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### Article

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# An epistemological critique of social entrepreneurship definitions



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### Abstract

If entrepreneurship is amid jungle of theories and has many theorists, its social orientation or what is known as social entrepreneurship (SE) is amid arid land of theories and suffers under-theorizing which could be inherently stemmed from its diversely proposed definitions. To be situated in an embryonic pre-paradigmatic phase, getting to a more unanimous definition in this realm is the first step in laying a solid foundation for SE theorizing. As a pioneering study, the paper aims to investigate the epistemological foundations of SE definitions critically to propose a more convergent definition for SE. To fulfill this goal epistemological justifications for the definitional components of SE are presented. Therefore, it was necessary to rely on the relevant philosophical schools of thought in *Epistemology* (e.g. *Empiricism*, Internalism, Externalism, Verificationism and Falsificationism); first to discuss the controversies and oppositions to some components of the definitions for their exclusion and then to justify some other definitional components which are mostly accepted by the scholars for their inclusion in a final SE definition. Critical approach has helped us in specifying the maneuvering of thoughts in this field and determining the epistemological and definitional boundaries of SE. Finally, a more epistemologically-supported and justified definition was presented at the end of the paper. Moreover, one of the potential contributions of this paper could be its consensusmaking impact among SE scholars in defining SE phenomenon, which could also pave the way for future theorizing in SE. The originality of the paper lies in the application of Internalism, Externalism, Verificationism and Falsificationism concepts to SE definitions.

Keywords: Social entrepreneurship (SE), Epistemology, Knowledge, Definition, Justification

"The most savage controversies are those about matters as to which there is no good evidence either way." Bertrand Russell

### Background

SE, which formed as a response to the state and market failures in tackling the social problems (Yujuico 2008; Nicholls 2006), needs careful philosophical scrutiny and thought to crystallize the conceptual boundaries and foundations of this phenomenon. According to Nicholls (2010), SE is "a field of action in a pre-paradigmatic state that currently lacks an established epistemology." On the other hand, when we see divergent and heterogeneous definitions and research approaches by the scholars, the necessity and thirst for philosophical discussion of this entrepreneurial orientation emerges. Current



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loose definitions of SE have shaped a conundrum which is going to reveal itself not only in SE theorizing but also in SE practicing; especially in SE policy and decision making by either public or private, local or international organizations active in SE promotion. This condition is going to undermine any emerging SE academic legitimacy. A more recent example of controversy on the topic has arisen in the Asia Policy Dialogue (APD) held on Nov. 18, 2016 in Myanmar. The most controversial issue in APD, which absorbed much more attention, was how to define social enterprise and its related concepts, e.g. some of the participating investors and experts believed SE could be defined as a for-profit activity with "a revenue model" that "increases the abilities of the social enterprise to become a sustainable practice and create the incentives for founders as well as future investors." However, the "proponents of limiting social entrepreneurs from reaping profits from their endeavors argued that the role of social enterprises is generating income for community not individuals and any profit made should be poured back into the enterprise itself" (Ahlden 2016). It reveals the SE definitional ambiguity had been contagious and has been spread to SE-related subjects on the operational levels such as social enterprise definition or social investment. Therefore, obscurity in defining SE has taken a root and it is going to show itself as a weed on the surface. Such congealed perplexity on the operational level could partially paralyze SE policy makers and planners and decrease their effectiveness. E. g. one of the universally known supporters for investment in SE was the Social Impact Investment Taskforce, which was announced on June 2013 at the G8 Social Impact Investment Forum. Currently the activities of the task force is transferred to and superseded by Global Social Impact Investment Steering Group (GSG).<sup>1</sup> The group consists of the EU plus 17 other countries. More recently in GSG Impact Summit 2017<sup>2</sup> the problem of social investment became controversial, e.g. there was a need to clarify by sharing "thoughts and ideas with practitioners (investees, aid agencies)" to help them "figure out what they want from investors." Additionally, OECD countries are working on the true definition of Social Impact Investment (SII), as "the provision of finance to organizations addressing social needs with the explicit expectation of a measurable social, as well as financial, return" (OECD 2017).<sup>3</sup> Therefore, the recommendations provided by OECD reports on SII beside other necessities try to develop "a common agreement on definitions" as an orientation towards "furthering efforts on the measurement of social outcomes and evaluation of policy" (Ibid.). The variation in the definition of SE is also going to be used against SE legitimacy; especially in the media. For example, Shapiro (2013) in Forbes points out "the term social entrepreneurship has become somewhat of a catch-all phrase." On the other hand, The Economist (2006) claims that "nobody is sure what exactly the term means". Bornstein (2012) in The New York Times claims there is a new attention towards SE, but "with the new attention has come confusion about what social entrepreneurs do, however." More harshly, Eppler (2012) believes SE "is the epitome of a buzzword; it is a term that means something slightly different to everyone and ultimately nothing to anyone, facilitating obfuscation and equivocation." To be able to respond to such claims we believe a convergent definition of SE which has taken its constituting concepts from the current common ground among the SE scholars will neutralize future attribution of "obfuscation and equivocation" to the term SE. However, inability in reaching a common agreement on SE definition as a mother to all of the abovementioned issues would be making a structure on a shaky foundation. We do not expect a universally accepted definition of SE acts as a panacea but it could be the first step in overcoming the

problem of ambivalent perceptions of SE. Epistemology as a philosophical concept to study the nature and essence of knowledge could be applied as a spur to encourage further discussions among the scholars on SE. Cukier et al. (2011) mention that Dees & Anderson (2006: 39) describe SE as an immature discipline and believe it "lacks the deep, rich, explanatory or prescriptive theories expected in a more mature academic field." Organized knowledge is usually poured through theories, and those disciplines which are investigated more and scrutinized closely could have more sound and solid theories. SE suffers from lack of theorizing (Mair and Marti 2006; Dees and Anderson 2006; Nyssens 2006; Nicholls 2009) or as Dacin et al. (2010) puts, it is under-theorized. Pathologically, inability of SE in proposition of sound theories is an effect and symptom that demands careful probe for the diagnosis and determination of the cause(s). Deep down SE first needs to present a more consensus definition to be able to construct the wall of concepts and theories on a more sound foundation. We face numerous and in some cases contradictory definitions for this discipline. Lack of consensus on SE definitions originates from its blur boundary which consequently affects theorizing in its realm. Such discrepancy in definitions cannot lead to SE theory and originates Dees and Anderson's (2006) attribution of "immaturity" to SE. Some blame the multiple domains such as for-profit, not-for profit and public sectors, used for the definition of the concept, for the nonexistence of a unifying definition (Weerawardena and Mort 2006; Christie and Honig 2006). Moreover, true endeavors in defining SE contribute greatly to the formation of an answer to how should we approach SE? (i.e. Is it a discipline which could define itself fully within its current boundaries? or is it an interdisciplinary realm with superseding boundaries?). In other words, should we define SE by and within entrepreneurship, sociology, management, economy and so forth? Such "lack of a common definition" also raised the question "which social or profit-making activities fall within the spectrum of social entrepreneurship" (Abu-Saifan 2012: 22) which intensifies the ambiguities in SE studies. Mainly, the scientific endeavor for SE definition has been necessarily but not sufficiently compensated by entrepreneurship scholars. However, SE fundamentally could benefit from two disciplines - a potential that is still intact: sociology to study its social aspects, and economics to study its entrepreneurial ones. SE as a discipline which tries to solve human being problems socially and entrepreneurially should assume human being first as a social being or homo sociologicus<sup>4</sup>- but without that connotation of the word as "a simplified notion of the human individual in the foundations of sociological thinking, in which he/she is considered as unilaterally determined by social forces" (Subrt 2017: 242) and then as an economic being or homo economicus who is usually in economics literature seen as a "rational" being and makes his decisions based on "economic utility" (Frank 1987: 593). Nevertheless, human being is not always under "unilateral" social forces and as Frank (1987: 593) believed sometimes he violates rationality "without departing from utilitymaximization" in his economic decision making; especially in case of entrepreneurship, and hence SE we see the phenomenon multilaterally within a wider scope of SE ecosystems. Unilateralism is doomed in social sciences' epistemology and conceptualization, since there are numerous implicit and explicit forces in action to shape a social phenomenon. Entrepreneurship ecosystem "consists of a set of individual elements...that combine in complex ways" (Isenberg 2010: 3) or as defined by Stam and Spigel (2016: 1) "a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship within a particular territory," evokes multilateral and systems thinking in any genuine

