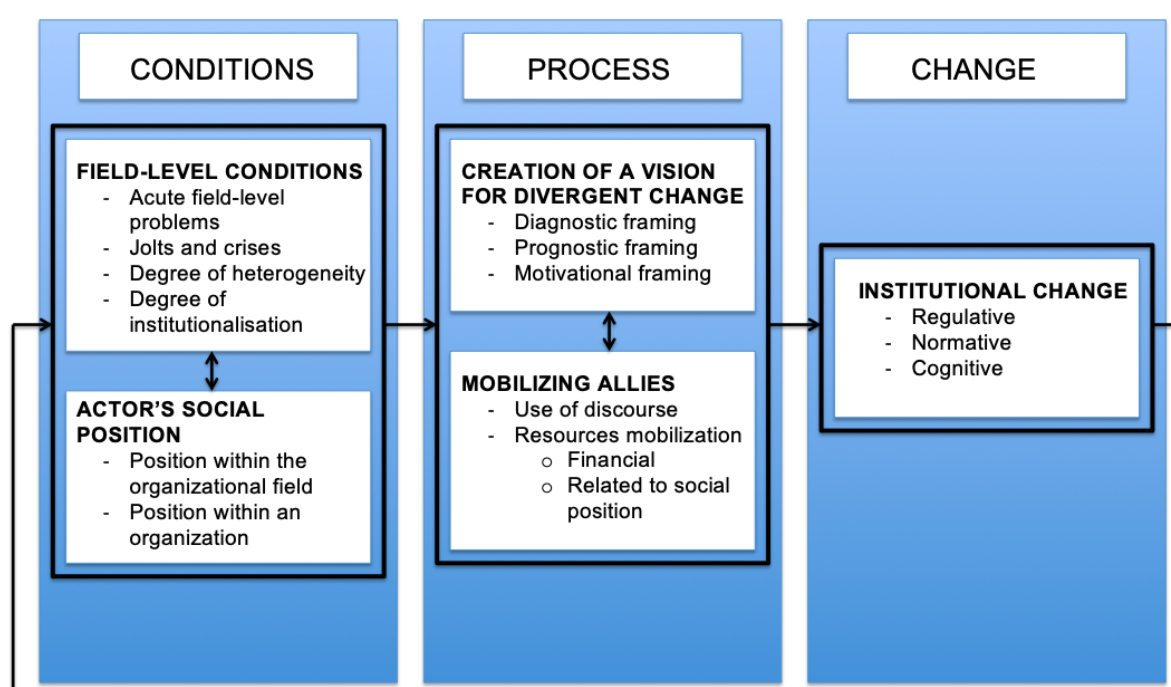


Fig. 3: The analytical framework (Source: Own illustration)

In general, we will examine how field characteristics and the entrepreneur's social position influence the creation of a vision for divergent change and the mobilization of allies, and ultimately the creation of institutional change. Divergent change is defined as “changes that break with the institutionalized template for organizing within a given institutional context” (Battilana et al., 2009; p. 68). Battilana, Leca and Boxenbaum (2009) argue that institutional entrepreneurs, in order to be called so, not only need to initiate divergent change, but should also actively participate in the implementation of these changes. In other words, institutional entrepreneurs need to be engaged also in the ‘process’ stage of the model.

3.1 Conditions for Institutional Entrepreneurship

Institutional entrepreneurs emerge thanks to two enabling conditions: 1) *field-level conditions* and 2) *the actors' social position* (Battilana et. al., 2009). These two conditions are interrelated, as field characteristics can determine if actors become institutional entrepreneurs. Actors, on the other hand, depending on their social position that determines the extent to which they have access to resources, may have different perceptions of the field conditions (Bourdieu, 1988 in Battilana et. al., 2009).

3.1.1 Field-level conditions

The category *field-level conditions* is linked to the 'organizational field', which is described as "a recognized area of social life that comprises key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products" (DiMaggio & Powell, 1983 in Battilana, 2006, pp. 12-13). In this study we consider 'organizational field' as the field formed around the issue of 'societal challenges'. A field is generally considered as an industry or a main technology, but it can be conceptualized also as a central issue that gathers different actors with various purposes and as the centre of common exchange of opinions and discussions (Hoffman, 1999). Moreover, an issue-field is created around an issue that becomes relevant to the interests and goals of a group of organizations, whose participation in the field is defined through a social interplay (ibid.). This thesis, therefore, analyses the field of 'societal challenges', as social entrepreneurs have the goal of tackling societal issues, namely social and environmental challenges. The concept of 'societal challenges' refers to the problems that affect society and includes "climate change, inequalities and poverty, labour market and employment issues, gaps in healthcare and education systems, and demographic issues" (Holtgrewe & Millard, 2018; p.70).

Within this category, there are different kinds of field conditions that are usually connected to each other (Battilana et. al., 2009). The first type are *acute field-level problems*, that is, ongoing and complicated problems that may trigger a crisis (Battilana et. al., 2009). On the one hand, these complicated and intricate issues, such as environmental problems, allow actors within organizations to collaborate and

perform as institutional entrepreneurs (Phillips et al., 2000 in Battilana et al., 2009). On the other hand, issues related to scarcity of resources and difficulties in an actor's sector, can push him to move and act as an institutional entrepreneur in another domain (Durand & McGuire, 2005 in Battilana et al., 2009). Overall, acute-level problems that create a major change in the standards of the field and suddenly offer an alternative, can enable actors to bring about institutional change (Battilana et al., 2009).

The second category of enabling field-level condition are *jolts and crises*, such as “*social upheaval, technological disruption, competitive discontinuity and regulatory change*” (Battilana et al., 2009; p. 74). These events might increase the possibility that actors engage in institutional change and encourage the implementation of new ideas, because it makes people question the social structures and the consensus on certain established institutions (Greenwood et al., 2002 in Battilana et al., 2009). An example of such a category is the economic and political crisis within the European Union in the 1980s that enabled the creation of a single market by the European Commission (Flingstein & Mara-Drita, 1996 in Leca et al., 2006).

The third conducive factor is the *degree of actor heterogeneity* in the field, which is assessed by the presence or absence of different institutional orders, but also by the variance in their characteristics. For the purpose of this thesis, institutional orders represent the behaviour of the principal actors operating in the field of ‘societal challenges’ and their main features. A high degree of heterogeneity may cause contradictions in the organizational field, creating opportunities for agency and, indeed, stimulating actors to become institutional entrepreneurs. The reason behind it is that actors embedded in conflicting institutional arrangements will probably question the institutional arrangement of the organizational field. This allows a change in collective consciousness and mutates actors from passive into active individuals, trying to change existing institutions (Battilana et al., 2009; Leca et al., 2006).

The fourth and last field-level condition is the *degree of institutionalization*, which represents the level of uncertainty in the institutional orders, which causes controversy among scholars. On the one hand, Dorado (2005) and Beckert (1999) argue that a high degree of institutionalization increases the confidence of an actor to engage in

institutional change, because the level of certainty is higher and there is less necessity for security and for predictable institutionalized regulations (Oliver, 1992 in Battilana et al., 2009). On the other hand, other scholars believe that the uncertainty and the absence of structure in low-institutionalized fields creates opportunity to develop agency and, indeed, to change institutions (DiMaggio, 1988; Flungstein, 1997).

Following these theoretical insights, in this study we will examine field-level conditions in the field of 'societal challenges'. In the analysis, we will firstly try to identify if there were any acute field-level problems or jolts and crises that have enabled the emergence of institutional entrepreneurship. Then, we will discuss two things: the degree of heterogeneity in our field of interest, assessing the variety of institutions, whether they behave similarly or differently and thus if they create contradictions; and the degree of institutionalisation, which could lead to uncertainty in the organizational field.

3.1.2 Actors' social position

Even though field conditions are key enablers for institutional entrepreneurship, not all actors embedded in the same field conditions will have the ability or the willingness to engage in institutional change (Clemens & Cook, 1999). This implies that actors' attributes are also key in enabling institutional entrepreneurship; more specifically, the theory of institutional entrepreneurship asserts that it is relevant to analyse the social position that an actor holds within its surrounding environment (Battilana et al., 2009). The concept of an individual's social position can be illustrated by the example used by Battilana, Leca and Boxenbaum (2009). They argue that institutional entrepreneurs in the field of HIV/AIDS treatment advocacy in Canada are actors whose 'subject position' gives them legitimacy and ability to connect different stakeholders and makes them institutional entrepreneurs. Here, 'subject position' refers to "*formal position as well as all socially constructed and legitimated identities available in a field*" (Battilana et al., 2009, p. 77). In this thesis, we will focus on the social entrepreneur's social position prior to the creation of the social enterprise, as the study mainly considers small or medium organizations, where the founder(s) was the person aiming to make the divergent change. Moreover, the founder is usually still in a leading position within

the enterprise and gives directions on how to proceed to break with the current institutions. Thus, we aim to assess the conditions that enabled the social entrepreneur to engage in divergent change.

In this section, we will define the individual's social position in a given organizational field. Battilana (2006) divides it into two categories: 1) *the individual's position in the organizational field* and 2) *the individual's position within its organization*. Considering that, in our specific case, the individual is represented by the social entrepreneur, we will consider 1) the social entrepreneur's position in the 'societal challenges' field and 2) the social entrepreneur's position within the organization he was part of before starting its new venture.

The first category, namely the individual's position in the organizational field, is then divided into two subcategories: a) *the organizational membership* and b) *social groups membership*. Initially, we will define the first subcategory: the organizational membership. This concept explains that the status of the organization to which the individual belonged before starting the new venture, influences its likelihood to implement divergent change. In this research, we will consider an 'organization' as any space the social entrepreneur considered crucial for the creation of its new social enterprise. The status of an organization is represented by its ranking in terms of the values in the organizational field, and it can be distinguished between lower and higher status organizations (Battilana, 2006). It is acknowledged that the status of the organization influences its members' sensitivity towards dealing with institutional pressures (ibid.). In fact, Battilana (2006) suggests that actors belonging to lower status organizations within an organizational field are more inclined to engage in institutional change as compared to actors belonging to higher status organizations. This is due to the privileged position and willingness to maintain the status quo from higher status organizations, whereas members of lower status organizations are in a "challenger" position, as their organizations are less privileged in the existing social setting. This concept refers to the theory of the 'incumbent-challenger' by Fligstein and Hensmans, as Battilana (2006) states. The incumbent is an individual belonging to an organization or a social group, and who could be indeed advantaged by the current institutional settings. The incumbents' interest, because of their privileged situation, is to benefit from their situation of power and support the current institutional

arrangements to maintain their status quo. Oppositely, individuals belonging to least favoured institutional settings are more likely to challenge institutions and to engage in change to modify them. These two different status positions influence the incentives that individuals have to transform or maintain the current institutional settings (Battilana, 2006). However, other scholars found that institutional change can be encouraged by belonging to high status organizations (Battilana et al., 2009). This is due to the variations of the field's characteristics where the scholars carried out their studies, but also to the social position of the actors taken into consideration (ibid.). In our specific case, we will look at whether social entrepreneurs belonging to a low or high status organization prior to starting their new venture can be considered as an enabling condition to start the process of divergent change.

The second subcategory, namely the social group membership, explains that the status of the social group, where the individual belonged or still belongs, influences its likelihood to implement divergent change. An example of social group can be a professional or occupational group. Battilana (2006) presents the same logic as the status of organizations for the status of social groups, following the theory of the 'incumbent-challenger' by Fligstein and Hensmans: actors in lower status social groups within an organizational field are more inclined to engage in institutional change compared to the ones in higher status social groups. This is due, on the one hand, to the refusal of higher status social groups to give up their privileged position and status quo, and, on the other hand, to the incentives of the lower status social group to try to modify the existing institutional arrangements in order to improve their less-favoured position (Battilana, 2006). However, lower status social groups may struggle to achieve this goal due to their scarce access to key resources and to the power of high status social groups to block change. The only way to overcome this obstacle is their potential favourable position within their organization (ibid), which will be scrutinized in the next paragraph. Considering this theoretical argument, in the analysis we will identify patterns in the social groups' membership of social entrepreneurs in Ghana and their impact in enabling the creation of divergent change.

As previously mentioned, we will analyse the second category, namely the individuals' position within the organization they previously belonged to, which is influenced by two subcategories: a) *the individuals' informal position in organizational networks* and b)

the individuals' formal position in organizational hierarchy (Battilana, 2006). Firstly, the informal position in the network of an organization is extremely relevant for an actor belonging to lower status groups, who does not have access to key resources and does not have control over key decision processes, yet aims to implement divergent change (Battilana, 2006). This is due to the possibility of the latter to build strong ties with actors from higher status groups, thanks to their position in intra-organizational networks, which will ease the transfer of confidential data and key resources, and will also weaken the resistance to change from some high status actors (ibid.). Secondly, Battilana (2006) argues that actors in higher positions in an organization's hierarchy are more likely to implement divergent change, especially if they are top managers. This is due to the authority they possess, allowing them to impose the change and to break with the established norms in the field. Moreover, they have more access to key resources and it is their role to make strategic decisions. By contrast, actors lower in the hierarchy, have much less legitimate power to implement change (ibid). The outlined theories will help to determine whether the formal and informal social positions of social entrepreneurs in Ghana within their organizations influence their aptitude for engaging in divergent change.

Finally, an individual's social position across and within multiple fields can affect the probability of actors engaging in institutional entrepreneurship. In fact, individuals who are located at the interconnection of multiple fields are more likely to act as institutional entrepreneurs (Battilana et al., 2009). For the purpose of this thesis, we will assess if the social entrepreneurs' social position has been influenced either by being embedded in a different geographical area, such as a different country, or by having operated in a different organizational field than 'societal challenges'.

3.2 Implementation of divergent change: the process

Once institutional entrepreneurs emerge as a result of the enabling conditions and overcome the institutional pressure, there are two crucial activities that they need to carry out when transforming or creating new institutions: 1) *developing a vision for divergent change* and 2) *mobilizing allies* (Battilana et al. 2009). Even though these

activities are separate entities, the authors acknowledge that they are interconnected (ibid.).

3.2.1 Developing a vision for divergent change

Institutional entrepreneurs need to frame their visions for divergent change in a way that will encourage other actors to implement the changes. Firstly, the institutional entrepreneurs need to make clear the current institutional problem (*diagnostic framing*), promote a superior project to the current arrangement (*prognostic framing*) and provide good reasons to support the new vision (*motivational framing*) (Battilana et al. 2009). The first step in crafting the vision is demonstrating the failure of the current institutional arrangement, identifying problematic institutional practices and giving the blame to the guilty party. Secondly, institutional entrepreneurs need to present the new institutional project in a way that matches the interests and values of potential allies. The introduction of diversity management in Denmark in 2001 can be used as an example of the first two framing dimensions. In that occasion, the institutional entrepreneurs leveraged on the societal issue of immigrants being integrated into the labour force (diagnostic frame) and suggested 'diversity management' as a better solution (prognostic frame) (ibid.) To illustrate the last dimension, namely the motivational framing, the case of socially responsible mutual funds ventures in the United States of America (USA) can give clarity to the issue, as they motivated the choice for socially responsible funds, highlighting both significant financial profit and social change (ibid.). It must be noted that, in order to avoid negative responses such as fear and incomprehension from potential allies, the new institutional arrangement cannot be too radical (Battilana et al. 2009). When giving reasons for the new project, institutional entrepreneurs must have enough social skills (Fligstein, 1997 in Battilana et al. 2009) and the ability to modify the vision, based on the position of potential allies (Battilana et al. 2009).

In our study, we will explore how social entrepreneurs develop a vision for divergent change, how they structure their arguments, and if they follow the 'framing' system as illustrated above. We want to find out if social entrepreneurs in Ghana present the problems related to the current institutional structure in the field of 'societal

challenges'. Moreover, we will analyse how they present their new institutional project, which will embody a disruptive change. The last step of the development of the vision, that will be analysed, consists on the motivations that social entrepreneurs present in order to be supported by allies.

3.2.2 Mobilizing allies

The second key part of the process is that institutional entrepreneurs *mobilize allies* by identifying protagonists, antagonists and other relevant actors, employing a strong *use of discourse* and *mobilizing resources* (Battilana et al. 2009). Considering that allies will spread new practices, their mobilization is a key factor for institutional entrepreneurs (Leca et al. 2006).

Once the vision is developed, institutional entrepreneurs need to convince allies of the change through good communication skills in a way that could resonate with them. Indeed, framing an attractive vision is not enough, as institutional entrepreneurs must utilize 'rhetorical strategies'. Institutional entrepreneurs may include arguments, which are linked to the established institutional arrangement in the discourse, in order to be aligned with the beliefs and interests of possible supporters (Battilana et al. 2009). For example, advocates of socially responsible investment in France emphasized the financial rather than environmental linkages to attract the support of the financial community (ibid.). In addition, the use of 'institutional vocabularies' allows institutional entrepreneurs to connect and reassemble institutional arrangements. In general, they can employ similarities, create new stories or transform old narratives linked to past events: institutional entrepreneurs use 'narrative styles' (Battilana et al. 2009). In this thesis we will analyse the 'rhetorical strategies' used by social entrepreneurs to mobilize allies and share their vision of change.

The last step to implement divergent change is mobilizing resources, which are distinguished into *financial resources* and the ones *related to the social position* (Battilana et al., 2009). The latter category is then further differentiated into *social capital* and *formal authority*. Mobilizing resources is very relevant, as it is really unusual that an actor has enough resources to implement the change by himself. It is, indeed,

more common that there are multiple actors supporting the institutional change (Dorado, 2005).

Financial resources play a key role, especially at the beginning of the process, to overcome the negative costs, when, for example, new practices are unpopular, but also to convince other actors and stakeholders of the project (Battilana et al., 2009). Institutional entrepreneurs must also leverage their social position to promote the divergent project and convince others. When that is not sufficient, institutional entrepreneurs might try to use the social position of others who hold a better status. More specifically, formal authority, which is “*an actor’s legitimately recognized right to make decisions*” can support the legitimization of the project (Phillips et al., 2000 in Battilana et al., 2009, p.84). Formal authority includes the authority from the state and the authority given by formal position. Differently, social capital refers to the actors’ informal network positions that “*provide access to information and political support*” (Battilana et al. 2009, p. 84) and can be used to influence others and intensify important links with potential allies (ibid.). Moreover, collective actions among various stakeholders can be managed and directed to support the divergent vision. In this manner, they can introduce themselves as ‘neutral brokers’ (Fligstein, 1997 in Battilana et al., 2009), taking care of the interests of the separate groups. Based on those theories, in this research, we will identify the common resources (financial or related to social position) that social entrepreneurs in Ghana need to mobilize in order to convince others to support their divergent change initiative.

Overall, resources play a crucial role in the process of institutional entrepreneurship, especially for the diffusion of the change project (Battilana et al., 2009), influencing also institutional entrepreneurs’ ability to act (Lawrence, 1999). In addition to the ability to act, there also needs to be willingness, which depends on one’s interest. Institutional entrepreneurs are characterized by their projective capacity, as they foresee radically new ways of modifying institutional arrangements that could eventually become dominant norms in a certain field (Battilana et al., 2009).

3.3 Institutional change

This last section uncovers the effects of institutional entrepreneurs' activities, namely the creation of institutional change. In general, institutional entrepreneurs do not have to be successful in achieving divergent change in order to be defined as such (Battilana et al., 2009). In other words, even if most of the process of accomplishing institutional change is completed, but the change is finally not adopted at the field level, the actor is still defined as an institutional entrepreneur.

The analysis of institutional change will draw on the institutional theory as put forth by Scott (2001), as it is a useful classification to distinguish at what level the process of institutional change starts. The sociologist Scott (2001) distinguishes three pillars that support social institutions: *regulatory*, *normative* and *cognitive*. The first system, namely the regulatory, includes formal laws, regulations and government policies. We will refer to this system as formal institutions (North, 1990). Then, the normative system is formed by social norms, values, beliefs, assumptions and expectations (Scott, 2001). Finally, the cognitive system refers to people's cognitive structures and social knowledge, how groups select and interpret information, and the extent to which they are institutionalized (ibid.). The last two groups, namely normative and cognitive, are part of informal institutions, which in general indicate unwritten social codes and norms, respected by a tacit social contract, invisible structures and beliefs about social conduct that are presumed (North, 1990). It is, however, important to acknowledge that institutions include all three dimensions, which are highly interrelated (Hoffman, 1999). They overlap at the point where the development of one pillar may be the development of the other two. As a practical example, when taking something for granted cognitively, it is very likely that it also exists in regulations and norms.