endeavor for SE definition. Aristotle believed "man is a political animal" (Dixon and Wilson 2013: 1); in SE man should be seen simultaneously as a social and economic animal, i.e. a socio-economic one under the influence of socio-economic drives/forces. Therefore, sociology by studying SE in its social contexts and economics by giving careful consideration to social economics, social markets, and social innovation accompanied by knowledge of SE could help SE to reach a more scientific definition. Currently, SE is still "in the stage of conceptualization" (Sekliuckiene and Kisielius 2015: 1015) and true conceptualization starts from inclusive definition or redefinition of the phenomenon. Such a claim does not mean that there had not been any endeavor by the scholars for the definition, but it means the discrepancy of the definitions has led to a baffling degree that cannot help to an impartial student of SE to make the heads and tails of the phenomenon. First, the need for redefinition of SE should be found in the answer to the question: why SE has a large operational body (reflected by numerous national and international organizations which claim they are busy with SE activities such as Center for the Advancement of Social Entrepreneurship (CASE), Change.org, SEED Initiative, Ashoka.org, Skoll Foundation, Acumen, Echoing Green, Schwab Foundation for Social Entrepreneurship, some UN subsidiaries, etc.) and a fragile theoretical mind? The response is embedded in capitalist economy of the 1970's, known in the USA as stagflation<sup>5</sup> with the worst situation of industrialist countries from the Great Depression (Frum 2000) which needed to wear a more humane disguise to be able to socially justify its existence against its approaching east-ward communist rival and fad.<sup>6</sup> Therefore, SE phrase was coined and raised in the U.S.<sup>7</sup> because there was a need for it. The emerging of the concept especially in the organizational context, started in the form of Corporate Social Responsibility (CSR) in large American companies to conciliate the social protests of their reluctance to environmental issues (Miller 2014) and the workers strikes (Tran 2015). Numerous papers have studied the similarities and differences of CSR and SE because of such affinities (e. g. Szegedi et al. 2016; Crisan and Borza 2012; Cornelius et al. 2008; Baron 2007). Therefore, the necessity for its existence induced its growth to be so speedy that did not let enough time for SE paradigm formation among the scholars which inherently affected its laggard in epistemological and hence definitional formations. The result was Nicholls' (2010: 611) claim that SE is "in a pre-paradigmatic state that currently lacks an established epistemology" or Bacq and Janssen (2011) who describe SE with no "unifying paradigm." Additionally, "its rapid growth" according to Newbert (2014: 239) "has resulted in a rather fragmented body of literature that lacks both a set of well-established theories and a robust, unified body of empirical research." However, the early 80's and 90's connotative meaning of SE has started to be changed. Presently, social enterprise as one of the operational manifestation of SE, "has taken off as a new formula for success, combining capitalism with a do-gooder mentality" (Forbes 2016). The need for the redefinition of SE is more observable at the practical level rather than a theoretical one. Global and national policymakers need a more contingent and appropriate definition of SE to fit with the current world realities; i.e., "to tackle global issues such as alleviating hunger, improving education, and combating climate change" (Ibid.). Hence, primarily policymakers need to specify what the social role of entrepreneurship is. "Zahra and Wright (2016) argue that scholars need to re-examine and redefine the social role of entrepreneurship ... They rely upon arguments from policymakers, world leaders and billionaire entrepreneurs, who advocate for a greater awareness of the potential downside to entrepreneurial activity. They surmise that scholars need to consider an entrepreneurial canvas focused on hybrid organizations pursuing the blended value that comes from corporate social responsibility and bottom-of-the-pyramid strategies" (Corbett 2016: 609). The re-modification of some traditional concepts of commercial entrepreneurship has already begun by SE. In 2012, the Credit Suisse Research Institute, in collaboration with the Schwab Foundation for Social Entrepreneurship at the World Economic Forum in Davos outlined the key features of their report entitled Investing for Impact: How social entrepreneurship is redefining the meaning of return. According to Rao (2012) "here, direct investments are made into social enterprises that provide scalable, self-sustaining solutions to address global problems. Examples include access to clean water, improved health care or the provision of clean energy. Such investments create a direct and measurable impact, as well as offer the potential for financial returns." Such examples call for the adaptation of modern SE definition to be able to offer remedies to the emerging globalized challenges. On the other hand, SE itself is in a self-completing process by trial and errors. E.g. Michigan Corps, a non-profit launched in 2010, is going to give more prominence to the mission rather than the institution; therefore, "redefining social entrepreneurship, they announced their mission as purposely bringing local and global Michigander's together to change their home state" (Tafel 2011). Anuja and Rishi Jaitly, the Michigan Corps' founders believe, "we need to keep our eyes on the mission and off the perpetuation of one entity" (Ibid.). Furthermore, SE is going to be used as a role model for social practitioners to answer economic and social necessities synchronously. "Social workers today need to redefine their roles to include that of the social entrepreneurs;" because "the social worker's response to the challenges of the new economic environment and globalization includes advocating for policies that promote social as well as economic development, social participation, and equality...The recognition for economics and social connectedness is vital" (Tan 2004: 87). Thus, SE should be refined, adapted and aligned as much as possible with global necessities by the scholars to be able to justify its role as a model for social value creating activities. In summary, redefinition of SE is inevitable based on the following discussed reasons:

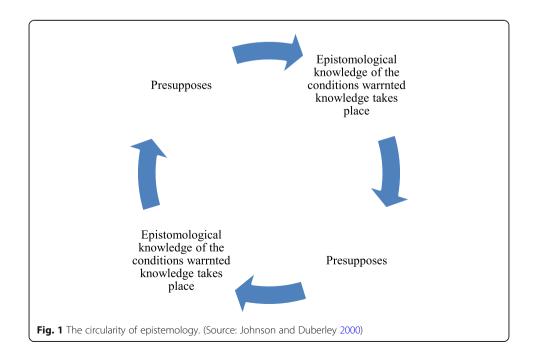
- (1) Ameliorating and fixing *Capitalism* social reputation.
- (2) Fitting with the world realities for social policymaking.
- (3) Aligning with globalization and its social challenges.
- (4) Increasing its conduciveness as a role model for social remedy-finding endeavors.

On the other hand, Bacq and Janssen (2011) believe that there is a discrepancy in the perception of SE in Europe and America. Therefore, there is still an ongoing struggle for defining (Cukier et al. 2011) and making academic legitimacy for the phenomenon (Abu-Saifan 2012). Meanwhile, being poorly defined (Reis and Clohesy 2001; Weerawardena and Mort 2006; Zahra et al. 2009) and being deprived of a universally and academically accepted definition (Brooks 2009; Dacin et al. 2010; Short et al. 2009) justifies the necessity of the present paper. On the other hand, this jungle of definitions could be interpreted in two ways, either SE could not be a separate discipline from entrepreneurship or it embraces a very vast arena, which made the scholars to view it from different perspectives and provide such various definitions. It resembles the creature in the thirteenth century poem of the Persian philosopher and poet *Rumi* in *The Masnavi*, "*The Blind Men and the Elephant*". Each blind man touches part of the creature and describes it as a tree, a trunk, a fan, a snake, etc. By analogy, "social entrepreneurship" phrase has taken numerous shades of meaning (Dees 1998b).This ambiguity in definitions and conceptual frameworks, pose the paper question:

What is a more epistemologically justified definition for SE?

### Literature review

Epistemology is derived from two Greek words, *episteme* and *logos*, which means the knowledge of knowledge. Therefore it goes to the very foundation of how knowing is shaped; in other words, it deals with the pivotal foundation stone of our understanding. Human cognition process and what we call understanding and knowledge as its scientific fruit is basically a no man's land. We have to base some a priori which itself needs to be explained. To what extent the presumed a priori is really relevant and scientific. What is our touchstone for their evaluation? Do we use knowledge to understand knowledge? What is the peg for the first knowledge (i.e. a priori) to hang our scientific discussions (i.e. posteriori) on? Hence, "the circularity of epistemology" is the response (Fig. 1). Johnson & Duberley (2000: 1) puts it as a paradoxical situation that epistemology cannot escape, "in that any theory of knowledge takes place." In other words, it is entangled in a philosophical vicious circle. We have to take knowledge for the

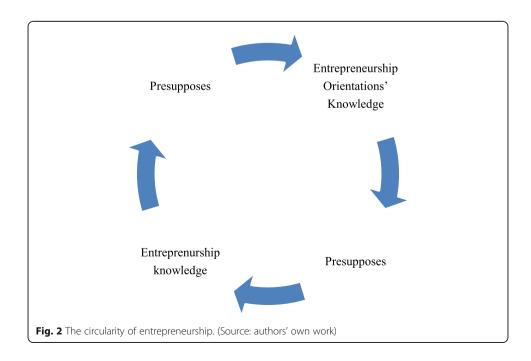


explanation and understanding of knowledge and that knowledge for another knowledge and so forth.  $^{\rm 8}$ 

As Johnson and Duberley (2000) cited sea metaphor of Neurath (1944) in elaboration of *the circularity of epistemology*, "we are like sailors who on the open sea must reconstruct their ship but are never able to start afresh from the bottom." According to Ashmore (1991: 787) it means, "the ship of knowledge must be repaired and even rebuilt on the open sea of social experience, there being no possibility of visiting any Archimedean dry dock."

*Circularity of entrepreneurship* is the same as infinite images in two opposite mirrors (Fig. 2). Entrepreneurship always tries to know its orientations with the knowledge of entrepreneurship and could not exceed Schumpeterian-set foundations. Although it is a discipline which first originated out of economics, in its studies it is entangled in knowing itself by its own images and implicitly rejects any chances to step outside the circle to experience and benefit from other human knowledge.

To put the *circularity of epistemology*, as one of the main criticisms to epistemology itself, and *circularity of entrepreneurship* aside, epistemology could contribute us in our criticism on SE definitions. Additionally, to discuss the epistemological nature of SE definitions we face three concepts: *Truth, Belief* and *Justification*. Steup (2016) in *Stanford Encyclopedia of Philosophy* explains these three concepts as, "False propositions cannot be known. Therefore, knowledge requires *truth*. A proposition *S* doesn't even believe can't be a proposition that *S* knows. Therefore, knowledge requires *belief*. Finally, *S*'s being correct in believing that *p* might merely be a matter of luck. Therefore, knowledge requires a third element, traditionally identified as *justification*;" then, he adds knowledge is "justified true belief: *S* knows that *p* if and only if *p* is true and *S* is justification - are individually necessary and jointly sufficient for knowledge."<sup>9</sup> The concepts of truth and belief are extremely philosophical and somehow controversial issues in epistemology.



The epistemologists usually go to the extremes to elaborate on these two requisites of knowledge which call for more sophisticated knowledge first in philosophy and then in epistemology. For example Audi (1988: 9) starts his discussions on the concept of belief by the nature of perception and mentions that some beliefs are *propositional* (their truth or falsity depends on the degree that our proposition about what we discuss is true or false). The other beliefs are *objectual*, "since it is a belief of an object." Accordingly, we could have two types of perceptions: "propositional perception: perception that." And "objectual perception: perception to be." Such discussions could deviate us from the paper's goal and because of their subtle and excessively abstract nature, entrap us in long and tedious elaborations. On the other hand, the general concept of *justification* for a non-philosophical reader is more tangible and easily comprehensible. Too much philosophizing on *Truth* and *Belief* as two presuppositions of knowledge which are inherently very abstract philosophical concepts left behind but the Justification concept because of its relevance to the concept of epistemological evidence is elaborated in respect to SE definitions. Therefore, for the elaboration of the epistemological criticism of the SE definitions we use the concept of "Justification" throughout the paper. We try to "justify" and support the relevant or reject the irrelevant SE components in the results and discussion section.

### Frequently-referenced definitions of SE

Entrepreneurship itself is an "ill-defined and inherently complex" issue (Hoogendoorn 2011). Such dissensus of opinions in defining entrepreneurship (Lumpkin and Dess 1996; Van Praag 1999) is also conveyed to SE. Besides, SE is an "umbrella construct" which encompasses numerous phenomena (Hirsch and Levin 1999). These wide ranges of phenomena interfere in SE definition and accordingly beget diverse SE definitional components. Zeyen (2014) mentions 37 SE definitions counted by Dacin et al. (2010) and 20 definitions counted by Zahra et al. (2009). Table 1 has summarized some of the frequently-referenced definitions of SE. The relevancy and applicability of these SE definitional components are discussed at the results and discussion section of the article.

### The frequently-mentioned characteristics of SE

The frequently-mentioned characteristics of SE as the end that SE is seeking are presented in Table 2. They reveal the justification for the existence of SE that should be reflected in its definitions.

Innovation and opportunity-seeking propensities are in common between commercial entrepreneurship and SE. What most of the researchers agree upon is the social intention of this orientation of entrepreneurship, which directs mind towards social context. Social knowledge like sociology and its relevant concepts such as sociometry,<sup>10</sup> socioeconomic and sociopolitical factors are necessary to understand the social contexts that SE is heavily dependent on; but in reality the great bulk of SE literature relies on entrepreneurship and management concepts. If SE intends to deal with the symptoms and their treatment (superstructure/effect) its current approach to social phenomena is satisfactory but if it intends to uproot and prevent social problems (substructure/cause)<sup>11</sup>such as poverty, addiction, pollution, deforestation, war, etc. it is definitely on the wrong track. To address the root of the sociogenic problems, which SE is formed for their eradication or relief, it has to investigate them so much deep down. If commercial entrepreneurship is originated