Based on these theoretical insights, the last part of the analysis will assess the type of institutions that social entrepreneurs in Ghana are aiming to change. If institutional change starts at the regulative level, this means that social entrepreneurs have managed to change or transform government policies and legal systems. By contrast, if social entrepreneurs modify values around what is considered proper, and norms about how things should be done, this determines a divergent change at the normative

pillar. Finally, a change at the cognitive layer implies that people will apply new cultural rules and share different social knowledge than before.

Overall, institutions decrease uncertainty by supplying structure to people's day-to-day lives; they give stability to society and to people's actions. Whenever there is an institutional change, in both formal and informal institutions, it affects the options and the constraints available to individuals (North, 1990). In fact, when disruptive change spreads across the whole field, the consequent institutional change will most likely influence the field characteristics and the actors' social positions, leading us again to the initial stage of the framework (Battilana et al., 2009). Indeed, the three pillars determine how issues, such as the 'societal challenges', are perceived and how later actions will be taken (Hoffman, 1999).

In this section, the model of the process of institutional entrepreneurship of Battilana, Boxenbaum and Leca (2009) has been taken as the basis for answering the research question of this thesis. All the key concepts of the analytical framework have been explained and unpacked, in order to be able to use them as a structure for the analysis in chapter 6.

4. Methodology

This section presents the methodological choices made throughout the master thesis process. 'The Research Onion' by Saunders, Lewis and Thornhill (2016, p. 124) will be used to best structure the chapter (see Fig. 4). Firstly, we will illustrate the purpose and nature of the research. Then, we will define the philosophy of science and the research approach adopted in our study. Thirdly, we will illustrate the research design, followed by the data collection. Finally, we will illustrate the methods of analysis and the ethical concerns when collecting primary data.

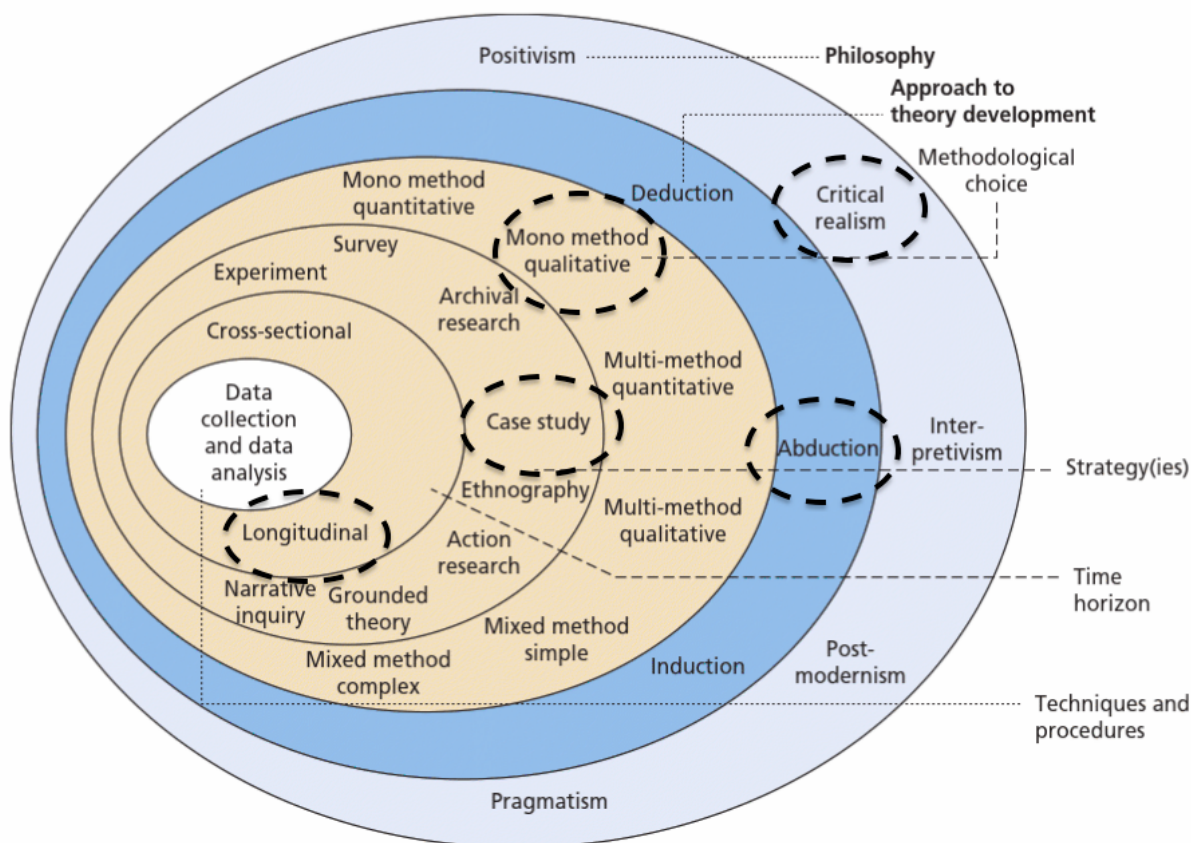


Fig. 4: The Research Onion (Source: Saunders et al., 2016; p.124)

4.1 Purpose and nature of research

The purpose of this thesis is to conduct research on the concrete phenomenon of social entrepreneurship in Ghana and apply the process of institutional change

developed by Battilana, Leca and Boxenbaum (2009) to social entrepreneurship. Moreover, we aim to identify which kind of institutions social entrepreneurs in Ghana proceed to change, based on Scott's (2001) three pillars, namely the regulatory, the normative and the cognitive level.

This study has mainly an exploratory nature since social entrepreneurship has been rarely studied through an institutional entrepreneurship lens. Adopting an exploratory perspective entails giving information on a phenomenon and studying how it is formed (Jeppesen, 2005). As already mentioned, this thesis will explore the phenomenon of social entrepreneurs acting as institutional entrepreneurs and test the model of institutional entrepreneurship by Battilana, Leca and Boxenbaum (2009) on social entrepreneurs. The methods that we adopted to conduct an exploratory study are the following: investigating the academic literature, performing individual semi-structured interviews and interviewing experts of the field of study. The advantage of the exploratory research is its flexibility and versatility to evolve and have the possibility to modify the direction of the study according to new empirical findings (Yin, 2003). This research also combines some explanatory and descriptive elements. An explanatory research aims at explaining the causes leading to the development of a phenomenon and the underlying reasons of its development (Jeppesen, 2005). In our specific case, we aim at explaining the conditions in which institutional change takes place and the process of implementing change. Then, a descriptive research intends to present the way the phenomenon has developed, its characteristics and its connections to a particular context (Jeppesen, 2005). In this research, besides describing the theories and the academic literature about the topic of institutional entrepreneurship, we also used a descriptive lens to present the situation of social entrepreneurship in Ghana and illustrate the process of implementing institutional change. Summarizing, the purpose of the research is explorative, but it also encompasses descriptive and explanatory elements.

Overall, the purpose of this thesis is to fill a theoretical and empirical gap on the existing knowledge of the emerging field of social entrepreneurship, in particular in Ghana. In addition, this investigation aims at creating synergies between the theories of social entrepreneurship and institutional entrepreneurship. Traditionally, these two theories adopt different foci and perspectives, and little academic research has

combined them. Considering social entrepreneurs as institutional building agents contributes to the institutional entrepreneurship theory, and explores the role of social entrepreneurs in changing or creating new institutions (Battilana et al., 2009). Moreover, the research contributes to the larger interdisciplinary debate on ‘business and development studies’, and specifically, on the potential of social enterprises. Social entrepreneurship has attracted the interest of institutions, development agencies, multinational companies (MNCs) and investors. Our findings will ideally be useful for practitioners, institutions supporting social entrepreneurship, social entrepreneurs themselves and policy makers.

4.2 Philosophy of science

Determining a philosophy of science will clarify the beliefs and assumptions on the reality being investigated (Bryman, 2012). It has to be acknowledged that the philosophy of science is a choice and it should not be applied by default. There is not a best or a worst approach to research, but the decision of the research strategy depends on the philosophy of science and must fit with the researcher’s own beliefs (Saunders et al., 2016). Among the five major philosophies of science in business and management, which are positivism, interpretivism, postmodernism, pragmatism and critical realism, we chose critical realism for this thesis.

In order to understand the critical realist approach, we will consider its ontological position. Ontology is described as *“the basic assumptions made by the researcher about the nature of reality”* (Easterby-Smith et al., 2015, p.25) and allows to shape the manner in which we interpret facts and, indeed, how we observe and analyse our research topic (Saunders et al. 2016). From a critical realist perspective, reality is seen as being independent from human observation and understanding. Critical realists acknowledge that there are underlying structures of reality that modify the visible circumstances (Easterby-Smith et al., 2015). The ontology of critical realism is structured into three different layers, namely the ‘empirical domain’, the ‘actual domain’ and the ‘real domain’ (Bhaskar, 1978 in Easterby-Smith et al., 2015, p. 170). The ‘empirical domain’ presents a relativist position, which represents human beings’ sensations and understandings. This is only a manifestation of the real world instead

of the actual facts, demonstrating that senses usually deceive people. Then, the second layer, namely the 'actual domain', presents an internal realistic perspective, which represents the events that are created by the reality, regardless of them being observed. Finally, the third layer, namely the 'real domain', presents a realistic position, which represents causal powers and structures that cannot be observed directly and that have real after-effects on the environment (ibid.). These social structures allow the understanding of events of the social world, by considering the underlying causes and mechanisms that shape reality (Sayer, 2000). The critical realist perspective is crucial for our study, as we analyse the process of making institutional change, which represents only a small part of the reality. Moreover, critical realists believe that the social world is permanently changing (Saunders et al., 2016). This assumption is key for our research, since we explore an extremely dynamic phenomenon, namely institutional change. Using a critical realist approach, we acknowledge that our socio-cultural background and experiences can affect the findings.

4.3 The research approach

Another factor that a researcher must evaluate when developing an effective methodology, is choosing the appropriate research approach. This represents the second layer of the "Research Onion" (Saunders et al., 2016). The research approach serves as a guideline to choose a valid method to make theoretical conclusions from the data collected (Ketokivi & Mantere, 2010).

The research approaches are often presented as two contrasting methods, namely the deductive and the inductive reasoning (Saunders et al., 2016). On the one hand, the deductive approach moves from the theoretical concepts to the collected data, and the theoretical assumptions are confirmed or disconfirmed by the empirical data. (Suddaby, 2006). On the other hand, the inductive approach moves from collected data to theoretical concepts, and the empirical data serves to construct a theory (Suddaby, 2006; Easterby-Smith et al., 2015).

This thesis will adopt neither of those approaches, but it will use a third reasoning method, namely the abductive approach. This last approach is formed by the combination of the deductive and the inductive approaches (Suddaby, 2006), and represents a constant flow between the empirical data and the theories (Dubois & Gadde, 2002). This iterative research approach is highly flexible compared to the inductive and deductive approaches, which are more linear (Saunders et al., 2016). As such, the researcher can modify its focus during its study, which gives him/her a high degree of freedom (Dubois & Gadde, 2002). Moving back and forth between the theories, the empirical data and the analysis, allows the researcher to acquire more knowledge about the examined phenomenon and, if unanticipated findings arise, the researcher can modify the existing framework (ibid.).

In line with the exploratory nature of this thesis, an abductive approach has been used almost throughout the whole research process. At the first stages, the topic was decided and the related literature was studied in order to gain insights about the main concepts. Then, an analytical framework has been identified, and, looking back at the theories, it has been slightly modified according to the research purpose. After having collected and analysed the data, we were able to go back again to the analytical framework and revise it according to the findings.

4.4 The research design

In this section, we will explore the methods chosen to conduct the research by “peeling” the next three layers of the ‘Research Onion’, namely the methodological choice, the research strategy and the time horizon.

The methodological choice can vary between various research methods, namely the qualitative, the quantitative and the mixed method approaches (Saunders et al., 2016). In the case of this thesis, we used a qualitative research method, as it allows the researcher to gain insights on the nature of a phenomenon (Easton, 2010). This research aims at getting a deep understanding of the process of implementation of institutional change by social entrepreneurs. In addition, the qualitative research design gives the researcher the possibility to explore perceptions and to go in-depth

in understanding the reality (Saunders et al., 2016). Understanding and studying the Ghanaian context was thus key for our study. On the contrary, a quantitative study ignores the quality and the context where the data was collected because of the large number of cases (Molina-Azorin et al., 2012). In this thesis we will use a qualitative mono method, namely the semi-structured interview, which will be further illustrated in section 4.6 'Data collection'.

However, using qualitative methods presents some limitations. The questions asked during the interviews can be too wide and intricate (Mayoux, 2006; Malterud et al., 2016). In order to avoid this pitfall, we formulated simple questions that allowed the collection of information on all the concepts of the analytical framework. Then, another constraint of this method could be the limited amount of participants (ibid.). However, the aim of this research is not to collect data from a large amount of participants, but to collect rich data to answer to the research question.

The case study research strategy was then chosen for this thesis; and specifically, a single case study method. The case study method is a process that implicates an in-depth investigation of a specific event in its real-life environment, employing diverse sources of evidence (Robson, 2016). Indeed, the role of the context is crucial for this type of research strategy, as it will allow a deep understanding of the environment where the events take place and of the processes that are performed (Easton, 2010). A researcher can then opt to use a single case with multiple embedded units, giving him/her the opportunity to be able to analyse subunits that are positioned within a larger case (Gustafsson, 2017). The case study of this thesis is the 'process' of institutional change carried out by social entrepreneurs in Ghana and it presents multiple units of analysis, namely the social entrepreneurs.

Finally, in terms of the time horizon, a research can be either cross-sectioned or longitudinal (Saunders et al., 2016). This specific study, due to the time constraint, is a cross-sectional study. This means that we studied a specific phenomenon, namely the process of implementing change carried out by social entrepreneurs in Ghana, in a specific time: two weeks in March 2019.

4.5 Field research: conducting research in Ghana

“Fieldwork is a cumulative and synthetic affair in which the best work of any scholar builds on past experiences, good organization and careful preparation” (Veeck, 2001 in Mclennan et al., 2014, p.2). According to this argument, conducting field research entails some particular considerations, especially if the ‘research field’ is a developing country, such as Ghana. The researchers avoided a potential cultural shock thanks to the working experience of one of the researchers for several months in Ghana and various experience of the other researcher in other sub-Saharan countries. Nevertheless, field research requires cultural sensitivity, meaning *“the individual’s ability to acknowledge biases and to be non-judgmental when interacting with other cultures”* (Mclennan et al., 2014, p.9). Being based in Accra, the country’s capital, traditional barriers, such as language and cultural distance, were not as strong as in rural villages (ibid.). These factors will be further explored in section 4.8.

During the field trip, we were based at Impact Hub Accra, which is the organization where one researcher interned in 2018. As Impact Hub Accra is considered to be a vibrant entrepreneurship centre that attracts in particular social entrepreneurs, it has been a good ‘gatekeeper’ for our research. Not only the shared office space of Impact Hub Accra was a good working environment, with functioning Wi-fi and printers, but it provided us with the opportunity to experience the entrepreneurial vibes in the space. Moreover, through the Impact Hub Accra network, we were able to gather the contacts of well-known social enterprises in Ghana. Despite the time constraint, we managed to carry out the planned interviews with the social entrepreneurs by being rigorous and organized.

4.6 Data collection

This paper mainly relies on primary data, and also uses some secondary data. This section will focus on primary qualitative data, collected by the researchers through semi-structured interviews. These are key to collect a rich and reliable set of data (Saunders et al., 2016).

In line with the exploratory nature of this paper, we used ‘semi-structured’ interviews to collect the empirical data. This ‘non-standardized’ method allows the researchers to follow an interview guideline with selected themes and questions, but those can be adapted to every interview (Saunders et al., 2016). The interviewer can also choose the preferred order of the questions and can decide to omit some topics based on the situation and on the flow of the conversation. It is possible to also add questions, in the case an extra explanation is required (ibid.). The main advantage of this technique is its flexibility (Easton, 2010). During the field trip in Accra, the use of open questions allowed the interviewees to build complete arguments on the subject and to direct the answer as preferred. We were also able to adapt the questions to the situation, by adding or omitting questions when needed.

For the purpose of this thesis, we interviewed eleven social enterprises based in Accra, using the same guideline (see Appendix 1). Table 1 gives an overview of the interviewed companies. In addition, we interviewed two field experts to grasp more insights on the social entrepreneurship landscape in Ghana, using specific questions based on their positions (Appendix 2 and 3).

	Interviewee	Sector	No. of Employees	Foundation	Description	Interview length
A	Country Manager	Micro insurance	N/A	2010	Social enterprise providing mobile-delivered insurance and health services to the informal sector. It aims to bring access to insurance to low-income families	00:51
B	Founder and CEO	Education	10	2015	Social enterprise specialized in mobile learning. It allows organisations, such as universities, to expand their education programmes through digital distance learning systems accessible through mobile.	00:34

C	Growth Director	Agriculture	40	2013	Social enterprise that aims at empowering the agricultural value chain, and specifically smallholder farmers, by connecting them to vital information, products and services through a software technology.	01:01
D	Founder and CEO	Value chain	3	2017	Social enterprise that supports SMEs to adopt sustainable practices, using supply chains as a tool for development. It focuses on 2 sectors: catering and industrial waste.	00:59
E	Managing Director	Consulting	11	2013	Social enterprise that helps high-potential impact companies be prepared for investment and to facilitate investment.	01:05
F	Co-founder	Agriculture	18	2015	Social enterprise that produces weather forecasts and climate data for the tropics. The forecasts are delivered daily to small scale farmers via SMS, which help to reduce risks and increase the production.	01:15
G	Global Strategy Director	Health	50	2015	Social enterprise that secures products, especially medicines, against faking, counterfeiting and diversion through the use of mobile and web technologies. The motto is: Providing Quality to Life.	00:48
H	Founder and CEO	Technology	15	2012	Social enterprise that uses technology to drive human potential. The aim is to bring women and girls into the ICT sector by providing them with role models and teaching them coding.	01:08

I	Project Director	Waste management	25	2008	Social enterprise that transforms plastic waste, especially water sachets, into reusable shopping bags and school supplies. The aim is to tackle the waste management issue in West Africa and educate people about the risk of land pollution and recycling.	01:17
J	Partner	Agriculture	4	2018	Social enterprise that aims at transforming rural Africa and triggering a conscious economic growth. It includes both primary production and consultancy in agribusiness, with the strong belief that technology can generate real change.	00:46
K	General Director	Waste management	5	2013	Social enterprise based in Accra with the vision to transform how Africans and the world access clean fuels by converting city waste into clean-burning fuel. In particular, they sell clean and affordable charcoal coming from coconut and organic waste. The products protect the environment, and specifically the forests, clean the city, reduce indoor air pollution and empower women.	01:14

Table 1: Overview of interviewed companies (Source: Own illustration)

4.6.1 Identifying research participants

The sampling of the interviewed social enterprises can be defined as a judgemental or non-random sampling (Saunders et al., 2016). Considering the exploratory nature of the research and the time constraint, we decided to use ‘purposive’ sampling, namely cases that will best help to answer the research question (ibid.). This implies that we followed some criteria in the selection of the interviewed social enterprises.

Firstly, the selected enterprises had to defined themselves as ‘for-profit social enterprises’ and clearly claim a social mission within the scope of their organization. All the selected social enterprises operate in different sectors, ranging from healthcare to education, and they all aim to solve ‘societal challenges’. Secondly, we selected social entrepreneurs that could also be considered as institutional entrepreneurs, based on the literature and on their statement of making divergent change. The majority of the companies started as start-ups and were created by one or more founders. Furthermore, we selected enterprises that were operational for at least few years. Due to the limited time and budget constraints, we chose entrepreneurs based in the Greater Accra region.

In regard to the size of the sample, there was no initial cap on the number of social enterprises that we aimed to interview. However, after several interviews, we realized that we reached the so called ‘saturation point’ (Malterud et al., 2016). This term refers to the point when the researchers realize the repetition of some concepts by comparing the outcomes and information gathered from different interviewees (ibid.). During the field trip, after several interviews, we noticed some similar patterns in the answers and we realized that additional interviews would have not provide us with a new insight. Therefore, we decided that eleven interviews were sufficient for the purpose of the thesis.

Most of the research participants were selected previously to the field trip through a desk research. We were able to receive personal contacts (email and/or phone number) of some of the selected social entrepreneurs with the help of a reference person at Impact Hub Accra, who has a wide network. We looked for additional social entrepreneurs through the means of Internet and word of mouth. Furthermore, we always tried to schedule an interview with the founder of the social enterprises, as it would have brought additional insights. However, in some cases, the founder of the social enterprises was abroad or had a full schedule, and directed us to refer to the managing director or other key responsible of the enterprise.

As already mentioned, in addition to the eleven social enterprises, we conducted two interviews with field experts to have a broader understanding of the Ghanaian social entrepreneurship context. One of them was identified in the management staff of

Impact Hub Accra and had multi-year experience with local social enterprises. The second one was a Project Manager for the Social Entrepreneurship Programme of the British Council.

4.6.2 Interviewing

All the interviews were carried out face-to-face during the field trip, except from one that was conducted through Skype due to the geographical distance of one of the field experts. It was key for our research to establish a personal contact with the interviewees in order to gain their trust and confidence, so that they would feel comfortable in sharing some valuable but also confidential information about the development and status of their social enterprises.

We first contacted the potential interviewees either through emails or phone call, introducing our research study and our role as students. The interviews were then planned in accordance to the interviewees' availability and the interview location was chosen by the interviewees, most of the time being their offices. In one case, the interview was conducted in a taxi while going to a 'Tech start-up Competition', satisfying the request of the interviewee. On average, interviews lasted about one hour. At the beginning, we introduced again ourselves, gave a clear description of the research purpose, showed gratitude for the time and assured anonymity to the interviewees. These details are usually provided to inform the interviewees of all the possible aspects that concern their privacy and the privacy of their statements (Richardson & Godfrey, 2003). Moreover, we asked the permission to record the interviews, in order to reproduce the interviewees' arguments in the most truthful manner and to avoid misleading interpretations of the information disclosed. The advantage of being two people carrying out the interviews, allowed us to divide the roles. One researcher was leading the interview, whereas the other was taking notes on a diary. The research diary also gathered our observations, which emerged after discussing every interview. This technique is recommended by McLennan, Storey and Leslie (2014) and it is a way to develop ideas, remember perceptions and observations.

4.7 Data analysis

The following section presents the approach we have used to analyse our empirical data. It is important to acknowledge that the process of data analysis and data collection are highly interrelated (Saunders et al., 2016). The interviews entail a lot of complex information and insights, and, therefore, before starting the analysis they need to be organized. This process can be seen as the first stage of the analysis (Easterby-Smith et al., 2015). This section will illustrate the process of preserving the data and, subsequently, the coding process.

4.7.1 Transcribing

Transcribing is the process of converting the audio recordings of the interviews into written texts (Saunders et al., 2016). Even if time-consuming, it is a valuable process, as the researchers gain more familiarity with the data collected. As recommended by Saunders et al. (2016), the interviews should be transcribed as soon as possible to remember the details of the discussion and avoid misinterpretations. We transcribed all interviews not long after concluding them, and we kept the anonymity of the interviewees, as promised. The complete set of transcriptions can be found in Appendix 4.

4.7.2 Coding

After transcribing the interviews, the next step in the data analysis is the process of coding, as it is considered as an effective method to process qualitative data (Gibbs, 2007). In line with the abductive approach of this paper, coding the raw data was not only concept-driven, but also data-driven. Concept-driven coding takes point of departure from established key concepts taken from previous studies and literature (ibid.) In our case, the main concepts derived from the analytical framework developed from Battilana, Leca and Boxenbaum (2009) and were categorized in three main parts: the enabling conditions, the process and the institutional change. Each macro category includes other sub-categories. However, while analysing the data, we recognized the need to change the initial list of codes and add extra concepts, as new ideas and patterns were emerging. This is called data-driven analysis, or open-coding

(Gibbs, 2007). Due to the large amount of interviews, and due to the richness and complexity of the topic, we decided to analyse the data with the support of the software Nvivo. The final set of themes can be found in Appendix 4.

4.8 Ethical concerns and power relations

A research project involving primary data must consider ethical concerns, especially regarding the relation with the participants, the informed agreement and the confidentiality (Richardson & Godfrey, 2003; Saunders et al., 2016). Ethics must be considered even more rigorously when researching in a development field context, where it is crucial to build mutually beneficial relationships with the interviewees and behave in a respectful way (Banks & Scheyvens, 2014).

Ethical issues are related to the “power relationship” between the researcher and the participants (Saunders et al., 2016, p. 264). This concern is highlighted in developing countries settings, where the researchers are usually seen as more powerful actors than the interviewees (Banks & Scheyvens, 2014). However, the issue of power relations is not strong in our case, as we did not engage with marginalized or underprivileged groups in remote areas, but with educated and privileged people in the capital of the country. As recommended by Easterby-Smith et al. (2015), we always introduced ourselves as students who are conducting a research concerning social entrepreneurship in Ghana. Therefore, the participants were put on a higher position of power compared to the researchers, who needed their support to conduct the research.

Another consideration on ethical issues is reciprocity and mutual exchange of support. As Banks and Scheyvens (2014) suggest, it is important to give back to those who have contributed to the research work. Thus, during the field trip, we showed immense gratitude to the interviewees for their time and rich information. Moreover, we plan to share our findings with the social enterprises involved in our study, by providing a summary with relevant results from our research and the access of the master thesis upon request.

Finally, the researcher needs to consider issues related to cultural differences and language. Sensitivity to the local culture is key when researching in a developing country. Due to the importance of the Ghanaian environment as an element influencing the study, cultural differences must be considered during the research. This is especially relevant since this thesis focuses on a phenomenon affected by cultural norms and values. In order to face this concern, we deeply studied the Ghanaian context in order to shape the interview guideline according to what was believed fitted best with the culture. In terms of the language, we carried out all the interviews in English, as it is the official language in the country. However, since English is not the native language neither of the researchers or the majority of the interviewees, there is the risk that it leads to misunderstanding and misinterpretation.

4.9 Secondary Data

This thesis relies not only on primary data, but also on secondary data, which is data and information that have been collected and analysed by a third party (Bryman, 2012). Most of the secondary data used in this research were 'compiled data', meaning that they were already processed (Saunders et al., 2016). In general, secondary data was found mostly in large organizations and consultancy reports, online news, government publications, organizations' websites and policy documents. Reviewing a broad and diversified set of data allowed us to have a better understanding of the social entrepreneurship environment in Ghana, in order to shape a relevant interview guideline for social entrepreneurs and field experts.

5. Context

This chapter aims to present the context of Ghana, in which the phenomenon of social entrepreneurship embarking upon institutional change has been studied. Firstly, an overview of the broad national context will be given, followed by a more specific introduction of the social entrepreneurship landscape in Ghana.

5.1 A snapshot of Ghana's social-economic context

Ghana is considered as being one of the leaders in economic, democratic and social welfare terms within the Economic Community of West African States (ECOWAS) (see Fig. 5). After two years of modest GDP growth, Ghana's economy reached 8.1% in 2017 (see Fig.6), influenced mainly by the mining and oil industry (World Bank, 2019a). In 2017, Ghana was contending the title of the year's fastest-growing economy worldwide (World Bank, 2018). Traditionally, the country relied only on the export of primary goods, such as gold and cocoa. Around ten years ago, the discovery of a major offshore oil deposit has changed the country's economy (Spillan & King, 2017; Oxford Business Group, 2019). Being now a petroleum export, the country has received important revenue streams and has developed related sectors, but has become susceptible to international commodity price fluctuations. In order to seek diversification, the government is therefore planning to develop other areas of the economy, such as agriculture and the service sector (Oxford Business Group, 2019).



Fig. 5: Ghana among the Fifteen ECOWAS Member States (Source: Own illustration)

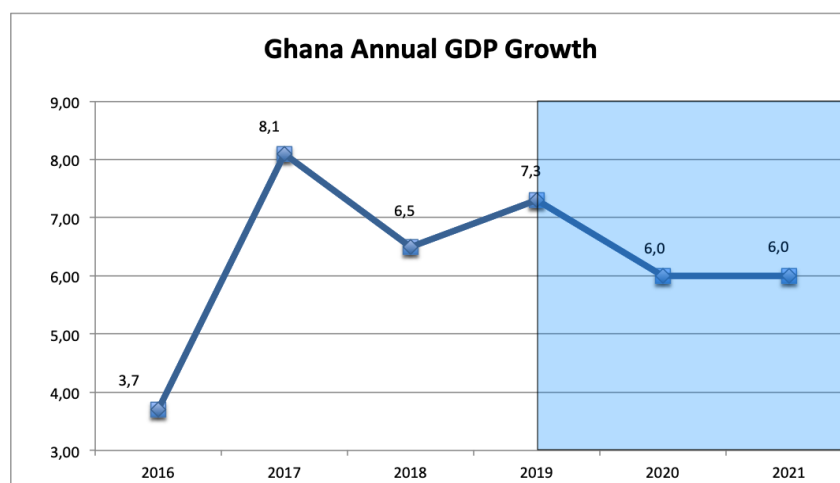


Fig. 6: Ghana Annual GDP Growth (Source: Own illustration based on World Bank, 2019)

Despite Ghana's richness in natural resources, the country has relied on foreign aid since its independence from the United Kingdom in 1957. In 2018, the President Nana Akufo-Addo launched the vision 'Ghana Beyond Aid', which brings into focus industrialization, agriculture, reducing corruption and education (Permanent Mission of Ghana, 2018). The idea behind the vision is, as stated by the President of Ghana, that "no one is going to come from anywhere to develop Ghana for them other than Ghanaians themselves" (Government of Ghana, 2019). In line with the new vision, at the beginning of April 2019, Ghana has concluded its four-year International Monetary Fund's (IMF) support program, which aimed to improve the country's debt sustainability and macroeconomic stability (Oxford Business Group, 2019).

Ghana is one of the more stable countries in West Africa due to its shift to a multi-party democracy in 1992 (Spillan & King, 2017; Oxford Business Group, 2019). A stable democratic governance for the last decade has enhanced the effectiveness of national institutions, increased investor confidence and created a new space for positive growth (UNDP, 2019). For this reason, together with the government's effort to increase the country's attractiveness, Ghana has become an appealing investment destination, ranked as the 16th most investment attractive country in Africa in 2018 (Quantum Global Group, 2018).

Generally, the Ghanaian business environment is considered to be stable. In comparison to other key economies in West Africa, Ghana is considered as a more competitive environment, presenting a clear regulatory system and an open market (Deloitte, 2017; Spillan & King, 2017). Nevertheless, the country's performance on various global indicators (see Table 2), such as the Global Competitiveness Index, Corruption Perception Index and Ease of Doing Business, demonstrate that the Ghanaian economic development is still considered as being low in a global context (UNDP, 2018; World Bank Group, 2019; World Economic Forum, 2018; Transparency International, 2018; Global Innovation Index, 2018). Yet, in the continent, Ghana is among the most competitive business destinations, least corrupted and easiest country to do business (Spillan & King, 2017; Deloitte, 2017). Ghana is also one of the leading countries in the African emerging digital economy, together with Kenya, Ivory Coast, Nigeria and South Africa, known as 'KINGS' countries (Osiakwan, 2017). The recent opening of the first Artificial Intelligence (A.I.) research centre in Accra, and the first in the African continent, is a proof of the country's dynamic technology scene (Adeoye, 2019). Furthermore, the current government's 'National Entrepreneurship and Innovation Plan' (NEIP) aims to improve the business-friendly environment and to support small businesses and start-ups activities, by providing business development services, incubators and funding (Government of Ghana, 2017). The President of the country declares that: "*NEIP will accelerate job creation and provide entrepreneurial Ghanaian youth with a critical alternative to salaried employment*". However, key challenges that slow down the private sector development are the following: "*access to financing, tax rates, corruption, inadequate supply of infrastructure and inflation*" (World Economic Forum, 2018; p.128).

Indicator	Ghana's ranking (out of)
Human development index 2017	140 (189)
Ease of doing business 2019	114 (190)
Global Competitiveness Index 2018	106 (140)
Corruption perceptions index 2018	78 (180)
Global innovation index 2018	107 (126)

Table 2: Ghana's ranking on selected indicators (Source: Own illustration)

The stable political situation also allows the media to enjoy a high degree of freedom, outperforming most African countries in terms of political rights and stability (Spillan & King, 2017; UNDP, 2019; Darko & Koranteng, 2015). The country has not only improved its economic development, but also made big steps in governance, youth and gender empowerment, through new legislations and institutional arrangements (Spillan & King, 2017; UNDP, 2019). In spite of the country's positive environment, there are some key general challenges that prevent the unleash of Ghana's true potential. These challenges are high unemployment, poor infrastructures, socio and environmental challenges, and large inequalities (UNDP, 2019; Oxford Business Group, 2019; Oxfam International, 2019; Deloitte, 2017; Spillan & King, 2017), which will be explained below.

Firstly, there is a severe unemployment rate in Ghana, especially among young people from the 20-25-year-old-group (Owusu et al., 2016). According to the Institute of Statistics, Social and Economic Research of the University of Ghana (ISSER, 2017), only 10% of graduates find a job after completing education. This is partly due to Ghana's economic boom, that has lead to the growth of mainly informal and unskilled jobs (Owusu et al., 2016; Spillan & King, 2017). In fact, around 90% of the employed people work in the informal sector (Spillan & King, 2017). Moreover, a lack of affordable financing hinders particularly small and medium enterprises (SMEs), that struggle to grow (Spillan & King, 2017; UNDP, 2019). Although some infrastructures

have improved after the oil discovery, most of them remain in a poor state, which hinders businesses operations due to frequent power shortages and a non-supportive transport network (Deloitte, 2017).

Some of the environmental challenges that Ghana needs to face include a lack of a proper waste management, deforestation, pollution and soil degradation, among others (Spillan & King, 2017). Despite the improvement of the average life expectancy and education in the last decades, Ghana is still placed in a 'medium human development' category, according to the Human Development Index (UNDP, 2019). Malaria is still a major health problem, together with maternal mortality (ibid.). A large number of children are not registered in primary schools, where the enrolment gap is significant, especially between rich and poor students (ibid.) Despite the nation was declared as a lower middle-income country in 2010 (Owusu et al., 2016; UNDP, 2019), the inequality is on the rise in Ghana. The disparities are large especially between regions, in particular between North and South (Owusu et al., 2016; Darko & Koranteng, 2015). The richest 10% of Ghanaians share 32% of Ghana's total consumption (Oxfam International, 2019).

Overall, Ghana is going through a transition, characterized by a democratic consolidation and economic growth, which can release the credentials to become an emerging market. As the country middle income population keeps expanding, poverty has increased in Northern Ghana and rural areas (Owusu et al., 2016; Deloitte, 2017), leaving a big part of the population behind. In order to bridge the gap between the growing middle class and poor people, social enterprises could play a key role.

5.2 Social entrepreneurship in Ghana

Social entrepreneurship is key to fulfil 'Ghana Beyond Aid' vision, as it is argued by Professor Kwame Osei Boateng from the Kwame Nkrumah University of Science and Technology (KNUST) (Kwasi, 2018). The social entrepreneurship landscape in Ghana is vibrant and growing. The number of active social enterprises in the country, according to the British Council (2016), reaches 26,000, working primarily in the education and in the agricultural sectors. However, there are limited documents, both

academic papers or reports, about the phenomenon of social enterprises in Ghana. The British Council, which holds a Social Enterprise Programme, has released insightful research on social entrepreneurship in Ghana. Thus, this section mainly draws on one report released from the British Council, as it is an updated and detailed source on the topic of social entrepreneurship in Ghana.

The emergence of social entrepreneurship in Ghana can be connected mainly to two factors: an increased attention to the private sector development and the state's absence or mismanagement in providing social services and infrastructure (Darko & Koranteng, 2015). The focus on the private sector development, and in particular on youth employment, is not only on the government's agenda, but also on the agenda of the donor community (*ibid.*). Generally, a dynamic start-ups culture and a new entrepreneurial synergy are rising in Ghana, together with hubs and incubators, such as Meltwater Entrepreneurial School of Technology (MEST), iSpace and Impact Hub Accra (Osiakwan, 2017).

Supportive institutions and opportunities for social entrepreneurs are increasing, ranging from funds to impact investors, trainings and mentorships. A big role is played by the British Council, who launched a program in 2009 with the goal of fostering the development of social enterprises. In addition, a network for high-impact social entrepreneurs in Ghana has been established in order to strengthen the Ghanaian ecosystem (Social Enterprise Ghana, 2019). However, social entrepreneurs still have to face some challenges, such as access to adequate capital, access to communities and markets, complicated regulatory systems, a low understanding of the concept of social entrepreneurship and a lack of skilled human resources (Darko & Koranteng, 2015).

The legislative sector in Ghana has not formed any regulation supporting social enterprises yet (Darko & Koranteng, 2015). The lack of a specific registration category for social enterprises forces social entrepreneurs to choose between two options: to be recorded either as a for-profit, or as a non-profit organization. Being a for-profit organization, makes it more difficult to apply for grants; on the contrary, being a non-profit organization makes it hard to access equity (*ibid.*). However, there is an ongoing national debate between the government and some key stakeholders in order

to develop a Social Enterprise Policy, with the ultimate goal to create an enabling environment (Presentation of Draft Ghana Social Enterprise Policy to Civil Society, 2018).

6. Analysis

The aim of this chapter is to outline the principal findings from the empirical data, using the analytical framework presented above. Our findings will be divided into three sections, namely enabling conditions, process and institutional change. Firstly, we will analyse the conditions that enable social entrepreneurs in Ghana to act as institutional entrepreneurs. Secondly, we will examine the process that social entrepreneurs need to pursue in order to reach their aim of making divergent change. Finally, we will investigate the type of institutional change the social entrepreneurs aspire to reach.

6.1 Conditions for Institutional Entrepreneurship

In this first part of the analysis, we will examine the conditions that enable social entrepreneurs to become institutional entrepreneurs. In order to assess this, we will look at two main conditions: 1) the field-level conditions and 2) the entrepreneur's social position in the field of 'societal challenges'.

6.1.1 Field-level conditions

In this section, we will analyse different field-level conditions that act as enabling factors for social entrepreneurs in Ghana to engage in divergent change. Field-level conditions can be acute-field problems, jolts and crisis, the degree of heterogeneity and the degree of institutionalization in the field. We will analyse whether the various field-level conditions of the field 'societal challenges' provide opportunity for agency and, indeed, institutional entrepreneurship.

Acute field problems

In this section, we will analyse the diverse range of acute field problems that occupy the field of 'societal challenges' in Ghana, in order to observe how they act as an enabling condition for making change. Despite Ghana's significant improvements in the economic, political and social welfare field (Oxford Business Group, 2019), the country still faces multiple challenges that inhibit its potential development. The challenges that have emerged from the empirical data are the following: poverty, healthcare, education and environmental issues. These issues are considered acute

field problems, according to the definition of Durand and McGuire (2005), and can urge social entrepreneurs to find solutions to tackle them. One of the persons interviewed makes the same argument:

“Social entrepreneurship will have a great future because we are in a situation in Ghana where we are growing the middle class but still a lot of poor people, but our nation is not moving as fast. But social enterprises, if they are smart, can look for opportunities that can bridge a lot of those gaps, in sanitation, health, education. There are many things that can be done. They can create opportunities and create jobs.” (Company G)

Considering that 23,4% of people in Ghana live under the poverty line (World Bank, 2019b), some of the interviewed social enterprises aim at solving this social issue. Company A, for example, aims at giving low-income families access to insurance by providing a mobile-delivered micro insurance. Indeed, the respondent explains that people quickly fall under the poverty line because they get into debt: *“Some people actually fall into a poverty trap because they borrow money to organize big funerals and then they cannot repay it”*. Then, the respondents of the companies working in the agricultural sector, namely Company C, Company F and Company J, aim at bringing farmers out of poverty, as respondent of Company F explains: *“Now people are able to go above the poverty line so they can actually sell the food they are producing and have more money to send the kids to school and so on”*.