Sources	SE Definitions	Definitional components of SE
Alvord et al. (2004)	"SE creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations."	<ol> <li>innovative solutions</li> <li>mobilization of ideas, capacities and resources</li> <li>sustainable social transformations</li> </ol>
Austin et al. (2006)	"SE is an innovative, social value creating activity that can occur within or across the nonprofit, business, or government sectors." (p.2)	<ol> <li>innovative activity</li> <li>social value creating activity</li> <li>Takes place in all sectors</li> </ol>
Brouard et al. (2008)	"Organizations created to pursue social missions or purposes that operate to create community benefit regardless of ownership or legal structure and with various degrees of financial self-sufficiency, innovation and social transformation."	<ol> <li>social missions</li> <li>community benefit</li> <li>innovation</li> <li>social transformation</li> </ol>
Dees (1998b)	"SE is the process comprised of the following compulsory parts: the creation of sustainable social change, the constant seeking of new opportunities for valued social change, constant commitment to innovation, refusal to be limited by resources, and accountability to society."	<ol> <li>the creation of sustainable social change</li> <li>seeking of new opportunities</li> <li>valued social change</li> <li>commitment to innovation</li> <li>refusal to be limited by resources</li> <li>accountability to society</li> </ol>
Fowler (2000)	"SE is the creation of viable socio-economic structures, relations, institutions, organizations and practices that yield and sustain social benefits."	1. creation of viable socio-economic entities
Harding (2004)	"They are orthodox businesses with social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners."	<ol> <li>having social objectives</li> <li>reinvestment of surpluses</li> <li>not necessarily seek profit maximization</li> </ol>
Hibbert et al. (2005)	"SE can be loosely defined as the use of entrepreneurial behavior for social ends rather than for profit objectives, or alternatively, that the profits generated are used for the benefit of a specific disadvantaged group."	<ol> <li>entrepreneurial behavior</li> <li>social ends</li> </ol>
Lasprogata and Cotton (2003)	"SE means nonprofit organizations that apply entrepreneurial strategies to sustain themselves financially while having a greater impact on their social mission (i.e., the "double bottom line")."	<ol> <li>nonprofit organizations</li> <li>applying entrepreneurial strategies</li> <li>having impact</li> <li>social mission</li> </ol>
MacMilan (2005) (Wharton Center)	"Process whereby the creation of new business enterprise leads to social wealth enhancement so that both society and the entrepreneur benefit."	<ol> <li>enhancement of social wealth</li> <li>mutual benefit of society and the entrepreneur</li> </ol>
Mair and Marti (2006)	"[A] process of creating value by combining resources in new waysintended primarily to explore and exploit opportunities to create social value by stimulating social change or meeting social needs."	<ol> <li>creating value</li> <li>combining resources</li> <li>new ways</li> <li>opportunity exploration and exploitation</li> <li>creating social value</li> <li>stimulating social change</li> <li>meeting social needs</li> </ol>
Martin and Osberg (2007)	"SE is (1) identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own; (2) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage,	<ol> <li>identification of an unjust equilibrium</li> <li>identification of an opportunity</li> <li>developing a social value</li> <li>challenging the stable state's hegemony</li> <li>forging a new, stable equilibriun</li> <li>ensuring a better future</li> </ol>

 Table 1 Frequently-referenced definitions of SE

Sources	SE Definitions	Definitional components of SE
	and fortitude, thereby challenging the stable state's hegemony; and (3) forging a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large." <sup>a</sup>	
Mort et al. (2002)	"SE is a multidimensional construct involving the expression of entrepreneurially virtuous behavior to achieve the social mission, a coherent unity of purpose and action in the face of moral complexity, the ability to recognize social value-creating opportunities and key decision-making characteristics of innovativeness, proactiveness and risk-taking."	<ol> <li>a multidimensional construct</li> <li>expression of entrepreneurially virtuous behavior</li> <li>social mission</li> <li>recognition of social value-creating opportunities</li> <li>innovativeness</li> <li>proactiveness</li> <li>risk-taking propensity</li> </ol>
Peredo and McLean (2006)	"SE is exercised where some person or group aim(s) at creating social valueshow(s) a capacity to recognize and take advantage of opportunities employ(s) innovationaccept(s) an above-average degree of riskand is/are unusually resourceful in pursuing their social venture."	<ol> <li>creating social value</li> <li>recognizing and taking advantage of opportunities</li> <li>innovation</li> <li>acceptance of above-average risk</li> <li>social venture</li> </ol>
Perrini and Vurro (2006)	"We define SE as a dynamic process created and managed by an individual or team (the innovative social entrepreneur), which strives to exploit social innovation with an entrepreneurial mindset and a strong need for achievement, in order to create new social value in the market and community at large."	<ol> <li>a dynamic process</li> <li>social innovation</li> <li>creation of new social value</li> </ol>
Roberts and Woods (2005)	"SE is the construction, evaluation, and pursuit of opportunities for transformative social change carried out by visionary, passionately dedicated individuals."	<ol> <li>construction, evaluation, and pursuit of opportunities</li> <li>transformative social change</li> </ol>
Seelos and Mair (2005)	"SE combines the resourcefulness of traditional entrepreneurship with a mission to change society."	<ol> <li>combining function</li> <li>resourcefulness of traditional entrepreneurship</li> <li>a mission to change society</li> </ol>
Shaw (2004)	"The work of community, voluntary and public organizations as well as private firms working for social rather than only profit objectives."	1. social objectives 2. any organizational form
Tan et al. (2005)	"Making profits by innovation in the face of risk with the involvement of a segment of society and where all or part of the benefits accrue to that same segment of society."	<ol> <li>Making profits</li> <li>innovation</li> <li>risk</li> <li>involvement of a segment of society</li> <li>benefiting that same segment of society</li> </ol>
Tracey and Jarvis (2007)	"The notion of trading for a social purpose is at the core of SE, requiring that social entrepreneurs identify and exploit market opportunities, and assemble the necessary resources, in order to develop products and/or services that allow them to generate "entrepreneurial profit" for a given social project."	<ol> <li>trading for a social purpose</li> <li>identification and exploitation of market opportunities</li> <li>assembling the necessary resources</li> <li>developing of products and/or services</li> </ol>

 Table 1 Frequently-referenced definitions of SE (Continued)

Sources	SE Definitions	Definitional components of SE
		5. generation of " entrepreneurial profit" 6. social project
Yunus (2008)	"Any innovative initiative to help people may be described as SE. The initiative may be economic or non-economic, for-profit or not-for-profit."	<ol> <li>an innovative initiative</li> <li>helping people</li> <li>could be economic or non-economic</li> <li>could be for-profit or not-for-profit</li> </ol>
Zahra et al. (2009)	"SE encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner."	<ol> <li>discovery, definition, and exploitation of opportunities</li> <li>enhancement of social wealth</li> <li>creation of new ventures</li> <li>innovativeness</li> </ol>

Table 1 Frequently-referenced definitions of SE (Continued)

Source: (Catania 2012; with modifications and additions by the authors). Note: The "definitional components of SE" column and some sources are added by the authors

<sup>a</sup>https://ssir.org/articles/entry/social\_entrepreneurship\_the\_case\_for\_definition

from economic thoughts, its social orientation is more akin to sociology, although it is neglected up to now, and maybe because of this negligence we do not have sound theories in and universal consensus on this realm. Therefore, the definitions of SE must have social orientation, since the ends that SE is seeking such as: making social change, social welfare, social value and social results are extremely socially-oriented topics. Accordingly the usage of "social concepts" in most of the definitions is justifiable.

SE characteristics Sources Making Social Value Nicholls 2006; Dees 1998a; Gartener, 1990; Hibbert et al. 2002; Austin et al. 2006; Boschee, 1998; Alvord et al. 2004; Mort et al. 2002; Sarasvathy and Wicks 2003; Peredo and McLean 2006; Anderson and Dees 2002; Townsend and Hart 2008; Matin, 2004. Innovation<sup>a</sup> Schumpeter 1951; Drucker 1985; Herbert and Link 1989; Nijkamp 2000; Galindo and Mendez 2008; Covin and Slevin 1991; Lumpkin and Dess 1996; Morris and Kuratko 2002; Kuratko et al., 2005; Zakić et al. 2008; Miller and Friesen 1982; Covin and Miles 1999; Burgelman 1984; Kanter 1985; Alterowitz 1988; Naman and Slevin 1993; Zahra and Covin 1995; Rwigema and Venter 2004; Slater and Narver 2000; Smart and Conant 1994; Lumpkin and Dess 1996; Ussahawanitchakit 2007; Mohd Osman et al. 2011; Salarzehi and Forouharfar 2011. Seeking Opportunity Shane et al., 2003; Christiansen 1997; Ferreira 2002; Timmons and Spinelli 2003; Rwigema and Venter 2004; Kuratko and Hodgetts 1995; Simon 1996; Ireland, et al., 2003; Miles and Snow 1978; Stevenson et al. 1989; Berthon et al. 2004; Amabile 1997; Gilad 1984; Timmons 1978; Ward 2004; Whiting 1988. Nicholls and Cho 2006; Skoll Foundation, 2008; Prabhu 1999; Hoffman et al. 2010; Making Social Change Choi and Gray 2008; Cohen and Winn 2007; Waddock and Post 1991; Stryjan 2006; Picot 2012 Making Social Welfare Bugg-Levine et al. 2012; Scheuerle et al. 2013; Alvord et al. 2004; Battilana et al. 2012; Haigh and Hoffman 2012; Weisbrod 1977. Dees 1998a; Thake and Zadek 1997; Emerson & Twersky, 1986. Having Social Results