The second main issue identified by the interviewees in the Ghanaian context is healthcare; specifically a shortage of doctors, an inefficient public healthcare system and a large market for counterfeit medicines. For example, the respondent of Company A, which provides telemedicine services besides micro insurance, explains that there is *“a huge shortage of doctors”* and that *“It’s very time-consuming to go to the doctor. I don’t know if you’ve met any Ghanaian doctor, but usually the customer experience is pretty bad”*. Then, the global strategic director of Company G, whose mission it is to fight the diffusion of fake medical products, acknowledges the Ghanaian government’s inability to deal with this issue, as he states: *“It is really easy to smuggle in fake products, it is really easy to bring in counterfeited products and our systems are not strong enough to prevent this to happen”*.

Education has been recognized by interviewees as another major issue hindering Ghana's development. Addressing the problem of getting access to skills, Company B allows distance-learning-education through mobile training. The founder of Company D also acknowledges the scarcity of highly-skilled local human resources, which is also related to the fact that companies owned by foreigners rarely integrate local human capital: *"They are not here to share their information"; "You leave and you don't just take all the knowledge with you. And so that is something massive problem"*. This causes a *"development challenge"* because *"they (foreign companies) are actually undermining the capacity of the local counterparts to change"*. The founder of Company H notices the lack of education among females in the specific subject of technology, hence she set up an Academy to teach coding to girls. Finally, the managing director of Company E identifies a lack of business knowledge in most people who start a new venture in Ghana, as its managing director points out: *"Here in this ecosystem, most entrepreneurs are so focused about the product and the service, that they do not think enough about the business"*. Indeed, Company E provides affordable training and support to small enterprises with a major impact.

Finally, severe challenges were highlighted by the interviewees at the environmental level, such as the problem of climate change, deforestation and waste management. The founder of Company F acknowledges the complex problem of climate change and, thus, has developed an innovative solution to help farmers adapt to climate change, as he explains: *"With modern technology we are essentially helping them overcome the barriers of this changing in climate"*. The general director of Company K recognizes the issue of deforestation in Ghana, as he states: *"Heavy industrialization doesn't have enough trees, what is left here in Africa, they also been cutting down to create charcoal"*. In order to tackle this problem, the company has developed an alternative to produce heat using charcoal from wood by using coconut waste instead. The waste management issue has also inspired Company D and Company I to act upon it, as the respondents explain: *"There is obviously a waste management problem. Plastic is all over the place, people are dying of cholera, [...] there is 92% of human waste that is polluting the environment and human health"* (Company D); *"The water bags at the time it was a big problem [...] but then if it is not recycled it is a big problem [...] the idea was to look at whom we can use this plastic and we started minimally with sports bag, like travelling bags, then the backpacks"* (Company I). The

companies have developed two different solutions, respectively: Company D supports SMEs to adopt sustainable practices in terms of waste management and Company I transforms plastic waste into reusable bags.

All in all, we can observe that there are multiple acute field problems in the field of 'societal challenges' in Ghana that negatively affect society. However, it has been shown through the interviews that these acute field problems increase social entrepreneurs' willingness to solve the issues, making them act as institutional entrepreneurs.

Jolts and Crises

The second category of field-level conditions that enable the emergence of institutional entrepreneurship in the field 'societal challenges' are jolts and crises. In the past decades, there have not been many relevant economic or political crisis in Ghana. Looking at our empirical data, the only jolt that emerged from most of the interviews is technology disruption in Ghana. Indeed, it appears that technology facilitates the possibility of actors to engage in institutional change, and it promotes the implementation of new ideas. The respondent of Company C, for example, explained: *"I think of course the big technology plays a big role"*. In fact, company C was started by two young students, who received free training from a big foundation that aimed to train future entrepreneurs in how to create apps to solve societal issues. As the respondent explains, at that time, mobile and IT were receiving a lot of attention: *"IT and mobile was one of the cool thing"*.

From the empirical findings, it is possible to distinguish specific types of technology disruptions in Ghana: mobile penetration, mobile money, digitalization and A.I. First of all, the simple fact that everyone possesses a mobile phone made it possible for most businesses to use it as a tool to implement their ideas, as they explain: *"Everyone has a mobile, even if you are poor you have a small mobile phone."* (Company A); *"More poor people also in rural conditions were beginning to own a phone"* (Company G); *"Leveraging on a mobile phone, because that was sort of a springboard to allow us to venture into this space"* (Company C). The high mobile penetration in Ghana, which reaches around 120 percent, is defined by the growth director of Company G as an inspiring factor: *"So we thought that if we wanted to do something that would change*

the world, it has to happen via the phone". Interviewees identified not only the high mobile penetration as an enabling factor, but also an increasing penetration of mobile money. Several enterprises interviewed (Company A; Company F) based their business model on this new technology. The third type of technology disruption in Ghana is digitalization, as respondent of Company A explains: *"Ghana is continuing to grow and getting more digital"*. Finally, the introduction of A.I. has been identified as another main technology disruption in Ghana. The new A.I. centre in Accra is the first one on the African continent. Despite the high cost of this technology, the founder of Company B considers it as relevant for his business, as he explains: *"We are now using artificial intelligence and these kind of tools that allow us to industrialize and social design all the services that we are currently doing"*. Overall, the founder of company H appreciates that there is a growing interest in technology from the government, as she states: *"So it's actually helpful that we have a government now that is interested in digital and innovation"*.

Degree of heterogeneity

In this section, we will focus on the third category of enabling field conditions, namely the degree of actor heterogeneity in the field of 'societal challenges'. As already mentioned in section 3.1.1., the degree of heterogeneity is the variance in institutional orders, which, in this thesis, are understood as the behaviour of the main actors operating in the field of 'societal challenges' and their main characteristics. Thus, we will firstly look at the different actors operating in the field 'societal challenges', namely the state, the civil society and the private sector, and secondly on the variance on their behaviours. The first two actors are traditional players in the 'societal challenges' field, whereas the private sector has only recently received attention as a new tool for development (UNDP, 2004), especially in developing countries such as Ghana. Although we acknowledge the presence of other actors operating in this field, we will reduce it to these three actors to ease the comprehension of the analysis. Hence, we will divide this section between the three identified actors.

Firstly, we will analyse the role of the state in the field 'societal challenges', which is to provide services equally to its citizens. The interviewed Expert 1 strongly believes that the government in Ghana has a very centralized authority. He continues: *"I saw a recent analysis that said that the President of Ghana controls more resources per*

capita than the Presidency of the United States, if you look at the budget of the country, and how much of it is controlled [...] is ubiquitous". For example, in weather forecasting, the government was the only actor operating, and there were no private companies when the founder of Company F started his new venture; this was defined as "monopoly setting" (Company F). Several interviewees presented some weaknesses in the Ghanaian public sector work, such as a lot of bureaucracy, restrictions and short-term projects (Company C; Company F). For example, respondent of company F explains: "Government agencies usually have much more restriction, bureaucracy and usually they have 5-years-projects". However, most respondents were reluctant to disclose information about the government and its activities.

The second main group that tackles 'societal challenges' is the civil society that, according to the interviewees, mainly includes charities and non-governmental organisations (NGOs). The model of NGOs is perceived as outdated, as respondent of company G explains: "People are tired of doing the same NGOs work, because all it does is pretending to solve a problem and the problem is still there". The main recurring criticism is a strong reliance of NGOs on donors, which ties the organization to strict rules and constraints it when funding is discontinued, as the respondents of Company G and Company H explain: "NGOs are tied by so many rules" (Company G); "If the funding stops [...] the project just stops" (Company H). Moreover, NGOs usually implement short-term projects, as respondent C describes: "They have a project that has a timeline, they make at the end a nice report, then the project ends, they close and go to the next project". All in all, the NGO and charity models are considered old and not 'attractive' anymore, as Expert 1 explains: "The typical charity organizations that would have started 20 years ago, 15 years ago, straight up as a non-profit. [...] they are not sexy enough to attract the support that they need". Expert 1 also argues that the charity model is getting absorbed by the new concept of social entrepreneurship: "Charity is almost nearly completely absorbed by these new concept of social entrepreneurship".

The last category is the private sector, which has recently been recognized as being capable of solving societal issues. The role of the private sector has gone beyond CSR practices implemented by big companies, and it now includes the potential for entrepreneurship. The country's new strategy 'Ghana Beyond Aid' clearly states that

the country wants to continue its development without any foreign aid, but focusing instead on entrepreneurship. The respondent company J presents the situation:

“Ghana has moved on from being completely just like a donor aid developer country to being a country that has private investment, and private money that comes into the country. And that makes all the difference. So people are no longer just reliant on funding from grants and charitable donations and things like that. But there is actually money that comes in from real business people who want to see success with a financial and social side. So I think that is a big moment for the country. And it’s one of the first countries in West Africa to get to this point.”

In this thesis, we will particularly focus on a specific actor within entrepreneurship, who is attracting a lot of attention in Ghana, namely the social entrepreneur. The topic will be introduced by the words of Expert 1:

“There’s also just a share expanse of social problems that currently dominates that African social economic landscape. That means that, inherently most businesses feel the need to position themselves as social, because the biggest challenges of our times today, even the business opportunity of today, can be fairly situated within the social space [...] I think someone said “all businesses are social in Africa recently” and I mean, I tend to agree especially when you look at the challenges in health, education. All these big issues that need to be fixed and they have direct impact on the livelihoods of hundreds of millions of people across the continent”.

We will now define social entrepreneurs through the explanation of the global strategy director of Company G: *“They are acting as normal businesses and doing good without having to be tied into the conditions that normal NGO have [...] The thing about being a business entity is that you don’t only grow, but you can innovate and do things differently”* (Company G). In contrast to a charity, social enterprises focus on their business models to ensure sustainability, as the growth director of Company C clarifies: *“It ensures that even if you don’t get donor funding, you can still sustain your*

intervention". The phenomenon of social entrepreneurship generally has been gaining a lot of attention from different actors recently, such as the British Council, as Expert 1 presents: *"There is a lot more movement to help social enterprises thrive"*. The founder of Company H also asserts: *"I've seen an improvement, and there are several different organizations that are enabling social enterprises, like incubators that offer support, training, advice"*.

After having analysed the actors present in the field of 'societal challenges', we will now assess whether there is a high variance in their behaviour. In general, the different actors mentioned above, namely the public sector, the private sector and civil society, use different approaches to operate in the field of 'societal challenges'. In the specific industry of agriculture, for example, the growth director of Company C presents the following argument: *"We're all looking at the same problem, but we're using different lenses to sort of look at it"*. Several respondents perceived the variety of approaches as something positive: *"For me, as an optimist, the fact that different people are trying to do different things, although they are not talking good, it is better than if no one was doing anything at all"* (Company E); *"The nature of a complex system is that you will have a diversity of approaches, and that's a good thing, and it kind of looks confusing but it's good because you're developing different kinds of approaches"* (Company D). By contrast, the respondent of social enterprise J links the diversity of approach to an inefficiency, as he outlines: *"Everybody (government, direct donors, other companies, NGOs) is doing completely different programs that focus on very component views of it rather than system views of the industry"*. The big challenge is, indeed, the fact that there is *"no flow of information, and no clarity and transparency of who is doing what"* reveals the founder of enterprise D, as well as other respondents. This issue can lead to a *"replication of projects"* (Company D), *"waste of resources"* (Company J) and *"confusion of the beneficiaries, because people are competing to support them"*, as the founder of company D explains. She adds in conclusion: *"in the development world, people are quite territorial. I think in general, but it is quite interesting that something that is about creating positive change for people can be quite competitive and quite territorial"* (Company D).

We can conclude that in the field of 'societal challenges' there is a high degree of heterogeneity in the approaches to solve these issues by all the three actors, namely

the state, the civil society and the private sector. This phenomenon causes contradictions in the organizational field of interest, creating opportunities for agency.

Degree of institutionalization

In this section, we will analyse the degree of institutionalization of the institutional orders in the 'societal challenges' field, which is another conducive factor for an entrepreneur to engage in divergent change. Therefore, we will assess the level of uncertainty in the field of 'societal challenges', which can lead to either a low or a high institutionalized field.

The high level of heterogeneity identified in the field of interest creates a scattered environment, where numerous actors behave in different ways, thereby creating a high level of uncertainty in the field of 'societal challenges'. Despite the heterogeneity of actors in the field, the government holds the authority necessary to implement solutions to societal challenges. In fact, Expert 1 highlighted that the government's authority is highly centralized across the country. This was confirmed by the global strategy director of Company G as a difficulty to make changes in the system and accept new practices: *"When you come in (to the government) and suggest a solution, they think you are trying to teach them how to do their job"*. The founder of Company H also acknowledges the difficulty to modify traditional ways of governmental structures. When the company started to teach coding in public schools, they faced such a difficult working environment that they decided to give up: *"We can be more impactful because we are not in the bureaucratic system"* (Company H). Nevertheless, with the new vision 'Ghana Beyond Aid', the government intends to stop its dependence on aid and rely on businesses to solve societal issues instead, thereby changing institutionalized practices. In fact, some interviewees recognized that the government is willing to let social entrepreneurs work for Ghana's growth, also for the sake of not having to do it themselves, as Expert 1 and the respondent of Company G illustrate: *"The government is beginning to understand the value of supporting social enterprises, purely from the perspective of lifting some of the burden in what they have to carry"* (Expert 1); *"The government doesn't want to spend a lot on things that businesses can do. So if you (as a social enterprise) are able to prove that, then you reduce the burden on the government"* (Company G). The country manager of Company A also acknowledges that, compared with other African countries, in Ghana,

regulatory agencies are relatively open-minded and will accept change, even in the insurance market: *“The regulator was very open minded”* and then he continues: *“Regulators in the French-speaking Africa are too much taken by the francophone system, and so they would not have allowed an innovation like Company A to happen”*.

We can observe that social entrepreneurship is becoming recognized in the field of ‘societal challenges’ at the regulative level; in fact, the government is developing a ‘Social Entrepreneurship Policy’. Expert 2, who is helping with the drafting of the policy, reveals its future outcome: *“More awareness, we’re going to get people’s social enterprises to be registered the right way [...] through this policy, we are hoping that a lot more opportunities will open up for social enterprises in Ghana”*. Until now, there is still no way to properly register a company as a ‘social enterprise’ entity, according to Expert 2 presents: *“As it stands in Ghana, a social enterprise cannot be registered as a social enterprise”*. At the normative and cognitive level, the concept of social entrepreneurship is still unclear for most people, as respondent of company G explains: *“Most people don’t fully understand what social entrepreneurship is and mistake it with NGOs that is trying to profit from people”*. However, some respondents acknowledge that the understanding of social entrepreneurship is increasing, as the founder of Company H explains: *“In terms of understanding social enterprises, I feel like there are more and more social enterprises. So even when you say ‘social enterprise’, people now get what it is. So I feel like the understanding has come a long way”*.

To conclude the section about the degree of institutionalization, we can state that the field of ‘societal challenges’ is characterized by a low degree of institutionalisation. This is due to a large number of actors implementing different practices to solve societal issues, and to the lack of a predominant institutional order, generating a high degree of uncertainty and confusion in the field, which consequently provides opportunities for action for the social entrepreneurs.

6.1.2 Actors' social position

In terms of enabling conditions, the previous section proved that Ghana's field-level conditions enable institutional entrepreneurship. However, not all the actors that are embedded in an enabling field will embark upon institutional change (Clemens & Cook, 1999). The additional factor that need to be in place to enable actors to embark upon institutional change is actors' social position. In this section, we will assess the social position of the interviewed social entrepreneurs' in the field of 'societal challenges', followed by their position within the organization they were part of, before starting their new venture.

Position within the organizational field

In this section, we will analyse the social entrepreneurs' position in the field of 'societal challenges', which is influenced by their social group membership and their organizational membership prior to starting their own venture. The empirical data guided us to focus more on the social group status, as most of the entrepreneurs did not recognized that, belonging to an organisation, was a key factor for starting their new venture.

Social group status

The first category that will be analysed is the status of the social groups to which the social entrepreneurs belong, or used to belong before starting their venture, as this influences their likelihood to implement institutional change. Normally, actors in lower status social groups within an organizational field are more inclined to engage in institutional change, compared with those from higher status social groups (Battilana et al., 2009). However, being part of a high status group, such as a professional or educational one, gives access to valuable resources, as Expert 1 states: "*Some of those (enterprises) that are driven and are lead by entrepreneurs who have deep insights, either from industry experience or from studying it deeply and having data that backs the business model. Not from making assumptions about a market.*" He strongly believes that experience is extremely valuable for building up a successful company in Ghana. Following this argument, we will analyse whether social entrepreneurs belong to various social groups, and consider their educational and professional background. We will also take the social entrepreneurs' exposure to

multiple fields into consideration, as an enabling condition for engaging in institutional change.

We will start by looking at the family status and education of the entrepreneurs. All social entrepreneurs interviewed had enjoyed higher education, either from renowned Ghanaian universities or those in their home countries, if they are foreigners. For example, the founder of company H presented herself as belonging to a high status social group: *“I grew up in the middle-class Ghanaian family”*. She then obtained a degree at Ashesi University, which is a well-known university in Ghana. The French CEO of company B went to an elite university in France, as he explains: *“I studied at Sciences Po”*. All the other interviewed social entrepreneurs had similar backgrounds.

Looking at the professional experience of the interviewed social entrepreneurs, we can generally say that most of them had valuable working experience before founding their enterprises in different industries, which provided them with useful skills and knowledge. They were often occupying high professional status jobs, even if their positions were not necessarily related to the field of ‘societal challenges’. For example, the founder of Company H had been working in the banking sector for many years; the founder of Company I was an architect from the UK and one of the founders of Company J was a high level impact investor. However, we observe that, in some cases, these experiences raised their interest in the topic of ‘societal challenges’. For example, the founder of Company B, which operates in the educational sector, had been working in change management in Paris for a couple of years but has always been embedded in the educational and technological sector, as he explains: *“My mother was a professor, my father works in IT” ; “I wanted to work in education for sure, that has always been, it is a family story and I was born this way”*. The CEO of company D also got interested in the field of ‘societal challenges’, whilst she was working in the investment sector in the UK, focusing on investment in developing countries. Similarly, the founders of companies E and F have matured an interest in the field of ‘societal challenges’ during their past professional experiences. Whilst the founder of Company E was working for the international organization ‘Engineers without borders’ and supporting entrepreneurs in Ghana and Malawi, he started his social enterprise because he noticed a gap between small enterprises and investors. Then, both founders of Company F both had a passion for climate change, which led

them to start their venture in Ghana: one worked for Swedish television to inform the public about climate change and the other one worked at university, being *“politically involved in Sweden”*. Lastly, the founder of company G claimed that, through his experience in a think tank, he had gained an insight that inspired him to start his new venture that fights the diffusion of counterfeit products, as he explains: *“We discovered that there was so much counterfeiting in the system [...] So this came out as part of our work of looking at what was happening and for instance out as an opportunity which could be a solution, which we were able to provide and build the solution”*.

From previous paragraphs, we can observe that most of the social entrepreneurs belong to a relatively high status social group. However, this factor did not hinder their willingness to embark on institutional change; on the contrary, it gave them access to resources to start their new ventures and, more importantly, the possibility to acquire knowledge and to be aware of societal challenges, thanks to their experiences. Using another perspective, we can consider two cases where social entrepreneurs belonged to low status social groups. The first case concerns the founder of company C, who was exposed to the challenges of the agriculture, coming from a farming family in a rural area. As the respondent explains: *“Our CEO grew up on a farm with his family and was helping, so he sort of experienced first-hand some of the challenges they face: get an access to information, markets are not there and so on”*. Being in a low status position pushed him to bring change to the agricultural industry, in order to improve the status of farmers. The second case is the founder of Company H, who, despite her high social group status described above, also belongs to a low status group because of her gender. In fact, being a woman in the field of technology, put her in a lower status group, facing different challenges in terms of career opportunities and credibility, as she explains: *“I was the only woman in the IT department. And being a female in IT departments and being a minority was hard”*. These challenges triggered her willingness to change the actual institutional settings and pushed her to make radical change, as she claims: *“So I finally decided I wanted to quit and start my own business”*.

The last factor we will consider is the social entrepreneurs' exposure to multiple fields, which may increase the probability of starting institutional change. In the case of multiple fields we consider both different geographical fields and being embedded in

a different organizational field than 'societal challenges'. We noticed that we had both situations in the analysed cases, as some social entrepreneurs were exposed to different countries outside Ghana, others, instead, to different fields. Firstly, the founders of company A, B, D, E, F, I and J are all foreigners, who came to Ghana from their native countries: the first two from France, the third and the fourth from UK, and the others from Canada, Sweden and Argentina. The remaining entrepreneurs were Ghanaians, who had always been embedded in the local context. Secondly, as mentioned above, most of the interviewed social entrepreneurs were embedded in other fields than 'societal challenges', which enabled them to engage in institutional change. In fact, most of them were pursuing different career paths, not related to the field of 'societal challenges'.

In general, from our empirical data, we can conclude that the majority of the entrepreneurs were belonged to high status groups. However, this fact did not make them less eager to start institutional change; on the contrary, it gave them the tools to engage in activities that would implement their innovative ideas. The also applies to the two identified social entrepreneurs from a low status social group, since they both wanted to break the current institutional arrangements. Finally, being embedded in multiple fields has enabled the social entrepreneurs to engage to make divergent change.

Organization status

As already mentioned, the likelihood that a social entrepreneur engages in institutional change can also depend on the status of the organization he/she belonged to before starting his/her new venture. In this specific study, we observed that only two social entrepreneurs had been previously part of an organization that was considered extremely significant for the start of their new venture, as both projects had been started in the organization before becoming independent enterprises. Yet, we acknowledge that the other social entrepreneurs may also have been part of different kinds of organizations before they founded their own enterprises, but they did highlighted this as a critical factor. The founders of enterprises A and D were both cases of "intrapreneurship", because they were acting as entrepreneurs whilst they were actually employees within organizations. They explain: *"it was really more like an internal project, where the company said 'let's innovate'. So it was more*

intrapreneurship than entrepreneurship" (Company A); *"I created Company D inside the investment company"* (Company D).

Therefore, we must focus on the organizations' status as this played a key role for the two social entrepreneurs as they started their enterprises. From the interviews with respondents of Company A and D, we can state that both organizations are very high status companies, being the third telecommunication company in Ghana and being a significant investment company in the UK, respectively. We observed that being part of a high status organization did not stop the social entrepreneurs from wishing to engage in divergent change. Actually, both respondents of Companies A and D acknowledge that being embedded in these high status organizations encouraged them to engage in institutional change and supported them, as they explain: *"I think Company A from the start had quite a strong backing from the telecommunication company"* (Company A); *"Company D has been incubated within the safe confines of the organization"* (Company D). The willingness of these organizations to incubate the ventures of those social entrepreneurs is a proof of their open-mindedness and interest in innovation.

In conclusion, we can observe that being a member of a high social group status and/or a high status organization, enables social entrepreneurs in Ghana to embark upon activities to change in the actual institutional settings. However, these changes rarely break the status quo of the social group or the organization they belong to, which could explain this supportive behaviour.

Position within an organization

In this section, we will analyse whether the position of the social entrepreneur in the organization he previously belonged to is an enabling condition to engage in institutional change. In line with the section above, we will consider solely the positions of the founders of Companies A and D, since they were the only social entrepreneurs who belonged to an organization and considered it as a relevant factor for starting their own venture. The theory suggests that if an actor belongs to a low status social group and/or organization, his ability to engage in institutional change is negatively influenced. However, this obstacle can be overcome by acquiring the missing resources from being well-positioned within an organization. Although we know that

the founders of Companies A and D were already in high status groups before, it is also worth examining their positions in the organizations they previously worked for. More specifically, we will analyse their hierarchical and the informal network position within these organisations, in order to understand how these two factors may have facilitated the creation of their ventures.

According to the theory, being in a high hierarchical position within the organization may increase the social entrepreneur's chances of engaging in divergent change. However, in neither of our cases, the founders had been in the top management of the organisations they had previously worked for. For the founders of Companies A and B, it appears more relevant to look at their informal positions in the organizational networks, as an enabling condition to start institutional change. For example, the founder of Company D claims that she had a large network within the investment company, where she worked before, which gave her access to relevant stakeholders for her future venture. She explains: *"I had access to very very high profile multinationals and I was able to do research with them"*. The founder of Company D was supported by a very high senior manager and also by other people within the organization, who provided her with financial resources and pushed her to continue with her new venture, and she explains: *"It was kind of being supported, probably by the, now he is the chairman of the organization, he was one of the most senior managers in the organization"*. Indeed, in this case, the informal position within the organization was key for implementing of divergent change.

Concluding this section, we can state that even if the social entrepreneurs of Companies A and D already belonged to high status social groups, their positions within the organizations they had previously worked for, especially their informal network positions, were a critical factor that enabled them to implement divergent change.

6.1.3 Sub-conclusion

This section has described the two conditions that allow institutional entrepreneurs to emerge namely field-level conditions and the actors' social position. Firstly, the

empirical data showed that the technology disruption in Ghana, together with many challenges in the Ghanaian context, create opportunities to solve societal challenges. In our specific field of interest, namely 'societal challenges', it appears that the high degree of heterogeneity and the low degree of institutionalization also offer opportunities for agency. However, not everybody is able to grasp those opportunities and become an institutional entrepreneurs. Indeed, we need to look at another crucial factor enabling the social entrepreneurs to engage in institutional change, namely the actor's social position. The data shows that the social entrepreneurs' membership to a high status social group or organization prior to the start of their new venture enables their ability and willingness to embark in institutional change.

6.2 Implementation of divergent change: the process

The second part of the analysis focuses on the process of making institutional change. Firstly, we will scrutinize the social entrepreneurs' development of a vision for divergent change; and secondly, we will examine the way they mobilize allies to support the implementation of their ideas for divergent change.

6.2.1 Developing a vision for divergent change

Developing a vision for divergent change is a key for institutional entrepreneurs to mobilize allies, and it is the first stage of the process of divergent change. This argument is also supported by Expert 2, who states that *"What it takes to be successful? I think it starts with a vision of how to create an impact on your community. That's like the main thing for any social enterprise"*. In this section, we will examine the way social entrepreneurs frame their vision of change, which is divided into three steps, namely diagnostic, prognostic and motivational framing.

Diagnostic framing

According to the theory, the first step of developing a vision for divergent change is to clarify the current institutional problems and, more specifically, to explain the failure of the present institutional order, spotting problematic practices and finding out who is responsible for those failures (Battilana et al., 2009). Looking at the empirical data, we

found that, when social entrepreneurs in Ghana develop their vision of divergent change, they first present the failure of the institutional arrangements and the problems identified in the institutionalized procedures in the field of 'societal challenges'. We will present how the social entrepreneurs develop their vision using a 'diagnostic framing'.

Firstly, all the interviewed companies operating in the field of agriculture mention similar problems, clearly indicating the failure of current institutional arrangements and identifying practices that are wrong. For example, the respondent of Company C illustrates the lack of success of the governmental agricultural settings, with a lack of human resources. He explains: "*Extension officers' ratio tends to be very high. [...] so it makes it very difficult for extension officers to support farmers and, hence, all the issues of our food security*". He later explains that smallholder farmers are not sufficiently supplied with the right information and knowledge. The farmers' lack of access to useful data is also underlined by respondent of company F, who represents the second agricultural company. He explains that inaccurate weather forecasts in the tropics have caused farmers to distrust this kind of data. The respondent of the last agricultural company, namely Company J, explains the failure of traditional practices of land cultivation: "*Traditionally people farm manually, they burn fields, they plow soil and they think that they need to irrigate*"; "*We openly tell them that the old model does not work*". All companies link the farmers' great poverty to current institutional failures, as respondent of Company J maintains: "*The rural population (in most sub-Saharan countries) is mainly subsistence or below subsistence farmers [...] they're trapped in this cycle (of not having enough products to sell), where they're just relying on their own production*".

In the second sector, dealing with environmental issues, the interviewees identified lack of education on the topic as the main institutional failure. For example, the respondent of Company I identifies the lack of awareness of waste management, as he explains: "*If you ask local kids about the plastic situation, they have no idea*". Indeed, this gives rise to large amount of plastic on the streets anywhere, as well as inefficient waste management in general. And he continues: "*When people burn plastic, they don't understand the huge implications*" (Company I). Likewise, the general director of Company K mentions the problems of land conservation and deforestation that people in Ghana are unaware of. They continue to use charcoal for

cooking, as he presents: *“the environment itself is polluted, the people around you also get to inhale the smoke”*.

In the healthcare sector, interviewees of Companies A and G identified failures in current institutional arrangements. For example, the country manager of Company A mentions the inefficient public health service: *“There are a lot of issues accessing healthcare to enable to treat yourself”; “there is a huge shortage of doctors”; “It’s very time-consuming to go to the doctor [...] usually the customer experience is pretty bad”*. Similarly, the global strategy director of Company G refers to the failure of the health security system, in particular to the battle against fake pharmaceuticals: *“In 2009 they (the state) had a very big counterfeiting problem [...] and the ways they tried to solve the problem were not working”*.

The final example of diagnostic framing is given by the founder of Company H, that tries to prove that the current institutional model of excluding girls and women from the tech space is problematic, as she illustrates: *“People would think girls would not get it, that it is too advanced for them because they are naturally tailored towards art, and boys are naturally tailored towards maths and science”*. The problem is very serious in Ghana, as the founder explains: *“There’s a perception that women that go into technology or in minority careers, where the men dominate the spaces, will not find husbands. In our context, to marry is everything”*.

Overall, the interviewees first presented the problems of the current institutional arrangements and then their solutions of divergent change. Only few companies blamed a responsible. The respondent of Company G, for example, blames the ‘system’ for not being strong enough, as he explains: *“It is really easy to smuggle in fake products, it is really easy to bring in counterfeited products, and our systems are not strong enough to prevent this from happening.”*

Prognostic framing

In this section, we will observe how social entrepreneurs introduce their solutions of change to their potential allies, that is how they craft the prognostic framing. The empirical findings show that the majority of the interviewed social entrepreneurs

present their vision of prognostic framing as a superior solution to the current arrangements using different arguments, as described below.

Company A and Company B focus on the superiority of their solutions and their potential widespread application of it. Company A, for example, presents its solution as being faster and easier to use, compared to the existing institutionalized practices of the insurance sector, and offers an additional service to the customers, namely health insurance. This is explained by the respondent of Company A: *“You can register in two minutes, there is no paper to sign, no form”; “Moving away from just giving you an insurance product, we give you a health solution”*. Company B highlights that its solution in the educational sector reaches many people, giving them the chance to acquire skills and to have more choice of training than before, as respondent B argues: *“We want to train, or to give an opportunity to 200 million people to be trained on whatever they want, and on whatever they feel they need”*.

Then, the respondents of Company H and Company J highlight the innovation and newness of their solutions. In fact, the founder of Company H presents her innovative solution to the problem of misconception of females in tech by creating an Academy of coding just for girls, in order to empower them, as she explains: *“We needed to create a space where there could be positive reinforcement”*. Company J describes its innovative farming model and highlights its superiority compared to the traditional one, as respondent J claims: *“This is arguably the most environment-friendly way to farming at any scale”*.

Finally, Company E and Company C present their solutions as bridging a gap in the institutional order, as the respondents argue: *“Why don’t I create something that will bridge the gap between investors, who have money to invest and small businesses who need the money that investors have to invest”* (Company E); *“As a company using technology, we are seeking to help connect farmers to vital information markets, helping to bridge this gap and improve food security, while making the farmer, who is at the centre of it, better off”* (Company C).

Summarizing, all the interviewed social entrepreneurs present their solutions as being superior to the current institutional arrangements. They usually present them as

possessing better features and being more innovative than previous models, or solving a specific gap within society. In addition, social entrepreneurs are aware that it is crucial to align with people's values, while presenting their solutions, as the respondent of Company I points out: *"The message is conveyed, you look at the audience"*.

Motivational framing

We will now analyse how social entrepreneurs in Ghana motivate their potential allies by providing good reasons to support their new vision. Most of the social entrepreneurs try to convince others by pointing out the benefits their solution provide to society; whereas others motivate allies by giving financial incentives or by highlighting the catastrophic consequences of not following their vision.

Firstly, we will observe how most social entrepreneurs try to motivate others by indicating the advantages their solution provide to society. For example, respondent A lists the advantages of their telemedicine product: *"We have reduced weights, diabetes, women in child care"*. Interviewee of Company G provides confidence to customers, who buy their medicine, by detecting fake products, as he states: *"It adds more quality to their life by knowing what they are buying and that it will help them achieve whatever they want to achieve"*. The founder of Company H also tries to motivate allies by illustrating the power of technology: *"We feel that technology can help them operate at a much better level, help them get more opportunities and even help them to get jobs"*. In a final example, the general director of Company K underlines the environmental benefits of using their solution: *"By producing our charcoal, we are trying to create an environment for people"*.

In contrast to the previous approach, we now observe another two strategies that other social entrepreneurs use to motivate others to follow them. Company I tries to motivate allies with financial incentives, as the respondent states: *"So initially the motivational factor was that people would collect them (water bags) because they knew they could make income"*. The other approach to motivational framing includes underlining the catastrophic consequences if the problem is not tackled, and the importance of confronting the issue. The interviewee of Company C underlines the problem of population growth, by explaining that: *"The world is growing, population is going to double. And next few years, if we don't increase of providers, it will be a big problem"*.

for the food security for the whole globe” ; “If we don't take action to bridge this gap, then there's going to be a problem”. The same argument is put forward by respondent J, who pictures Africa as the only place able to feed the world's growing population, as he claims: *“Because it has been exhausted in Europe, it has been exhausted in America, South-America is peaking, Asia is f****d anyway because basically everybody is out of land, and they have also intensified as much as possible”.*

To conclude, the interviewed social entrepreneurs frame their visions of divergent change firstly by presenting the deficiencies of institutional arrangements, then by illustrating their superior projects and finally by indicating reasons why allies should follow their vision. With regard to the last stage, social entrepreneurs show the benefits of their solutions, give incentives or illustrate the catastrophic consequences, if their vision is not followed.

6.2.2 Mobilizing allies

In this section, we will introduce the process of mobilizing allies, which is divided into two parts: the first part focuses on the power of communication ('use of discourse') to convince allies, and the second part on the mobilization of resources. The theory illustrates that divergent change cannot be implemented solely by one actor, but the support of others is required, too. This implies that the institutional entrepreneur needs to involve allies, who support his vision. In this thesis, we define 'allies' as all stakeholders of social enterprises, including its beneficiaries, who help spread and implement the new vision of divergent change. The importance of mobilizing allies is also highlighted by some of the interviewees: *“The whole idea is to catalyse something, there is no way that we, as a company and what we are, will manage the entire change. We just want to start the change”* (Company J); *“Collaboration is critical if you're looking at system change, so we need to work with different players to approach the system”* (Company D); *“We can't do it alone, we will need to form partnerships that can help us create that change we want to see”* (Company C).

'Use of discourse'

In this section, we will examine how social entrepreneurs, after having developed their vision of change, communicate it to convince other actors of the need to change, and how they mobilize them. The importance of communication strategy and communication skills is acknowledged by Expert 1:

"You must be deeply compelling, and when people hear you they must understand the gravity of the problem you're working on, the need for it to be solved, and why it's in everyone's interest to give you the resources you need. And some of the most successful ones are the ones that can make this argument in the most compelling way. Either just by sharing charisma, or by being able to convince people because of the insight they have, and the work they've done to get it to a point where people want to be supportive of it. So that deep conviction, mixed with a capacity to inspire, to create shock value and to articulate the vision in a way that is compelling, is also what I think makes some of these companies to reach early success".

We observed that the global strategy director of Company G, due to his background in activism, understands the importance of communicating in the right way, as he states: *"It is important to put voices out there so that more people will begin to believe the way you believe and will begin to improve things"*. Company A and Company J acknowledge the importance of using different arguments, depending on the type of audience that social entrepreneurs try to mobilize, by using arguments which align to the values and interests of these potential allies, as the respondents explain: *"It all depends on the people I talk to. If I want your money, if you're an investor, obviously I will not use the same words, I will not use the same arguments. [...] Now if I talk to an employee, it is different. [...] And then, if it's about the clients, then it's different."* (Company A); *"It depends on the target group. So with the farmers, for example, the only way to convince them is to get them involved"* (Company J). Finally, Company H and Company K both use persuasive rhetorical strategies to convince and mobilize allies to follow their vision. The founder of Company H tries to convince people from her personal network to give her access to their resources, such as personal computers, by showing them the benefits for society, as she explains: *"We would ask*

people from my network to give laptops and then show them how their laptops have transformed the girls' lives". Moreover, by communicating in local languages, the founder of Company H aims to attract more allies, as she states: *"We are coming down to local language, to break down things, change mindsets"*. Company K tries to persuade actors to follow its vision by focusing on the advantages to society, as the interviewee explains: *"We use all these arguments: cutting down the trees is bad, use the zaacoal (their product) to get life back"*.

However, most interviewed companies state that, despite effective communication ('use of discourse'), it is more important to be able to show results, namely a 'proof of concept', in order to mobilize allies. In this thesis, 'proof of concept' means that social entrepreneurs show and prove their ideas of divergent change to potential allies, so they can test the service or product provided by the company for themselves, instead of being convinced by talk ('use of discourse'). Indeed, most social enterprises highlight the importance of proving and showing their results, as they explain: *"It's your work that will tell the story. It's not your words, it is your work, your deeds, that, truly, you can bring about change"* (Company C); *"I am not someone who believes in talking too much [...] if it's good, it's going to sell itself. [...] You do well, your work will sell itself"* (Company E); *"When the farmers themselves are able to see the results, they will be much more willing to advise their own network to use it"* (Company F); *"Basically, it is through product demonstration, showcasing our track records, what we have been doing in other countries, engaging with stakeholders"* (Company G); *"I remember, we were trying to get funding, and there were some corporate organizations that we reached out that just didn't see it. And then later on, they became some of our big funding. So we really had to give proof of concept"* (Company H). In some cases, social entrepreneurs also need external validation from actors with authority to prove their ideas, as the respondent of Company F explains: *"We constantly need to have external validation [...] That helps to build trust"*.

In conclusion, we observed that social entrepreneurs not only need to mobilize allies through communication ('use of discourse'), but they often have to demonstrate, show and allow their services and products to be tested, in order to convince other actors of their vision.

Mobilizing resources

The mobilization of resources is key in seeking support for the implementation of the vision of divergent change. Based on the analytical framework, we can analyse how two main groups of resources, namely financial ones and those related to social position, can help institutional entrepreneurs to convince others to join their vision.

Financial resources

The section focuses on financial resources. In Battilana, Leca and Boxenbaum's (2009) model, financial resources are solely considered as a tool for mobilizing allies. However, since social entrepreneurs need to set up a business and make it financially sustainable, in order to be able to make institutional change later, we will also consider how they get access to capital. Therefore, we will firstly explore the importance of getting access to financial resources, and to different sources of capital. Secondly, we will analyse how these financial resources are used to overcome the costs necessary for setting up the business, followed by the explanation of how financial resources are used to convince other actors of their vision.

Firstly, we will examine the difficulty for social entrepreneurs to get access to financial resources, and their importance. Even if social enterprises have, by definition, a sustainable business model, they still need to look for capital to support the start of their businesses. Indeed, Expert 1 argues that a social enterprise needs to have a solid business model, as he explains: *"Like every business, they (social entrepreneurs) need to find paying customers, a value, and they need to be able to grow and provide return on investment for any external capital that is there, they need to optimize"*. Many interviewees also commented that it is crucial to have access to finance especially in the starting phase of the business and, in particular, to test the idea, as the general director of Company K states: *"We require funding in order to test prototypes, get it wrong, come back, reiterate. So funding is important"*. The growth director of Company C argues that capital is even more important in a country like Ghana, because of its lack of infrastructure, as he states: *"You have to invest a lot into it, raise capital to invest into the business, to make sure that you are providing the non-existing infrastructure to make your mission happen"*.