Table 2 Frequently-mentioned characteristics of SE

(Source: Rowshan and Forouharfar 2014)

<sup>a</sup>Since SE is an orientation of entrepreneurship; discussing philosophically based on syllogism, *Innovation* as one the most significant and pivotal characteristics of entrepreneurship is also granted for its social orientation too, although it is asserted frequently as one of the definitional components in SE literature

### Generalized SE definitional components

To apply each proposition ( $P_1$ ,  $P_2$ ,  $P_3$ ,  $P_4$ ) to all definitional components presented in Table 1 makes circumlocution and elongates the paper unnecessarily. Therefore, by considering the paper's philosophy that is, "Determining the definitional components of SE phenomenon to be contributive in future theorizing of and consensus making in the discipline" and the paper's goal which is "Presenting a final justified definition," we have selected those components or definitional elements which have been common among the SE authors and prevailing in the SE literature for further discussions. To achieve this end the components are generalized into the following 6 items (Table 3). In other words, those components which have the same nature and meaning but uttered with

SE Definitional Components	Generalized SE Definitional Components
<ol> <li>"innovative solutions" (Alvord et al. 2004)</li> <li>"innovative activity" (Austin et al. 2006)</li> <li>"innovation" (Brouard et al. 2008; Peredo and McLean 2006; Tan et al. 2005)</li> <li>"innovativeness" (Mort et al. 2002; Zahra et al. 2009)</li> <li>"social innovation" (Perrini and Vurro 2006)</li> <li>"innovative initiative" (Yunus 2008)</li> </ol>	social innovation (Perrini and Vurro 2006)
<ol> <li>"social transformations" (Alvord et al. 2004)</li> <li>"social transformation" (Brouard et al. 2008)</li> <li>"sustainable social change" (Dees 1998b)</li> <li>"stimulating social change" (Mair and Marti 2006)</li> <li>"transformative social change" (Roberts and Woods 2005)</li> <li>"a mission to change society" (Seelos and Mair 2005)</li> </ol>	transformative social change (Roberts and Woods 2005)
<ol> <li>"seeking of new opportunities" (Dees 1998b)</li> <li>"opportunity exploration and exploitation" (Mair and Marti 2006)</li> <li>"identification of an opportunity" (Martin and Osberg 2007)</li> <li>"recognition of social value-creating opportunities" (Mort et al. 2002)</li> <li>"recognizing and taking advantage of opportunities" (Peredo and McLean 2006)</li> <li>"construction, evaluation, and pursuit of opportunities" (Roberts and Woods 2005)</li> <li>"identification and exploitation of market opportunities" (Tracey and Jarvis 2007)</li> <li>"discovery, definition, and exploitation of opportunities" (Zahra et al. 2009)</li> </ol>	recognition of social value-creating opportunities (Mort et al. 2002)
<ol> <li>"created to pursue social missions" (Brouard et al. 2008)</li> <li>"orthodox businesses with social objectives" (Harding 2004)</li> <li>"social ends" (Hibbert et al. 2005)</li> <li>"social mission" (Lasprogata and Cotton 2003; Mort et al. 2002)</li> <li>"a mission to change society" (Seelos and Mair 2005)</li> <li>"social objectives" (Shaw 2004)</li> <li>"trading for a social purpose" (Tracey and Jarvis 2007)</li> </ol>	social mission (Lasprogata and Cotton 2003; Mort et al. 2002)
<ol> <li>"[It] can occur within or across the nonprofit, business, or government sectors." (Austin et al. 2006)</li> <li>"nonprofit organizations" (Lasprogata and Cotton 2003)</li> <li>"[It could be] economic or non-economic, for-profit or not-for-profit." (Yunus 2008)</li> </ol>	Not to be sector-bound (i.e. SE can happen in public, private and third sectors)
<ol> <li>"creation of sustainable social change" (Dees 1998b)</li> <li>"creation of viable socio-economic entities" (Fowler 2000)</li> <li>"[A] process of creating value" (Mair and Marti 2006)</li> <li>"creating social value" (Peredo and McLean 2006)</li> <li>"create new social value" (Perrini and Vurro 2006)</li> <li>"creating new ventures" (Zahra et al. 2009)</li> </ol>	To be creative

Table 3 The definitional components can be narrowed down to six more general components

(Source: authors' own work)

different words are rounded off and poured within one phrase to be able to evade parallel discussions for similar components.

### Methods

The philosophy of this paper is determining the definitional components of SE phenomenon to be contributive in future theorizing of the discipline. Therefore the aim of the research is the proposition of a more comprehensive and justified definition for SE that could potentially make a consensus among the SE scholars. To discuss the justifiability of different definitions, the paper has applied epistemological justification for SE definitional components. The rationale behind the selection of epistemology for SE definitions criticism is the application of this field of science for "justifiability" of human knowledge (Table 4). Thematic analysis as a qualitative method was initially used for deriving the "generalized definitional components" of SE out of the SE scholars' proposed definitions for SE. The process of thematic analysis in this paper was done first inductively; i.e. through the results and discussion section "generalized definitional components," which were extracted from (a) frequently-referenced SE definitions; and (b) frequently-mentioned characteristics of SE, were used to help the authors narrow down the realm of SE definitional phrases to be more concise and focused in their discussions on justification of the SE definitional components and second semantically, i.e. focused on the superficial, explicit meanings of the data and do not look beyond that or the connotative meanings (Boyatzis 1998).

On the next stage, for justifiable inclusion or exclusion of each "generalized definitional component" four epistemological propositions which are presented in Table 5 are put forward.

By applying the logic behind the abovementioned propositions (according to the presented flowchart in Fig. 3), logically consensus-making SE definitional components are determined to be used for a final epistemologically justifiable definition. Therefore the research question is:

What is a more epistemologically justified definition for SE?

### **Results and discussion**

The definitional elements within SE definitions (Tables 1 and 2) could fall within one or some of the following epistemological schools of thought: *Empiricism, Internalism,* 

Research Philosophy	Determining the definitional components of SE phenomenon to be contributive in future theorizing of the discipline.
Research goal	Examining the pros and cons of SE definitions through epistemological justifications to be able to present a final justified definition.
Research paradigm	Logical Positivism <sup>a</sup>
Research approach	Epistemological Justification
Research data	Secondary Data

Table 4         Summary of the paper's methodology	the paper's methodology
--	-------------------------

(Source: authors' own work)

<sup>a</sup>The research paradigm, which sheds light on the true definitional components of SE, is a logical positivistic one; in other words, in the evaluation process of SE definitional components, an SE component, is considered in Dancy, Sosa & Steup's (2010) words, "cognitively meaningful if and only if it is in principle empirically verifiable or falsifiable"