Access to finance is a big problem for social entrepreneurs in Ghana, especially at the initial stages, as the country director of Company A says: *“I would say that one big challenge is access to finance”*. For this reason, social entrepreneurs rely on different sources of capital to support the creation of their business at the beginning so that it will be able to spread the vision. Indeed, we will now consider all the different capital sources that the interviewees utilized, that is their personal resources, the resources of their family and friends, donor funding, investments and money coming from winning contests. Firstly, entrepreneurs can initially rely on their personal financial resources, as some entrepreneurs explain: *“I invested around € 6.000 of my own money in the company, so that is how I could develop the company at first and pay employees and, that, before we rose the funds”* (Company B); *“The founder put [...] his own personal finances”* (Company E); *“So we used the little quota of money we had in our accounts to register the business”* (Company K). The founders also reached to their closest family and friends’ network to access some initial resources, as some interviewees explain: *“From the very beginning, Stuard (the CEO) used capital from his family, his family’s charity”* (Company I); *“We started from family, getting some resources from them”* (Company K).

Then, the empirical data shows that most of the entrepreneurs at the beginning relied on donor-funding. Companies F and J, both working in the agriculture sector, received some grants, as they argue: *“In the early days we applied to some (grants) that were offered by the Swedish Aid Agency to help farmers”* (Company F); *“We partnered with NGOs or donor organizations to build projects and receive grants”* (Company J). The founder of enterprise D received a lot of support from the organization she was part of, as she claims: *“They actually still provide donor funding”*; *“I was protected: they paid my salary”*. The last type of grant comes from companies that usually commit some CSR funding to social enterprises, as respondent H illustrates: *“So we have corporates sponsor innovation challenges that were another revenue stream, and we also still get grants and donations”*.

In addition, some entrepreneurs also managed to raise capital from investors, as for example respondent of Company C explains: *“The organization I previously worked for, supports initiatives of agricultural entrepreneurs in African, Caribbean and Pacific regions. So they actually put money to invest in seeing that such ideas grow”*. The

foreign company F also was initially supported by investors from Sweden, as one of the co-founders points out: *“We got funding from a Swedish governmental authority that essentially invests in start-ups and innovations”*.

The last source of financial assets for social entrepreneurs has been identified as ‘contests’, as respondents of Company C and Company G explain: *“They (CTA) organize competitions for businesses [...] we participated in quite a lot of them”* (Company C); *“We participated in a lot of contests on innovation, some of which included prize money, some included partnerships”* (Company G).

After having analysed the importance of finances for social entrepreneurs to start their business, and the different sources to obtain access to them, we now look at how social entrepreneurs use those financial resources to overcome some initial costs. For the sake of simplicity, we categorized three main groups of initial costs, namely the set-up costs, taxes and the cost of human resources. Firstly, an enterprise has to face many setting-up costs, such as rent, generators and Internet. The founder of enterprise H gives an example: *“When we started, in terms of infrastructure, like even the cost of Internet was high”*. On ordinary business activities, entrepreneurs also have to pay taxes, as the growth director of Company C explains: *“As any business in this part of the world, you face the same macroeconomic issues. So high taxes”*. With regard to this point, we have identified from the data the issue of being a foreign founder, the so called ‘liability of foreignness’. This phenomenon mainly occurs when registering the new business as a non-Ghanaian founder, as some respondents explain: *“They would ask to transfer \$500.000 to Ghana in order to register”* (Company F); *“Taking that you’re a foreign company, that will add a cost, and then the lawyer will add a cost. It’s expensive”* (Company D).

The last category of costs is human capital, which needs more attention, as human resources can be considered also as allies that support the implementation of the vision of divergent change. Expert 1 supports this argument: *“No matter how compelling the founder is, as you all know, companies are built by those who aren’t necessarily the leaders”*. However, it appears to be extremely difficult for social enterprises to attract talents in Ghana, as there is a misalignment between talents and companies that aim to solve societal challenges, as Expert 1 states: *“Generally in*

Africa there are big problems on the one side and talents on the other, because one of the biggest problem is not being able to match our resources to attract some of the best talent”.

We will now illustrate how social entrepreneurs in Ghana use these financial resources to mobilize allies. The empirical data has shown that some social entrepreneurs allocate some financial resources to bring in players aligned to their vision. In particular, some of the interviewed social entrepreneurs gave free ‘trials’ of their services or products to their beneficiaries, to convince them of their vision of change. This behaviour can be connected to the notion of ‘proof of concept’ discussed in the previous section. For example, company A’s micro insurance service was free of cost until 2013, as respondent of Company A explains: *“Initially it was free, so you would not pay anything for the insurance per se, but if you were a very high user, then you would have a life cover. We started by this, very small”*. Company F has also employed a similar system to convince farmers of their service, as the founder illustrates: *“The idea is always that they get to try the service for free, payed by the organization (farmers organizations and NGOs), and then, when they see the results of it, most of the time they sign up by themselves”*. Company I developed two ways to attract potential allies to join their vision. On the one hand, similar to the above examples, products of company I, which are bags made of recycled plastic, were given out for free in shopping malls, in order to make people understand the importance of recycling. On the other hand, Company I developed a system so that people would support their vision of recycling by giving a small incentive, as the respondent explains: *“People started realizing: ‘There is a company here that you can send your waste material to and then you get money.’ And now they are recycling, which is positive”*.

In conclusion, we have observed that financial resources are key for social entrepreneurs not only to spread their vision of change, but also to set up their ventures with capital coming from different sources, with the scope of creating a solid financial business model.

Resources related to social position

In this section we will analyse how social entrepreneurs, apart from using financial resources, also leverage their social position to initiate and promote their divergent vision. The analytical framework presents two potential sources of resource mobilization through the social position: formal authority and social capital.

Formal authority

Formal authority is the first key factor that helps institutional entrepreneurs to mobilize allies to support their vision of divergent change. The literature argues that there are different ways in which social entrepreneurs have formal authority. Firstly, some actors already have a formal position that gives them authority; secondly, this authority can be conferred by the state authority or by other actors' formal authority. We will now examine whether and how the social entrepreneurs interviewed attempted to leverage their formal authority that represents their legitimate recognized right to implement their vision.

Firstly, we will analyse if some social entrepreneurs intrinsically possess formal authority. The empirical data shows that only Company A and Company D themselves possessed formal authority, given to them by the respective organizations, in which their innovative projects had been incubated. As already mentioned, Company A was incubated in the third biggest telecommunication company in Ghana, which gave them formal authority from the beginning. Company D also gained formal authority because it was born out of a big investment company, as the respondent states: *"Having the name of the big investment company gave me huge legitimacy"*.

Secondly, the majority of social enterprises mobilized allies that possessed formal authority, in order to be credible and to be seen as legitimate actors in the field of 'societal challenges'. Some social entrepreneurs mobilized actors in the regulatory system to support them, which is a crucial factor according to Expert 1: *"Their (the social entrepreneurs') capacity to become truly life changing for mass groups of people, is limited by the relationship with state actors at the highest level"*. Company A also highlights the importance of government support, in order to be able to break with the old traditional industry of insurance, as the country director explains: *"Insurance is a very old and traditional industry. So, getting them (the regulatory*

agencies) *to accept that was really key*". Company G was also supported by the Ghanaian government. In addition, the company also leveraged the formal authority of the Nigerian government, which adopted the solution of Company G in the national system, as the respondent states: *"From around 2010 until now our system has been used as the national counterfeiting solution for malaria medicine and antibiotics in Nigeria"*. Company E also has beneficial relations with the government; in fact, they are included in the panel to shape the 'Entrepreneurship Policy' and to form a Social Impact Fund, as the managing director of Company E states: *"We have gone to review meetings, to provide input for the Entrepreneurship Policy. It's pretty grand. Now there is a working group that is trying to form a Social Impact Fund, and Company E is represented on that panel"*. Company E is supported by other regulators, as the respondent claims: *"The Ministry of Trade and Industry to Ghana's Board for Small-scale-industry, all of them recognize a need for the type of support and service that we provide to businesses"*. The project of company I was also recognized by the representatives of other states, as the interviewee illustrates: *"Then we did another campaign 'The small bag project' that was supported by the British and Australian high commissions"*. However, not every social entrepreneur has received support by the government. In fact, Company H was refused recognition by the government, as the founder explains: *"I went to the government when I wanted to run my first project and I remember I sent out a proposal [...] their response was like, they don't know me. They don't know what if I do something to the girls and it was not positive"*.

Thirdly, most of the social entrepreneurs interviewed gained legitimacy through other actors who possess formal authority, such as big corporations, international organizations and NGOs. For example, Company C gained recognition by appearing in 'Forbes 30 under 30', and was also mentioned by high profile people, such as the managing director of IMF and the Queen of Belgium. Similarly, the founder of Company H states that the Crown Princess of Sweden visited her projects in Nima, a poor neighbourhood of Accra. The same company also received a lot of media attention, as the founder of Company H explains: *"So CNN came, BBC came, everybody came"*. Company I also received a lot of both local and foreign media attention. Company H was also given legitimacy by having the responsibility of executing tasks for very high-profile organizations and companies, as the founder explains: *"We were commissioned by UNESCO to teach deaf children how to code"*;

“We are currently helping Microsoft recruit for the Kenya and Nigeria teams”. Another similar example is provided by Company E, as the respondent illustrates: *“Ernst & Young brought us on to help them with a business that they were supposed to be helping. No kidding. Even they know what we can do”*. In addition, the enterprise was also actively involved in different leading organizations in Ghana, such as the ‘Kosmos Innovation Centre’, as the managing director of Company E explains: *“Kosmos Innovation Centre says ‘we are changing our program and we want Company E to be an integrate member of our staff’; “We (Company E) are co- founders of Impact Hub [...] we’re still on the advisory board today”*.

Finally, for the purpose of our study, we will also consider the legitimacy given by society as a crucial factor for social entrepreneurs to mobilize allies. Respondent of Company A and the founder of Company B highlight their legitimacy and their positive image within the society: *“I think Company A now has made a name a bit and people who know Company A are generally quite positive”* (Company A); *“I think it (Company B) is generally well perceived, people feedback is mostly positive. I think we start to have some legitimacy”* (Company B).

To conclude, most of the social entrepreneurs gain formal authority through the legitimacy given to them by other actors, such as the government, companies, international organizations, NGOs and the society at large. This legitimacy, which social entrepreneurs did not initially possess, gives them the right to act and implement their vision of change.

Social capital

The second key factor that helps institutional entrepreneurs to convince other actors to implement their vision of change is their social capital. In this section, we will, therefore, examine how social entrepreneurs in Ghana mobilize resources through their informal position within a network, namely their social capital. This factor seems to be very relevant especially in Ghana, where possessing social capital is essential for starting and growing a business. Expert 1 confirms this argument:

“So much of Africa is a relationship-based community, in terms of business, and those with some strong social capital can always leverage that for

growth, in anything they are doing. So relationships, in building social enterprises in Ghana are very key. [...] So early on in the business. It's very, very important to build the right relationships. [...] So the capacity of business founders to build some of these relationships, and driving in an ecosystem where all things as sentimental, is very good, is very instrumental for their success. And so, social capital is definitely one of them”.

This section is formed as following: we will first analyse how the interviewed social entrepreneurs leverage their personal and professional informal network; secondly, we will examine the importance of informal networks to access information and political support; then, we will assess if social entrepreneurs operate as “neutral brokers”. Lastly, we will present the difficulties for foreign entrepreneurs to create social capital in Ghana.

We observed that, during the interviews, the majority of the social entrepreneurs mentioned their social capital and acknowledged its power as a resource. Most companies used their personal and professional networks to mobilize allies and get access to resources, as some respondents explain: *“I knew Ghana a little before, so I had contacts here, some history, so I wanted to come here”* (Company B); *“I had access to very high-profile MNCs [...] a network with leverage, so with influence”* (Company D); *“We used first of all our personal network and beyond that we were able to sell our vision to companies”* (Company G); *“I partnered with another lady who was also studying computer science and she helped me get like 10 women who were studying computer science for KST”* (Company H). Other social enterprises highlight the power of word of mouth, as the interviewees state: *“People go ahead and talk to other folks about us”* (Company E); *“When the farmers themselves are able to see the results, then they are also much more willing to advise their own network to use it”* (Company F); *“The idea is that someone has reusable shopping bags in the mall and the word spread outs”* (Company I).

The entrepreneur’s informal network position can give access to political support and information. Firstly, the willingness to get access to political support is shown through the behaviour of the founders of Company H and Company J, who personally went to

talk to the chief of the communities they wish to involve in their businesses, in order to gain the support of the whole community, as the respondents state: *“We also needed to build trust within the communities. So we needed to do a lot of advocacy, a lot of meetings with community leaders to talk about who we are, what we're trying to do, to build trust and to get them to support us”* (Company H); *“Firstly you go and you approach and you find a connection to the chief [...] So that that person is someone that you use to reach out and to talk to the community”* (Company J). Then, Company C and Company K attempted to get access to information through their informal networks. For example, Company C has a network of people, who provide them with relevant information, as the respondent argues: *“We have a number of people, I'll call them promoters, ambassadors, who would give a word: these guys are doing a really nice job, I think it would be great to invite them, or even pass on a link for competition or an accelerator program”*. Company K gets insight for their products through actively networking, as the general director of the company explains: *“So we had the opportunity to have direct contact with people living in very rural and remote areas. We taught them what they have to learn from zaacoal (their product), a bit of sharing ideas”*.

Another way of leveraging social capital is organizing collective action among groups that otherwise would not have communicated, by acting as a ‘neutral broker’ for the common interest of different groups. Company G acts as a ‘neutral broker’ by creating an ecosystem, where disparate actors discuss the same issue: medicine counterfeiting, as the respondent explains: *“We did a summit where we brought together people of the health sector [...] Basically what we do is an ecosystem, where you have government regulators, companies, people like us, technology infrastructure”*. Company H also formed a movement of different people who believe and follow her vision of change, as the founder states: *“We'd like to invite people to join us and do that by opening up and be very transparent with what we are doing and how we're doing it”*.

Finally, social capital can be used to have ties with someone who is at the centre of the field of interest, in order to gain their support and have access to their resources. We can observe this phenomenon through the behaviour of Company H's founder, who managed to have access to the beneficiaries by partnering with an organization

that was already working with girls, and she illustrates: *“We decided why don’t we work with organizations that already work with girls”*. The same behaviour is observed in Company F, which partnered with a specific NGO to get access to their beneficiaries, namely farmers, and the co-founder argues: *“So we had a few pilots with NGOs clients that were addressing needs of farmers [...] we are still selling the service to farmers’ organizations and NGOs that are working with farmers”*.

However, social capital is more difficult to access for foreigners, because, as the founder of company D explains, trust is very difficult to gain in Ghana. The founder of company B reveals: *“I would say that generally speaking, when you are a foreign owned company in Ghana, people will try to work with the Ghanaian owned company instead. And that’s a limitation that you have to cope with”*. Company K, as a Ghanaian company, has problems selling its products in Ghana because their look resembles foreign products, and thus Ghanaians do not trust it, as the general director explains: *“A challenge was also accepting the product. The product seems foreign, people think we imported this (pointing the product), they don’t think it’s Ghanaian [...] And this is a challenge. If they don’t accept it, we can’t sell it”*. We also observed that, having different business cultures could influence the chance of making allies; therefore, foreign companies need to adapt to the Ghanaian business culture, as the Swedish founder of Company F explains: *“Coming to Ghana, where relations are really important in terms of making business in Ghana and you have to spend a lot of time on building a network and maintain it, instead of the very utilitarian approach we may have in Sweden”*. The liability of foreignness can also be overcome by involving local people in the business, as the respondents of Company D and Company F claim: *“Who had expertise in working with local businesses”* (Company D); *“I think one of the key things is to engage local employees for anything related to networking, to sales, to dealing with government agencies, for registration and all those things, because they may pick up things that you don’t get as a foreigner”* (Company F).

Summarizing, we have observed that, through their informal networks, social entrepreneurs have gathered resources and allies to support and implement their visions of change. This activity proves to be harder for non-Ghanaian social entrepreneurs.

To conclude the section of 'Mobilizing Resources', we can state that social entrepreneurs firstly must raise significant financial assets to set up their businesses and subsequently, they can also use financial resources to convince potential allies of their divergent ideas. In addition, social entrepreneurs assemble resources related to their social position to mobilize allies, namely formal authority and social capital, by leveraging the support of the government, relevant actors and of their informal network. We have noticed that the non-Ghanaian social entrepreneurs had greater difficulties to mobilize allies since they usually lack a strong social capital in Ghana. Generally, we observed that most social entrepreneurs own few resources, and therefore they need support from others. This behaviour can be linked to the concept of 'bricolage'. The great majority of the social enterprises interviewed reached out to different sources to raise capital, while trying to 'survive' with the few financial resources available, for example working without salary, from home and borrowing money from friends. By contrast, other social entrepreneurs, mainly non-Ghanaians, had greater difficulties to mobilize allies through their social network.

6.2.3 Sub-conclusion

This section outlines the two main stages of the process of implementing change projects by social entrepreneurs, namely developing a vision of change and mobilizing allies. Firstly, the empirical data showed that in their vision of change, social entrepreneurs follow the three main stages of framing. Then, the vision is conveyed mainly through the strategy of 'proof of concept', in order to mobilize supporters. Resources also need to be mobilized in order to implement change. Financial assets appear to be essential for social entrepreneurs to set up business and convince others to follow their vision, whereas resources related to social position support social entrepreneurs to gain legitimacy and to access social capital that will spread the vision.

6.3 Institutional change

This last section of the analysis will examine the institutional changes the interviewed social entrepreneurs aim for, based on Scott's (2001) three categories, namely regulative, normative and cognitive pillars. First of all, it is important to underline that

the implementation of institutional change takes time, and, therefore, we will consider the social entrepreneurs' vision of divergent change and not its actual implementation. Secondly, it is difficult to identify whether the social entrepreneur is the only person responsible for the implementation of divergent change or if other actors, a group of actors or new laws were involved, too. Nevertheless, we will first identify the social enterprises aiming to make institutional change at the regulative level, followed by the normative and, finally, the cognitive level.

Firstly, in terms of Scott's (2001) regulative pillar, we will look at the social entrepreneurs interviewed, who proceed to make institutional change at the regulative level, meaning that they aim to transform or make new laws, regulations and government policies. From the empirical data, we identified only one company that directly aims to engage at the regulative level. Indeed, Company G is the only enterprise that wants to have its system adopted at national level, which fights against the diffusion of counterfeited products, as the respondent explains: *"We are still in the process, as we want to be the standard when it comes to counterfeiting in every country in Africa"*. By contrast, we also noticed that company A engages with the regulators, not for the sake of making institutional change at the regulative level, but to be able to operate as a micro insurance company. As a matter of fact, the micro insurance company had to convince the regulator to make an exception in forbidding airtime phone credit as a way of payment, since their model is structured as a mobile-delivered service. Then, when the same company added telemedicine, they had to engage again with the regulatory agencies for a new licence, as the county director of Company A explains: *"We were kind of the first ones to start, and we have practically been approaching the regulator to create a license for telemedicine"*.

Secondly, we will analyse the Ghanaian social entrepreneurs' willingness to make institutional change at the normative level, which entails that social entrepreneurs try to change social norms, values, beliefs, assumptions and expectations within society. Initially, we will examine the social entrepreneurs' goals to change norms in the agricultural sector. From the empirical data it has emerged that Company C, Company F and Company J are all trying to help farmers to widen their activities and to become real businesses, as the respondents claim: *"The mission of the company is basically to transform rural Africa towards conscious economic growth"* (Company J); *"I think I*

have seen over the years that the agricultural sector is in transformation” (Company F). Company C and company F give farmers tools and information to farm via mobile phones, as the respondents explain: “In some cases, farmers learn better ways of using inputs because when they buy input from us, we send them messages on how to use the chemicals [...] So those are some examples helping farmers with our support” (Company C); “When it comes to coming from zero trust in weather forecasting to actually seeing it as: ‘I need a forecast in order to do a better job on my farm’. That step took a long time, but I think that we have been able to reach it here in Ghana” (Company F). Company J aims to transform the agricultural sector, by revolutionising the traditional model of farming, to become more sustainable and beneficial for farmers, as the respondent explains: “We are trying to demonstrate a new model of agriculture and rural development in West Africa, which is financially sustainable [...] So for us the whole model of rural development [...] is completely broken”.