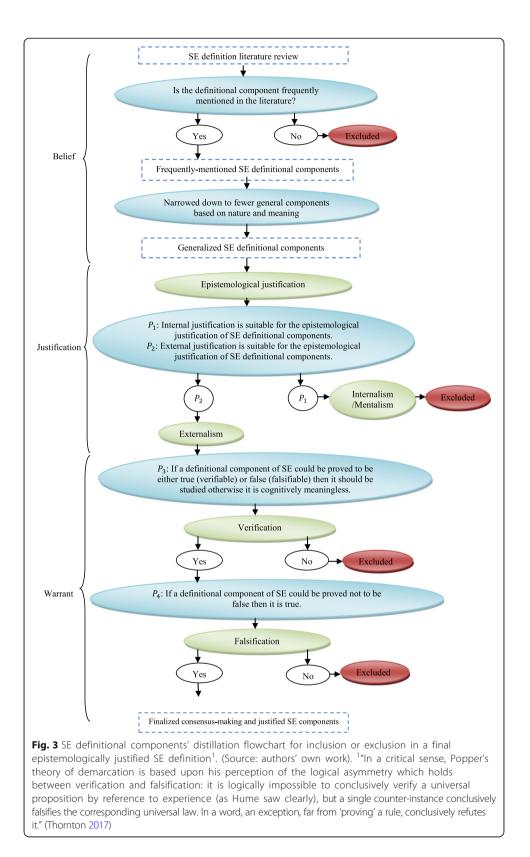
Epistemic Features <sup>a</sup>	Epistemological Schools of Thought	Propositions
Justification	Internalism	P <sub>1</sub> : Internal justification is suitable for the epistemological justification of SE definitional components.
Justification	Externalism	P <sub>2</sub> : External justification is suitable for the epistemological justification of SE definitional components.
Warrant	Verificationism	<i>P</i> <sub>3</sub> : If a definitional component of SE could be proved to be either true (verifiable) or false (falsifiable) then it should be studied otherwise it is cognitively meaningless.
Warrant	Falsificationism	$P_4$ : If a definitional component of SE could be proved not to be false then it is true.

**Table 5** The epistemological propositions of the paper as touchstones to SE definitional components

(Source: authors' own work)

<sup>a</sup>"Epistemically justified beliefs are ones it is reasonable or rational to believe. Epistemic warrant is whatever, when added to truth and belief, makes knowledge. Knowledge is true, epistemically warranted belief." (Markie 2010)

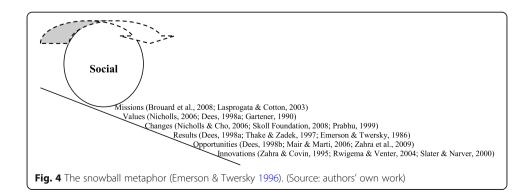
Externalism, Verificationism and Falsificationism. The rationale behind the choice of the abovementioned schools of thought in epistemology is the nature and type of the definitional components and attributed characteristics to SE by the scholars. In other words, the epistemological schools of thought are the touchstones for the justification of true and consensus-making components to be included in a final definition. Therefore, the intention behind these justifications is the final presentation of a more justified definition for SE. Global Entrepreneurship Monitor's definition on SE, as a universally known organization in charge of entrepreneurship, is weighty and noticeable. GEM up to end of the year 2017, has released two reports on SE: one in 2009 and the other in 2016. In Global Entrepreneurship Monitor 2009: 8) "following the recommendation of several scholars (Short et al. 2009; Zahra et al., 2008)," the report offers a "broad definition that relates social entrepreneurship to individuals or organizations engaged in entrepreneurial activities with a social goal (Van de Ven, Sapienza and Villanueva, 2007)." Although "both the 2009 report and the current 2015 to 2016 report define social entrepreneurship quite broadly" (Global Entrepreneurship Monitor 2016: 9), Global Entrepreneurship Monitor 2009: 9) mentions three outstanding characteristics for social entrepreneurs which "distinguish social entrepreneurs from 'regular' entrepreneurs and/or traditional charities. In particular, three selection criteria seem to stand out in the extant literature: the predominance of a social mission, the importance of innovation and the role of earned income." The subsequent Global Entrepreneurship Monitor 2016: 14-15) has identified seven characteristics as the main characteristics of SE: (1) "Social mission"; (2) "value creation"; (3) "value capture"; (4) "innovation"; (5) "reinvesting profit"; (6) "impact" and (7) "to be market-based". Finally, Global Entrepreneurship Monitor 2016: 18) has evaded offering a comprehensive definition of SE and it was contended with following bipartite definition for SE: "(1) The organization is driven by (social) value creation, rather than value capture; and (2) The organization is market-based, rather than nonmarket-based." However, it is the definition of social entrepreneurship organization (SEO) not SE. Concerning the definition, it is mentioned that "this narrow definition still allows for very different possible interpretations about what 'social' is and what 'entrepreneurial' means" (Global Entrepreneurship Monitor 2016: 18). Additionally, in the same GEM report on SE, "a social entrepreneur is defined as an individual who is starting or currently leading any kind of activity, organization or initiative that has a particularly social, environmental or community objective" (Global Entrepreneurship



Monitor 2016: 9). According to Table 1 the most common concept among the SE definitions is the "social" attribution. Therefore SE has seen as "solutions to immediate social problems" (Alvord et al. 2004); "social value creating activity" (Austin et al. 2006; Peredo and McLean 2006);"[having]social missions" (Brouard et al. 2008; Lasprogata and Cotton 2003), "valued" (Dees 1998b) and "stimulating social change" (Mair and Marti 2006); "yield[ing] and sustain[ing] social benefits" (Fowler 2000), "[having] social objectives" Harding (2004), "us[ing] of entrepreneurial behavior for social ends" (Hibbert et al. 2005); "social wealth enhancement" (MacMilan, 2005); "developing a social value" (Martin and Osberg 2007); "recognis[ing] social value-creating opportunities" (Mort et al. 2002); "[leading to]transformative social change" (Roberts and Woods 2005); "working for social rather than only profit objectives" (Shaw 2004); "generat[ing] 'entrepreneurial profit' for a given social project" (Tracey and Jarvis 2007); "enhanc[ing] social wealth" (Zahra et al. 2009), etc. Accordingly, the concept of sociality should be seen as the first definitional component in the process of consensus-making, i.e. mostly the definitions are social in orientation. Metaphorically, as a snowball which roles down a hillside picks up more snow around the initial core, and hence momentum, the concept of sociality could be used as a core and gathers more thoughts around itself during the stages in the process of unanimitymaking.<sup>12</sup> Organizing the SE definitional components around the concepts which are social can hasten the success in reaching a paradigm, and as the relevant concepts take form, it will take more velocity the same as the snowball that by getting bigger gets more acceleration. Therefore, every concept in SE could shape around "social" core and accordingly we will have social missions, social values, social changes, social results, social opportunities, social innovations and so forth (Fig. 4).

On the other hand the abundance of socially-oriented definitions among the proposed definitions for SE and the nature of SE as a social phenomenon, justifies the acceptance of sociology in SE studies and definitely pushes SE to be a more interdisciplinary discipline in respect to entrepreneurship.

SE concept is formed to be an effective response to the unsolved social problems (Yujuico 2008; Nicholls 2006; Alvord et al. 2004), therefore SE intention is pragmatic. Accordingly, in dealing with the type of justification suitable to SE, pragmatist<sup>13</sup> view is chosen by the paper's authors. But before approaching the SE definitional components discussion we can have two propositions:



 $P_1$ : Internal justification is suitable for the epistemological justification of SE definitional components.

 $P_2$ : External justification is suitable for the epistemological justification of SE definitional components.

Epistemologists either take *Internalism* or *Externalism* for epistemic justification; accordingly the justification for SE definitional components could be dichotomous either internalist or externalist. These two propositions are "mutually exclusive"<sup>14</sup> so by scientifically defendable acceptance of one of them the other proposition / counterclaim will be excluded or rejected automatically. The juxtaposition of  $P_1$  and  $P_2$  is the starting point for the selection of suitable justification (internal or external) in our discussions.