Then, we will consider the changes the interviewed social entrepreneurs aim to achieve at the normative level for all the other industries they were engaged in. We observed that Company A, for example, aims to create the norm of having an insurance for everyone and not only for wealthy people in Ghana, as the respondent illustrates: *“We are targeting the masses and in Ghana we have 70% of Ghanaians who don’t have access to insurance. So we make sure that our products are accessible to low incomes”.* With their new model of micro insurance, and by creating easier and cheaper access to the service, Company A is reaching its aim of trying to change norms among people, since they have been operating for several years. As the respondent of Company A explains: *“Initially we were really disruptive, now it becomes the norm”.* Company B also has the objective of changing norms, by transforming the educational sector, as the founder states: *“I think we have achieved one goal, which is to prove that it is possible to change some people’s life with mobile phones”.* Company K also wants to break traditions by changing the habits of how people use wood for heating. In fact, they made a product that substitutes wood charcoal, which is widely spread and used in Ghana, by a product that generates heat without harming the environment, as respondent of Company K illustrates: *“The very traditional lifestyle of people is a problem, it’s a challenge. Traditionally, something that you have done for over a thousand years, it becomes very difficult to get it erased out of you”.* Finally,

Company D aims to change the behaviours of the private sector, so they will systematically include sustainable practices in their strategies, as the founder explains: *“I wanna see what creates behavioural change and cultural change; how do you turn organizations into institutions of learning, to rather than seeing university as places where you learn and you go and get a job”*.

Thirdly, we will analyse the willingness of Ghanaian social entrepreneurs to change institutions at the cognitive level, meaning modifying people’s cognitive structures and social knowledge. Company H aims to change society’s perceptions on the role of women in society and, specifically, on women working in technology, a sector from which they have always been excluded in Ghana, as the founder explains: *“I’m so proud that we have changed the system and parents are now more open to getting girls and women in tech”*. The above-mentioned social enterprises, that is agricultural companies C, F and J, also aim to change the perception society has on farmers, as the respondent of Company F illustrates:

“They (the farmers) are going from being a self sustained farmer, and even people don’t say they are farmers, because they feel bad about it, because it has been so low in the rank, because it remains of the old days. Also, the new generation of farmers are looking at it more as a business and that has a lot of psychological impact because then they are considering themselves as business man running a farmer. That mental shift is happening now and is gonna continue to grow”.

Summarizing, we observed that social entrepreneurs rarely aim at making change at the regulative level; instead, the majority rather aim at changing the normative and cognitive systems. This phenomenon can be due to the fact that, due to the centralized authority of the Ghanaian government, it is very challenging for social entrepreneurs to change regulations. This argument is proven by Expert 1, who confirms that, in Ghana, having the support of the government is essential for implement institutional change that will have an impact on the entire population, as he claims:

“In reality, everything is centralized from the top. So it's fairly uncommon for small social activists, independent, non state actors, like social enterprises,

to actually drive any meaningful change that can have broad impact on the population. So yes, by action, and by delivery services, and by doing some things, we can shift what is normal, and possibly drive institutional change through just behaviour.”

Even if most entrepreneurs aim to make change at the normative and cognitive levels, the respondents presented difficulties to implement the changes due to strong traditions that are ingrained in Ghanaian culture. In fact, most of the interviewed social entrepreneurs argue that it is very hard to introduce something new that breaks with traditions and to change the traditional way of doing things, as they explain: *“One of the challenges that we had at the beginning was of course to build trust among users. Because of the bad weather forecast that were available before, they simply did not trust weather forecast”* (Company F); *“the very traditional lifestyle of people it’s a problem. Traditionally, something that you have done over for a thousand years, it becomes very difficult for you get it erased”* (Company K); *“As a country and as a community people are still set in their ways in doing things manually or doing things the way has been done”* (Company H).

6.3.1 Sub-conclusion

To conclude this last section on institutional change, we can state that social entrepreneurs in Ghana mainly have the vision to bring institutional change at cognitive and normative levels. However, it appears to be hard to break with the societal traditions in this country. Only one social entrepreneur aims to change the regulative system. Yet, in line with the theory, the analysis has shown that the three institutional pillars are highly interrelated. For example, when Company H will implement their change and, therefore, girls will be perceived as equal to men in the technology sector, it will later become a value shared by the whole society. Overall, an expert argues that, in order to introduce meaningful institutional change that will have an impact on the whole country, the support of the government is a key factor.

7. Discussion

This chapter will discuss the findings, the theories and the methodological choices used in this thesis to answer the research question:

How do social entrepreneurs in Ghana proceed to make institutional change?

Firstly, the empirical findings will be presented in relation to the research question. The second section will reflect upon the contribution of the findings to the theory of institutional entrepreneurship and on the analytical framework used. The following section will discuss and reflect further on the methodology used in this thesis, and specifically on the approach to data collection and on the quality of data. Finally, areas for future research will be identified.

7.1 Discussion of the empirical findings

This section discusses the principal empirical findings in relation to the research question that guided this paper. It is based on the three main parts of the analytical framework, namely the enabling conditions, the process of the implementation of divergent change and on the resulting institutional change.

First, in terms of the enabling conditions to put institutional change into practice, we have realized the importance of field-level conditions for 'societal challenges', but also the relevance of the social entrepreneur's social position. At the field-level conditions, the prominent factor that enables the emergence of institutional entrepreneurs seems to be the large number of societal concerns found in the specific situation of Ghana, ranging from healthcare issues to environmental problems. These are seen as opportunities for entrepreneurs to act and transform the current inefficient and ineffective institutional arrangements that are harmful to society. This argument coincides with the view of many scholars, who consider institutional complexity and 'institutional voids' as business opportunities (Czech, 2014; Tracey & Phillips, 2011; Mair & Marti, 2009). The second condition recognized as being relevant for the emergence of institutional entrepreneurship is technology disruption in Ghana. This phenomenon allowed some social entrepreneurs to find innovative solutions and

alternatives to current institutional arrangements, leading them to question certain established institutions that had always been tacitly approved by society. For example, Company B took advantage of the wide distribution of mobile phones in Ghana to change the generally accepted belief that education should solely take place in the classroom; they proved that it is possible to be taught via mobile phone. In terms of the degree of heterogeneity of the field 'societal challenges', there is a high degree of heterogeneity of institutional arrangements, which creates contradictions in the field and thus opportunities for agency. The three main actors operating in the field of 'societal challenges' in Ghana are the state, civil society and the private sector. In the latter, social entrepreneurs have been identified as the new actors. The field 'societal challenges' also presents a low degree of institutionalization, meaning that a predominant institutional order is missing, generating confusion and uncertainty. This creates opportunities for institutional change, which is in accordance with Battilana, Leca and Boxenbaum's theory (2009). However, not everyone is able to grasp these opportunities for institutional change, leading us to consider the actor's social position.

The second category of enabling conditions leading to institutional change is the social entrepreneurs' social position before they started their own social enterprises. Considering that only two entrepreneurs had previously worked in an organization considered crucial for setting up their business, in the analysis we mainly focused on the social status of social entrepreneurs. In contrast to the 'incumbent-challenger' theory by Fligstein and Hensmans, cited by Battilana, Leca and Boxenbaum (2009), which states that usually change is started by challengers, we observed that the majority of social entrepreneurs belonged to high status social groups, but were, nonetheless, willing to make institutional change. Their interest is to transform, or create, new institutions in order to improve the lives of the people benefiting from these changes. We assume that social entrepreneurs of high status social groups embark upon these changes also because their status quo has been shown not to suffer from it. The last consideration related to social position concerns the exposure of social entrepreneurs to multiple fields, which is beneficial for them during the process of change. For example, the varied experiences of foreign social entrepreneurs who were interviewed, had led them to face societal issues in a different way. Similarly, social entrepreneurs who had matured working experiences in other fields, not concerned with 'societal challenges', made good use of their acquired knowledge and skills. In

particular, social entrepreneurs who had worked in corporations applied their business approach to solve societal issues.

Secondly, as regards the implementation of institutional change, the analysis has highlighted two key factors: the importance of a good framing of their vision and the importance of having the right allies to support the implementation of their idea of divergent change, as they would not be able to put in into practice on their own. When developing their vision, all entrepreneurs clearly presented the problem, the solution and the reasons why it is important to follow their vision. Then, the importance of mobilizing allies is not only in line with Battilana, Leca and Boxenbaum's (2009), but it has also been specifically highlighted in the literature on social entrepreneurship. Scholars argue that social entrepreneurs alone cannot solve urgent societal issues and highlight the importance of collaboration (Sud et al., 2009). In order to mobilize allies, social entrepreneurs rely on their social capital to spread their vision. This is more difficult for foreign companies that do not have connections in the country, because the influence of social capital on entrepreneurship is strong in Ghana. Tracey and Phillips (2001) have identified a similar phenomenon in other developing countries, where people mainly rely on their social capital. Moreover, they gain legitimacy to act with the help of external actors, who have formal authority, as none of the social entrepreneurs intrinsically possess it. An interesting finding is that the social entrepreneurs emphasized the advantage of using 'proof of concept' instead of the 'use of discourse' (communication) to convince allies of their visions. They explained that it is crucial to demonstrate the results of their idea to convince people to follow their vision.

When reviewing the process of making institutional change for social entrepreneurs, we cannot overlook the importance of financial resources. In our case, we realized that financial resources are often employed to convince others of one's vision, but that they are mainly used to set up one's own business and cover all the costs of doing business. Initially, social entrepreneurs need some capital in order to create their new venture and making it financially viable. As previously mentioned, non-Ghanaian companies are disadvantaged by being foreigners. In fact, the cost of setting up a business is higher for foreigners, and it may hinder their ability to make institutional change.

Finally, in terms of the actual divergent change, our findings demonstrate that most social entrepreneurs aim to bring change to the cognitive and normative level, although they acknowledge the difficulties of breaking with Ghana's deep-rooted traditions. As a matter of fact, social entrepreneurs do not focus on the regulative level. From our analysis we can say that most of the social entrepreneurs we interviewed operated locally and on a small scale. This finding agrees with the assertion of Sud, VanSandt and Baugous (2009), who state that social entrepreneurs are not capable of solving problems on a large scale. From our findings, in Ghana, government support would appear to be essential to make systemic change.

7.2 Discussion of the theory

This section shows how the literature on institutional entrepreneurship contributed to this thesis, in three different ways. First, the institutional entrepreneurship theory has been applied to the case of social entrepreneurs in Ghana. In particular, the 'model of the process of institutional entrepreneurship', developed by Battilana, Leca and Boxenbaum (2009), was used to assess whether social entrepreneurs in Ghana follow the process used by institutional entrepreneurs to achieve institutional change. Firstly, we analysed the enabling conditions, then the process of implementation of divergent change and finally the institutional change that the social entrepreneurs aim to make. Here, our research is at the intersection between entrepreneurship and institutional entrepreneurship, as the actors examined are social entrepreneurs, who aim both at creating a commercial venture and at bringing institutional change. Applying the 'model of the process of institutional entrepreneurship' gave us the opportunity to go beyond the traditional studies on social entrepreneurship that focus on the characteristics and motivations of social entrepreneurs. Institutional entrepreneurs, by contrast, have always been studied by focusing more on the context and the enabling conditions that lead to making institutional change.

The second contribution of this study is that it allows further insight into institutional entrepreneurship in developing countries, which so far has received little attention by scholars. As already mentioned in the literature review, most academic research on institutional entrepreneurship focuses on developed countries and neglects to

consider the changes that institutional entrepreneurs bring to developing countries (Larsen, 2013; Tracey & Phillips, 2011). In fact, by closely examining the actions of social entrepreneurs engaged in institutional change in Ghana, this study has contributed to fill this gap in the literature.

Thirdly, our research has given insight into the process of institutional change from the perspective of actors with 'few resources'. Most studies have only considered actors possessing sufficient resources and skills to implement change as institutional entrepreneurs (Mair & Marti, 2009). In contrast to this, our thesis has focused on less powerful actors with few resources.

7.3 Discussion of the analytical framework

This section reflects upon the analytical framework used in this thesis. Initially, we will assess the suitability of the analytical framework, in order to answer the research question. Then, we will revise the framework according to our case. Generally, Battilana, Leca and Boxenbaum's (2009) framework guided us to explore the process of institutional entrepreneurship carried out by social entrepreneurs. The framework has proven to be useful, as it is a comprehensive model that includes the enabling conditions of the emergence of institutional entrepreneurs and the process of implementation of the divergent change. Moreover, the framework allows to overcome the 'paradox of embedded agency'. Indeed, the conditions that enable the emergence of institutional entrepreneurs include, besides the field-level conditions, also the entrepreneurs' social position that can help to overcome the institutional pressure and make institutional change. By using the framework, we were able to analyse the whole process of institutional change from the social entrepreneurs' point of view.

However, we must acknowledge some limitations of Battilana, Leca and Boxenbaum's (2009) framework. Firstly, it has been quite complex to unpack all the concepts and adapt them to the reality of social entrepreneurs in Ghana. Being quite theoretical and abstract, some concepts were difficult to operationalise. Another critique is the overlap of some concepts, which were intertwined when applied to concrete cases. To illustrate this point, we have noticed an overlap between the category 'Prognostic

framing' and 'Institutional change'. Often it appears that the superior institutional project presented from social entrepreneurs coincides with the actual institutional change they aim to reach.

The third limitation of the framework is that it has not been developed for entrepreneurs who start a new business. Indeed, the term 'institutional entrepreneurship' does not imply an orientation towards business and the creation of a new venture. In contrast, it rather concerns people or organizations whose interest is to make changes in the current institutional arrangements, without necessarily building a business around it. The framework overlooks some critical aspects when creating a social venture, such as the set-up costs and the importance of creating a viable business model.

Finally, the last limitation is that Battilana, Leca and Boxenbaum's (2009) framework does not include specifications about institutional change, whereas our study needs to deeply understand at which level the social entrepreneurs' change starts. Indeed, we decided to include Scott's (2001) three pillars in the analytical framework. Scott's (2001) classification has proven to be useful, as we were able to identify that the majority of social entrepreneurs aimed to make changes at the cognitive and normative level, overlooking the regulative level. Nevertheless, the interrelation of the three pillars created some difficulties in distinguishing the type of change that the social entrepreneurs proceeded to make, especially between the cognitive and normative pillars.

Based on the above considerations, this last paragraph will present the revised framework, which has been adapted to our specific case. Despite the risk of falling into the trap of thinking 'inside the box' by using an established framework, we were able to identify an additional category, as the figure below shows (see Fig. 7). The category that was added is 'proof of concept'. Looking at the empirical data, most social entrepreneurs claimed that, in addition to convincing potential allies through the 'use of discourse' (communication), they need to practically prove that their idea of divergent change is effective. Moreover, the scope of the financial resources' needs to be broadened. Besides the use of financial resources only for the sake of mobilizing allies, they must be also considered for the sake of starting the social enterprise and

making it financially viable. As already mentioned above, the framework overlooks the business side of making institutional change.

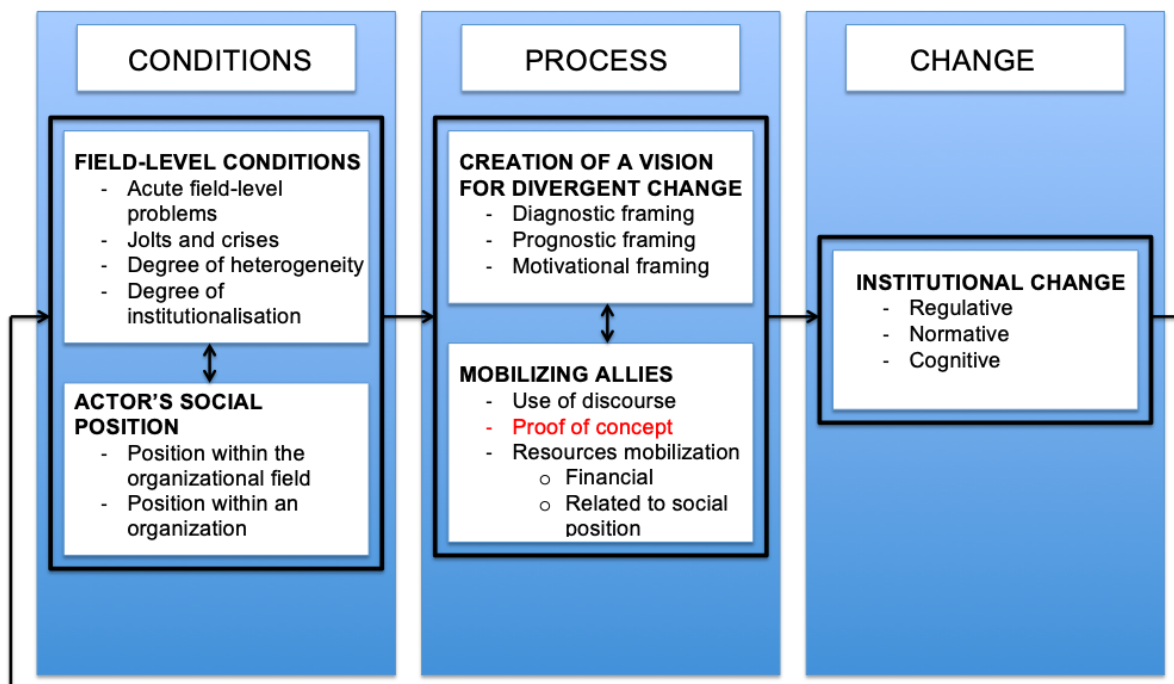


Fig. 7: Revising the analytical framework (Source: Own illustration)

7.4 Reflection on methodology

After having discussed the contribution of this thesis to the literature and the revision of the analytical framework, considerations regarding the methodological choices must be made. This section will firstly assess the usefulness of the research approach and the philosophy of science, followed by a reflection upon the data collection and the quality of data.

It is relevant to observe whether the exploratory nature of the study suits with the purpose of this master thesis. As already mentioned, little research was carried out on the subject of institutional entrepreneurship applied to social entrepreneurship, and on institutional entrepreneurship in developing countries, such as Ghana. Therefore, it has been relevant for this thesis to explore and describe the theory of institutional entrepreneurship in the context of Ghana and apply it to the concept of social entrepreneurship. In addition, the explanatory element of the thesis served to examine

the connections between the enabling conditions for the emergence of institutional entrepreneurship and the implementation of the divergent change. Indeed, it was useful to answer the research question through an exploratory, explanatory and descriptive lens.

Then, it has been pertinent to adopt an abductive approach to this study, since the analytical framework was modified throughout the research process, according to the findings of the empirical data. Indeed, the iterative approach of moving back and forth from the theory to the data, allowed us to better adapt the framework to our case. Finally, critical realism allowed us to be conscious of the impossibility of observing all the structures of reality, which we cannot control as researchers.

7.4.1 Data collection approach

In terms of the data collection approach, using a qualitative method allowed the collection of rich and in-depth data. More precisely, the use of semi-structured interviews allowed us to gain deep insight and a full understanding of the social entrepreneur's process of divergent change. The social entrepreneurs' interview guideline was gradually tailored following the exploratory nature of the research. Indeed, it must be acknowledged that the last interviews contained richer data, due to the greater experience and refined techniques of the interview process. However, we acknowledge also the limitation in using this approach for the purpose of this thesis. All the data collected are based on the social entrepreneurs' own accounts and did not allow us to observe what they were actually doing in practice.