### Rejection of Internalist justification for SE definitional components

Internalist justifications cannot help the scholars in reaching a consensus in defining SE. Internalism claims that the justification of the belief is internal to the believer or subject. Goldman (1999) slashing criticism of Internalism in his paper Internalism Exposed rejects Internalism since it is "rife with problems". One of the problems which could be also applied to SE definitions based on Goldman's claim is the situation he arises. He believes, "two people in precisely the same evidential state (in terms of perceptual situation background beliefs and so on) might have different epistemic entitlements," in other word they could have different justifications for the same body of evidence. Accordingly when SE scholars mention "social mission" (Mort et al. 2002; Lasprogata and Cotton 2003), "social transformation" (Alvord et al. 2004; Brouard et al. 2008), "social innovation" (Perrini and Vurro 2006), etc.; they pragmatically and internally try to justify the necessity of SE existence in their definitions based on its impact on society. Therefore, such examples call for reliance of SE definitions on scientifically collected data and evidence with requisite of external justifications; in other words the reasons of each diction (choice of words in definitions) should be outside the mental world of the definition proposer (by such an approach justifying SE definition will be as objective as possible). On the other hand, internalist approach to SE definition, creates different "epistemic values" which slacken the formation of a paradigm in SE. Different values magnify different definitional components which lead to perplexity and ambiguity. As Bonjour (2010) puts it, "on the externalist side, we have ... the argument that internalism inevitably leads to skepticism." Since Skepticism deals with doubts, on one hand it blocks the way to the formation of a consensusmaking situation among SE scholars, and on the other hand lags the acquisition of unanimity in SE definition.

### Mentalism

The type of *Internalism* which is unfortunately common among the scholars for the SE *justification* is *Mentalism*.

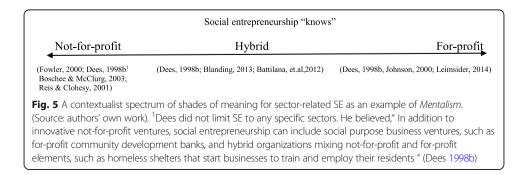
According to Conee & Feldman (2004: 55) mentalist justification deals with the entities "internal to the person's mental life" and also with "occurrent and

dispositional mental states, events, and conditions". Usually, the SE scholars define SE differently and bold various keywords in this knowledge (Table 1). For example different scholars have seen a concept like "social change" as "social results" (Dees 1998a; Thake and Zadek 1997; Emerson & Twersky 1986), "social welfare" (Bugg-Levine et al. 2012; Scheuerle et al. 2013; Alvord et al. 2004; Battilana et al. 2012; Haigh and Hoffman 2012; Weisbrod 1977) or "social value" (Nicholls 2006; Dees 1998a; Gartener 1990; Hibbert et al. 2002; Austin et al. 2006; Boschee 1998; Alvord et al. 2004; Mort et al. 2002; Sarasvathy and Wicks 2003; Peredo and McLean 2006; Anderson and Dees 2002; Townsend and Hart 2008; Matin 2004). Therefore, their justifications for the inclusion of definitional components mostly originate from internal and subjective grasp of the phenomenon. Such discrepancy could be stemmed from different "mental state[s] of the epistemic agent[s]" (Pappas 2014). How could SE scholars define the same thing but have different mental states towards it? It could be answered if we consider their justification of SE belief first internal and then mental, in other words different states of mind led to different definitions which show different justifications for the belief in knowing the entity that they define, hence SE. Therefore, they usually define their mental grasps of SE not the external social realities. That is the main reason for inability of the SE discipline in reaching a paradigm. On the other hand, in defining SE we have got to deal with "what is, not for what"15 we think should be; therefore reliance on Mentalism (because of the changing propensity of the ideas by age, experience, scientific background, and the potential "implicit bias"<sup>16</sup>) sets SE definitions on a flaky and simultaneously shaky foundation. In contrary, we should establish the definitional structure on a solid foundation which does not change from person to person. Such a foundation ought to be chosen from the concrete reality in the real world, not the idealistic mind of the proposer, a reality which has one or most of the features such as tangibility, sensibility, observability and scalablility. Internalist justification, hence because of its reliance on mere cognitive and mental perception of the scholar potentially results in more dissonance in the definition of SE.A good example for such Mentalism is seen in the sectors that SE could happen. According to Austin et al. (2006) "SE is an innovative, social value creating activity that can occur within or across the nonprofit, business, or government sectors;" or Yunus (2008), in defining SE believes, "The initiative may be economic or non-economic, for-profit or not-for-profit"; while Lasprogata and Cotton (2003), define SE as "nonprofit organizations" and reject the other possible sectors and organizational forms. In real world, we can see obviously that SE could happen in any sectors; therefore exclusion of some sectors and accentuation of only one sector is an idealistic Mentalism. It is the same as the well-known Francis Bacon's anecdote dealing with the discussion among some philosophers on the number of horse's teeth. Each one of them based on deduction tried to say a number. After some days of quarrel among them which was originated from reluctance to count the teeth of a real horse somebody suggested to open the mouth of a horse and count his teeth. In reality, SE could take place in any sector, but idealistically its realm is not-for-profit.

Another reason to the vast arena of mental states in defining SE among the SE scholars could be *Contextualism*. Based on different local, economic and social

"contexts" scholars have had various attribution of definitional components to SE, which is stemmed from numerous cognitive perceptions of "knowings" in respect to SE. In Contextualism, "the truth conditions for sentences containing the word "knows" vary from one context to another" (Feldman 2010). The result of such a situation had been the production of a spectrum of shades of meaning for SE. Therefore, an SE scholar in Iran with different socio-economic and cultural context potentially defines SE different from the definition of his colleague for instance in Canada. So, when we say we "know" what SE is, the word "know" cognates with economic, social, and cultural contexts which begets the type of the SE that the subject "knows". Accordingly, SE in the American context is different from the SE in the European one (Nyssens 2006; Kerlin 2006). Each context bolds certain characteristics of SE, for example in the American context SE takes place in social enterprises that emphasizes revenue generating exercises (Kerlin 2006) and it is extremely market-oriented (Nyssens 2006). On the other hand, in the European context SE mostly defines in and deals with the third sector and acts within social economy (Hoogendoorn et al. 2010) and the social enterprises which are implementing SE are active in not-for-profit sector (Nyssens 2006). Some authors such as Urban (2008) substituted the word "environment" for context. He believes SE, "can be viewed as a process that serves as catalyst for social change, and varies according to socio-economic and cultural environments" (Urban 2008); or for example Weerawardena and Mort (2006) believe that SE concept must be understood within "competitive environment". Dealing with SE contextually results in disparity in definitions. Metaphorically, SE changes into a chameleon which takes different colors by standing on different contexts (environments). It could be seen as one of the principal barriers to the formation of a universal or semi-universal definition for SE and on the way to SE paradigm formation as well.

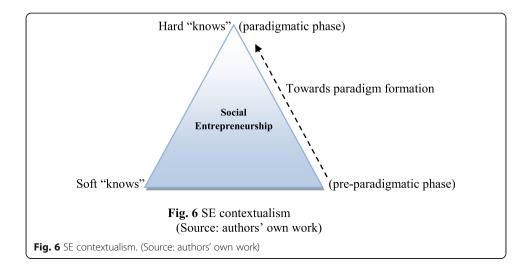
SE is defined in different sectors which based on the defining context and ground has taken the necessary attributes to be able to be defined in that context. Therefore SE in not-for-profit sector could be potentially different to the SE in for-profit sector or in public sector. Hence, SE reveals itself as, "a multi-interpretable concept" (Hoogendoorn et al. 2010). Some authors (Fowler 2000; Boschee & McClurg, 2003; Reis and Clohesy 2001) define SE in not-for profit sector and some others define it in for-profit sector but with social intentions (Johnson 2000; Leimsider 2014; Lapowsky 2011) or believe they are "starting for-profit" regardless of their present sector (Dees 1998b)(Fig. 5). Contextualist spectrum of shades of meaning for SE takes the most extensive form in Nicholls (2006)



definition of the phenomenon as, "an umbrella term for a considerable range of innovative and dynamic international praxis and discourse in the social and environmental sector."