Another consideration related to the interview guideline concerns the difficulty to explain some of concepts of the analytical framework to the interviewees. For instance, we illustrated the concept of 'institutions' at the beginning of all the interviews, in order to assure that the comprehension of the respondents on the topic was aligned with our research. However, we should have avoided to mention the concept of 'institutions', and instead we could have formulated the questions in a way that would allow us to obtain the information needed.

Then, concerning the identification of the research participants, the sample was quite small, since eleven social entrepreneurs were interviewed. However, we consider this number of participants as sufficient, since the so called 'saturation point' has been reached. This means that after a certain number of interviews, we observed that the interviewees often presented the same arguments and gave similar answers, which did not provide us with new insight. The second argument concerning the selection of the research participants was the difficulty to interview the founders of all the social enterprises, due to their unavailability or absence due to business trips. Indeed, in these cases, we had to interview the managing directors of the social enterprises. Nevertheless, these usually had close ties with the founder of the social enterprise and could therefore unveil relevant insight for our research.

The last argument is the broadness of the organizational field that was taken into consideration in our study, namely 'societal challenges'. The selection of research participants belonging to a narrower organizational field, for example educational challenges in Ghana, would have allowed the comparison of specific institutional arrangements in the field that social entrepreneurs aim to break with, and to identify more precise acute field-level conditions and jolts and crises.

7.4.2 Quality of data

The following section will scrutinize and evaluate the quality of the data used in this thesis through the criteria of reliability and validity. Albeit these terms are traditionally relevant for studies adopting a positivist perspective, some authors highlight the pertinence for critical realists to also consider the reliability and validity of the data (Healy & Perry, 2000). In general, we consider that the two weeks field trip in Ghana, and the additional knowledge of the country from one of the interviewers, has enhanced the understanding of the topic and provided with deeper insights than a mere desk research.

Firstly, reliability aims to assess whether other researchers would derive similar findings if they undertake the same type of research and, therefore, if the findings are consistent (Saunders et al, 2016). To increase the reliability of this thesis, we paid

special attention while collecting the data and made accurate transcriptions of the interviews. Moreover, we analysed and coded the data meticulously in order to increase the clarity and the transparency of the process. We also provided an extensive justification of the methodological logic behind our choices. By making the process transparent, we believe that there is a high likelihood that other researchers would derive similar conclusions, if they had access to the data. However, as critical realists, we acknowledge that different researchers who are studying the same phenomenon with the same data, could come to a slightly different conclusion, due to their different interpretations of reality (Cohen et al., 2007).

The validity is the second main factor for the quality of the data in this research. It refers to *“the extent to which the researcher gains access to their participants’ knowledge and experience, and is able to infer a meaning that the participant intended from the language that was used by this person”* (Saunders et al., 2016, p.327). We attempted to ensure the validity of data by choosing precise questions and clarifying the meaning behind it. The validity of the research concerns both the internal validity of research methods and external validity of the findings in a larger overview. Internal validity is common for exploratory research and concerns the causal relationships between elements, making sure that the findings are not influenced by problems in the research design (Saunders et al., 2016). This type of validity was tackled by the use of qualitative research methods, which assured flexibility and of contextualized data. Moreover, the abductive approach of this research allows continuous interaction between data and theory. Differently, external validity aims to understand the applicability of the findings of the research outside of the context of study (Yin, 2003). Our findings are intended as unique and provide insights about the process of institutional entrepreneurship of the interviewed social entrepreneurs. Thus, our findings do not pretend to be generalized to other social entrepreneurs in Ghana or in other countries. However, the findings on the process of implementation of institutional change that led to the revised framework could be relevant for other social entrepreneurs outside the sample. This needs to be proven in future research.

Finally, there are other considerations to be made in regard to the quality of data. Firstly, we acknowledge that the interviews included some sensitive matters for the social entrepreneurs, such as questions about financial resources and about the

regulator's behaviour. Indeed, the interviewees may have not disclosed the totality of their opinions and facts that might have occurred, despite the guarantee of their anonymity. Then, we acknowledge that the data quality could have suffered from practical challenges during the field research in Accra. The time constraint and short availability of the interviewees may have had implications on the quality of data. Indeed, the interview environment, which was chosen by the interviewees, was sometimes not appropriate and ideal to gain the full attention of the interviewee. For example, one interview took place in a taxi during a transfer requested by the interviewee, where she was also paying attention of reaching the final destination.

7.5 Future research

This section presents suggestions for future research based on the empirical findings and the limitations of the study. Considering the exploratory nature of this paper, many areas for future studies have been identified. First of all, similar studies on the process of institutional entrepreneurship carried out by social entrepreneurs could be realized in neighbouring African countries, but also in developing countries in other continents. Using the revised framework could unveil similarities and divergences in the process.

Secondly, after having acknowledged the broadness of the organizational field under study, namely 'societal challenges', future studies on the process of institutional entrepreneurship could focus only on one societal challenge, such as healthcare. In this way, useful insight could emerge regarding the process of institutional change in that specific industry.

Further studies on the process of institutional entrepreneurship could adopt a different method when collecting the data, such as real-time methods, in order to get deeper insight in how social entrepreneurs proceed to make institutional change. Indeed, we consider that relying solely on the data collected through interviews is not enough to analyse the process of institutional change. In sum, there is a large fertile ground for researchers to further develop the model of the process of institutional entrepreneurship.

8. Conclusion

This thesis' objective was to examine and answer the following research question '*How do social entrepreneurs in Ghana proceed to make institutional change?*'. The aim of the study was to provide additional insight into the topic of institutional entrepreneurship, by focusing on a particular type of entrepreneur engaging in divergent change, namely the social entrepreneur. Moreover, this thesis provided additional knowledge about institutional entrepreneurship in developing countries, particularly in Ghana, as it has received little attention by scholars (Larsen, 2013; Tracey & Phillips, 2011). Despite being a leader in economic, democratic and social welfare terms within the ECOWAS, Ghana still faces some severe challenges such as poverty, health, education and environmental issues, that hinder the development of the country. Social entrepreneurs emerge as new actors trying to solve these development challenges. Ghana was considered to be an interesting case, as the phenomenon of social entrepreneurship is growing and is receiving more attention by development organizations, companies and the government. Indeed, this thesis presented a contextualised study of social entrepreneurs making institutional change in Ghana. In March 2019 we embarked on a field trip in Accra for two weeks, where we collected qualitative data through eleven semi-structured interviews to social entrepreneurs and through two semi-structured interviews to experts in the field of social entrepreneurship in Ghana. All the interviewed social entrepreneurs were engaged in solving different social and environmental issues and were considered as institutional entrepreneurs; therefore, we defined the common field to be 'societal challenges'.

This thesis was structured according to Battilana, Leca and Boxenbaum's (2009) analytical framework on institutional entrepreneurship, which was used throughout the whole study to analyse the social entrepreneurs' process of implementing institutional change. Firstly, we investigated the enabling conditions leading social entrepreneurs to engage in divergent change, followed by the analysis of the implementation of divergent change. Finally, we observed the institutional change that social entrepreneurs aim to make. Based on this framework, institutional change was looked

through the lens of Scott's (2001) three pillars of institutions, namely regulative, normative and cognitive pillars.

The findings showed how social entrepreneurs in Ghana proceed to make institutional change. The first main finding revealed that social entrepreneurs need to be embedded in an environment that presents opportunities to act. The large number of societal issues that afflict Ghana, ranging from healthcare issues to environmental problems, creates a favourable environment to find opportunities to transform the current inefficient institutional arrangements. The high degree of heterogeneity and the low degree of institutionalization of the 'societal challenges' field also create opportunities for action. Considering that not everyone is able to grasp these opportunities for institutional change, led us to consider another enabling condition to make institutional change, namely the actor's social position. The findings uncovered that, social entrepreneurs of high social standing, who worked for a high-status organization before their new ventures, are able and more willing to embark on institutional change.

Secondly, in terms of the process of implementing divergent change, the findings revealed that the first crucial step for social entrepreneurs to implement institutional change, is to clearly frame their vision of divergent change. It has also been shown that it is essential to mobilize allies, as social entrepreneurs would not be able to put institutional change into practice on their own. The findings uncovered that it is not sufficient to convince others through the 'use of discourse' (communication), but for social entrepreneurs it is crucial to prove the efficacy of their solutions ('proof of concept'). Then, social entrepreneurs needed to mobilize resources to convince allies to follow their vision, which they achieved mainly by leveraging their social position. The findings revealed the importance of being perceived as legitimate actors and of possessing a strong social capital. The analysis has led to realizing the importance of financial assets in building a financially sustainable social enterprise.

Thirdly, the institutional change that social entrepreneurs proceeded to make, tended towards normative and cognitive change. Only few social entrepreneurs aimed at making institutional change at the regulative level. From our findings, in Ghana, government support would appear to be essential to make systemic change.

In sum, this thesis has provided insight on the process of institutional change carried out by social entrepreneurs in Ghana. Firstly, we have assessed the enabling conditions of the Ghanaian environment and the social entrepreneurs' social position. Secondly, we have identified the most important stages of the implementation of divergent change. Finally, we have examined what kind of institutional change the social entrepreneurs aimed at achieving. These findings can serve as practical implications for social ventures in Ghana, policy makers and supporting institutions.

9. Recommendations

Based on the findings summarized in the discussion and in the conclusion, this section presents the practical implications for social entrepreneurs in Ghana, for policy makers, and for national and international institutions supporting the development of social entrepreneurship.

Firstly, in terms of practical implications for social entrepreneurs, we advise them to identify and develop a clear vision of divergent change, which must be framed according to the three different stages of framing. This first step is key to be able to present the new vision in a clear way, as the findings have shown. Then, the findings informed us of the relevance of proving the efficacy of the social entrepreneurs' solution to potential allies. Therefore, we suggest to social entrepreneurs in Ghana to make potential beneficiaries testing their products or services for free, in order to convince them of the efficacy of their solution. Finally, due to the important influence of the government when implementing divergent change, as highlighted by the interviews, the new social ventures are recommended to build ties and collaborate with the government. This holds true especially when the aim is to implement the divergent change at a systemic level.

It is relevant to discuss the specific case of foreign social entrepreneurs operating in Ghana, since they appear to encounter additional difficulties to implement the divergent change. Firstly, our findings show that it is crucial for non-Ghanaian social entrepreneurs operating in Ghana to be familiar with the Ghanaian environment. In order to partially overcome the obstacle of the liability of foreignness, we found out that it is key to involve local human resources in the business. Interviewees have identified the engagement of Ghanaian staff as an advantage in dealing with bureaucratic issues, in gaining trust from the potential Ghanaian beneficiaries and therefore in spreading the idea of divergent change.

Thirdly, we will present recommendations for policy makers. Acknowledging the current effort of the government in drawing a 'Social Entrepreneurship Policy', it is suggested, based on our findings, that the regulatory agencies accelerate this process

and further focus on supporting social entrepreneurship. The policy must include a proper legal registration for social enterprises, since currently they cannot register their business with the label 'social enterprise'.

Finally, in terms of institutions supporting social entrepreneurs, such as the British Council and international development agencies, the findings show that additional training and networking sessions are important for social entrepreneurs to gain business knowledge and enhance their social capital. This suggests that supporting institutions can organize more contests with money prizes and awards involved for social entrepreneurs. Lastly, higher education institutions in Ghana are recommended to include in their curricula, business and social entrepreneurship classes, as it was frequently suggested by the interviewees and experts.

In conclusion, social entrepreneurs, policy makers and institutions supporting social entrepreneurship should collaborate more with the aim of promoting social entrepreneurship and raising awareness on the new actor, in order to enable social entrepreneurs to spread their vision of change.

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Appendices

APPENDIX 1: Interview Guideline for Social Enterprises

The aim of this interview is to obtain more information about the enterprise' business model, history and institutional change.

Name, Role and Company: _____

I. INFORMATION ABOUT THE INTERVIEWEE

(1) Background of interviewee

- Can you please tell us about your story, from your educational background until professional experience?
- How would you describe yourself? What are your main characteristics?

Nationality, Education, Work experience, Personality traits

II. INFORMATION ABOUT THE BUSINESS

(2) Description of business

- Can you please describe your business, its history and how it has developed until today?

Company foundation year, Sector of activity; Segment of clients/beneficiaries; Activities; Number of employees; Financial sustainability

(3) Social mission

- Can you please describe the reason why you started this business? (Was there a specific moment in your life that led you to initiating this enterprise?)
- How do you think your business idea is positively changing society?

Societal problem the company aims to solve; Willingness, Interest

III. IMPLEMENTATION OF THE BUSINESS

(4) Vision and Motivation of others

- Can you please describe the mission and the vision of the company?
- What are the key enabling factors and main challenges for realizing your vision?
- How do you communicate this vision to the people you want to motivate?
- (Do you mention the social problem you want to address, do you describe your solution? Do you give reasons why people should follow it?)

Content, Communication, Presentation

(3) Activities

- Can you please describe the activities you carry out to achieve your mission?

(5) Resources

- What resources did you need to start the business and how did you acquire them?

- Did you have any acquaintances that helped you develop your business? Or were you part of some networks that supported your enterprise?

Tangible/intangibles resources; Legitimation (formal authority); Social capital (access to information and political support), Financial resources

(6) Partnerships

- Is your enterprise involving other stakeholders to achieve your project? Why did you partner with them? What did you accomplish by partnering with them?
- How do you think society perceives your business?

Relevant partners, Actors

(9) Antagonist

- Are there or were there any people/groups of people or organizations trying to oppose what you are doing/trying to achieve? In case, why and how do you deal with them?

III. ENABLING CONDITIONS:

(10) Environment when business started

- Has it been easy to start your business in your field (in terms of regulations, competition)?
- Was there any relevant technology innovation that influenced your business?

Supportive regulations, Status of institutions, Technology disruption; Competition change

- In your sector of activity, has there been any important change recently?

Heterogeneity of institutions, Institutions taken for granted or questioned

- Do you think that the environment of your sector of activity is characterized by a lot of different actors/institutions or are there few major actors that steer the sector? Do they behave similarly or do you feel there are some contradictions? (Do you feel like the institutional setting gives opportunities for entrepreneurs to change it?)

Level of certainty in institutional order, Business opportunities

IV. OUTCOME AND FUTURE OF THE COMPANY

(11) Institutional change

- To what extent do you think your company has achieved your goal?
- Do you think your company has contributed to make a change in society? If yes, how? If not, why do you think you have not achieved them?

(12) Future plans

- What are your future business plans?

V. GHANAIAN CONTEXT

(13) What is your take in general on social entrepreneurship in Ghana?

(14) In your opinion, what are the major opportunities and challenges for social entrepreneurs in Ghana?

(15) Is there anything else that you find important and would like to add?

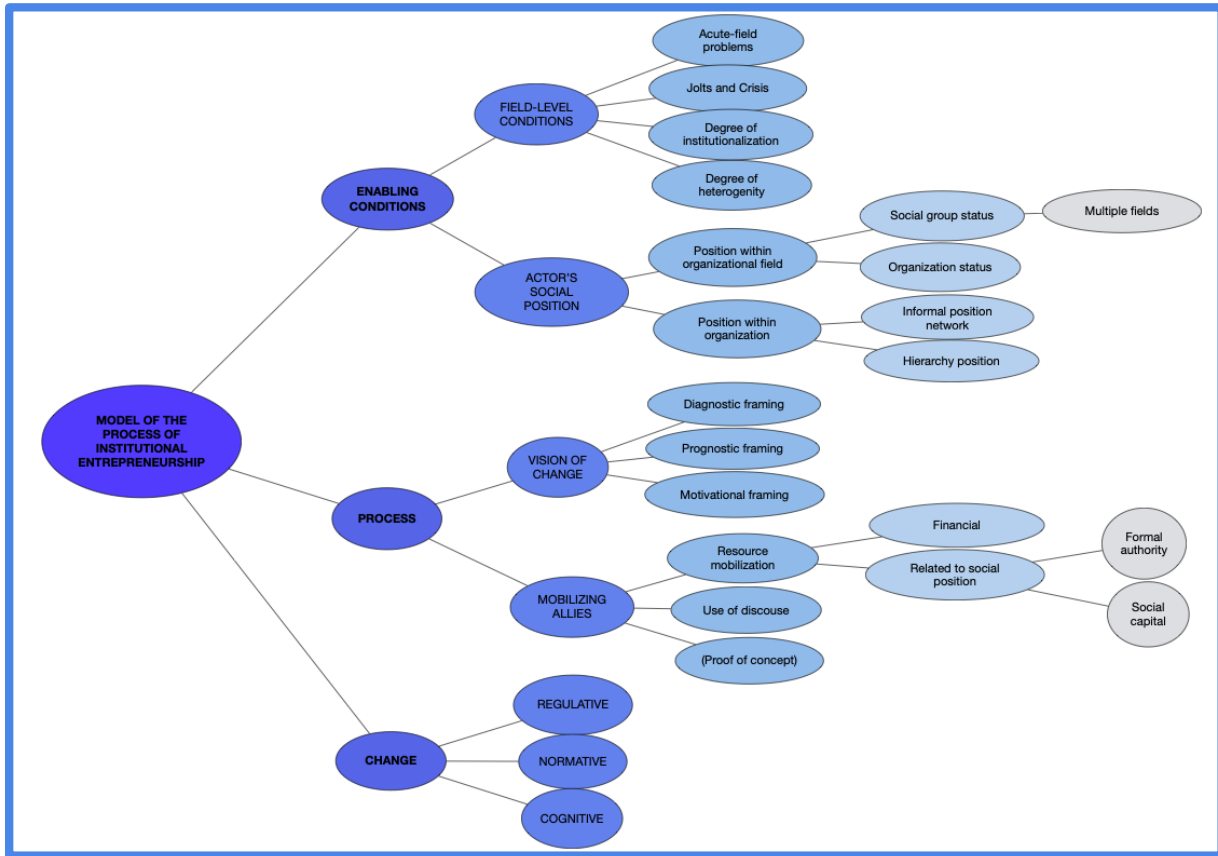
APPENDIX 2: Interview Guideline for Expert 1

1. Can you please give us an overview of the Social Entrepreneurship landscape in Ghana?
2. What is your take on Social Entrepreneurs in Ghana?
3. Which kind of impact do you think they have on society?
4. Talking about the Social Entrepreneurs Ghana Network, why was it founded and how does it help Social Entrepreneurs?
5. What do you think Social Entrepreneurs need in order to be successful?
6. What are the common characteristics of Social Entrepreneurs?
7. Which kind of resources do they need to start their Social Enterprise?
8. What are the enabling factors and challenges for Social Enterprises in Ghana?
9. Do you consider the institutional complexity in Ghana as an opportunity for Social Enterprises?
10. Do you think Social Entrepreneurs can change institutions and perceptions? if yes, how?
11. From your experience, have there been any changes in the Ghanaian environment and if yes, how did they affected Social Entrepreneurs?
12. Talking about the Social Enterprise Policy in Ghana, what are the key elements?
13. How was the policy created? Who were the actors that pushed for its implementation?
14. What will be the outcome of this policy?
15. What's the future of Social Entrepreneurship in Ghana?

APPENDIX 3: Interview Guideline for Expert 2

1. Can you please give us an overview of the Social Entrepreneurship landscape in Ghana?
2. Which kind of impact do you think they have on society?
3. Why is british council interested in Social Entrepreneurship?
4. How does the British Council Social Enterprises Programme supports entrepreneurs?
5. What do you think Social Entrepreneurs need in order to be successful?
6. What are the common characteristics of Social Entrepreneurs?
7. Which kind of resources do they need to start the Social Enterprise?
8. What are the enabling factors and challenges for Social Enterprises in Ghana?
9. Do you consider the institutional complexity in Ghana as an opportunity for Social Entrepreneurship?
10. Do you think Social Entrepreneurs can change institutions and perceptions? if yes, how?
11. From your experience, have there been any changes in the Ghanaian environment and if yes, how did they affected social entrepreneurs?
12. Talking about the social enterprise policy in Ghana, what will be the outcome of this policy?
13. What's the future of Social Entrepreneurship in Ghana?

APPENDIX 4: Coding Tree from Nvivo (Source: Own Illustration)



APPENDIX 5: Transcripts

Please find the complete transcriptions of companies A to K and the transcriptions of interviews with field experts on the attached USB Stick. Audio recordings are only available upon request due to confidentiality.