"Soft knows" consist of a range of "knows" in defining SE. Such a situation is common in pre-paradigmatic fields of knowledge, since each scholar "knows" and accordingly defines the phenomenon differently. As the "soft knows" narrow down to a fewer scientifically supported and more consensus "hard knows" it takes a more paradigmatically defined form. Such a situation in the future as any field of knowledge will potentially occur to SE too. At the base of the pyramid we face numerous and sometimes contradictory definitions for SE (Fig. 6). In respect to SE definition, the current situation is at the base of the pyramid, and thus the SE definitions are bearing a pre-paradigmatic sense. We can attribute to the peak and the base of the pyramid according to Feldman's (2010) discussion "strong sense" and "weak sense" of "knows" respectively. He believes, "in its strong sense knows" requires something like absolute certainty ... "in its weak sense, it requires strong reasons of the sort we often do have." Because of this necessity to provision of "reasons" for the "weak sense" of "knows" in SE definitional components that verification and falsification as two reasoning tools are used in this paper.

Mostly the SE authors have defined their own subjectively mental visions instead of the objective reality of SE. Such a situation recalls the Platonic example of the cave and the shadows.<sup>17</sup>SE authors have usually dealt with the effect not the cause. They had been busy with the cast of the shadows on the wall of the cave and they did not try to come out of the cave to face the true existence of SE. Dees (1998b) after presenting its pentagonal definition<sup>18</sup> of social entrepreneurs believed, "This is clearly an 'idealized' definition. Social sector leaders will exemplify these characteristics in different ways and to different degrees." Another idealism which has seen in SE literature is a tendency to show social entrepreneurs as heroes (Dacin et al. 2011) and SE as an act of heroism and accordingly they claim that such world-saving and world-changing attributions which sometimes attributed to social entrepreneurs is an, "idealistic assumption" about them which, "is misleading because it confounds issues of ability with issues of motivation and interest." On the other hand, one of the reasons that



makes SE definition hard is the fact that, "there is no proven method, code of practice or core business model to follow" in SE (Roberts and Woods 2005) which inherently originates from lack of paradigm.

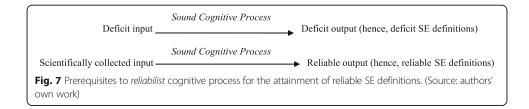
### Supporting externalist justification for SE definitional components

To justify the applicability of the definitional component to SE we have to take *externalist justification*. According to externalists there is no need for cognitive grasp or internal access to reasons or facts to make what somebody believes justified (Bonjour 2008). In other words, the justification of belief, in *Externalism*, begets from the facts and reasons, which are completely external to "the agent's subjective awareness" (Sosa et al. 2008). Externally justified definitions of SE should deal with non-mental entities, the factual and scientific entities in the real world. Such definitions of SE should have "an externalist view" which according to Bonjour (2010), "allows some element that is essential to the cogency of a justificatory reason to be outside of, external to, the person's cognitive perspective."

Providing some successful SE examples like Aravind Eye Clinic<sup>19</sup> in India,  $Mahak^{20}$  charity for children who are diagnosed with cancer in Iran, Grameen  $Bank^{21}$  in Bangladesh,  $Ashoka^{22}$  and so many other examples in the world out there, is helping us to take externalist justification. Such examples provide sufficient facts to justify the existence of an orientation of entrepreneurship with socially practical outcomes. To specify and narrow down the type of *Externalism* which is discussed in the above lines we should claim that Aravind Eye Clinic, Mahak, Grameen Bank and Ashoka are some of the successful evidences and examples that SE seeks for as "social changes". These examples are social changes which supports *Evidentialist*<sup>23</sup> *Externalism* for justification of SE definitional components. It is evidentialist since it is based on tangible life-like examples and it is externalist because it does not pursue mental concepts for the justification of SE but on the contrary the observable axiomatic instances of SE.

### Reliabilism

*Reliabilism* is an externalist justification approach. In *Reliabilism* a belief considers to be justified if it is based on a reliable cognitive process. This reliability deals with and contributes to the formation of what Goldman's (2010) key phrase calls "truth-conduciveness of a person's reasons". *Reliabilist* definition of SE has a key condition. Initially the input or data gathering and observations must be based on scientific methodologies and approaches. Otherwise even if SE scholar has the sharpest and brilliant mind the result will be garbage in, garbage out and hence unjustified definition or a far-fetched definition of SE (Fig. 7).



*Externalist* justification helps SE scholars to be "objective" in their choice of true SE definitional components. According to Audi (2010: 558) "the subjective-objective contrast arises above all for the concept of justification". He believes that, "externalism, particularly reliabilism, construes justification objectivistically, since for reliabilism truth-conduciveness (non-subjectivity conceived) is central for justified belief."

Moreover, "concrete definitions" will contribute to "overcome the vagueness of the concept of social entrepreneurship" (Certo and Miller 2008: 267). Concrete definition calls for concrete, externalistically justified and empirically verified definitional components. We cannot present a hard and fast definition of SE unless we achieve the true and tangible constituents of the SE.

Therefore, we reject:

### $P_1$ : Internal justification is suitable for the epistemological justification of SE definitional components.

And based on "mutual exclusivity" logic and the aforementioned discussions, we accept:

### *P*<sub>2</sub>: External justification is suitable for the epistemological justification of SE definitional components.

Furthermore, by accepting  $P_2$ , we could be more focused in our discussion, and then we should accept the epistemological schools of thought which emphasize externally tangible and sensory reasons for the justification of SE definitional components. Hence, *Empiricism* because of its emphasis on experience and experiment is one of the possible acceptable schools of thought for external justification.

### **Empirical definition of SE**

*Empiricism* is a school of thought which claims that knowledge merely originates and comes from sensory experience (Psillos and Curd 2010), that is, "empiricists draw the moral that the social sciences can and should cease to use *mental* concepts in explanation, replacing them by genuinely scientific explanations" (Lessnoff 1974). Basically empirical researches in SE are meager. According to Short et al.'s (2009: 161) study "conceptual articles outnumber empirical studies, and empirical efforts often lack formal hypotheses and rigorous methods. These findings suggest that social entrepreneurship research remains in an embryonic state." Granados et al. (2011) and Sassmannshausen and Volkmann (2013) also demonstrated that mostly SE papers with high citations did not have empirical sections and had usually used qualitative approaches. On the other hand, in the realm of SE conceptual papers had been dominant (Hoogendoorn et al. 2010). Additionally, "its rapid growth" according to Newbert (2014: 239) has resulted in lacking of "a robust, unified body of empirical research." Therefore, it will be hard to specify to what extent has the application and theorization of the concept of social entrepreneurship led to different empirical outcomes.

Empirically, we can put forward two supplementary propositions:  $P_3$  for *verification* and  $P_4$  for *falsification* of SE definitional components. The propositions are explained under the following subheadings:

### Verification of SE definitional components

 $P_3$ : If a definitional component of SE could be proved to be either true (verifiable) or false (falsifiable) then it should be studied; otherwise it is cognitively meaningless.

Sensory experience has seen as the source of knowledge. Through *Logical Empiricism* (*Logical Positivism*) the emphasis on sensory experience took a vigorous form. The outcome was *Verificationism*, a view which asserts only the statements that are empirically verifiable are cognitively meaningful; in other words, statements or philosophical propositions must be either true (verifiable) or false (falsifiable); otherwise they are meaningless and nonscientific.

In a scientific point of view, SE is not a moralist's or utopian socialist's entity, but it seeks social impact and if it has such an intention, it should be empirically and socially tangible and observable, that is, each SE component and claim must be verifiable; otherwise it is cognitively meaningless. Application of verification to SE definitional components does not mean to fall into *Mathematicism* or *Physicism* to verify SE suitable components for its definition but it accentuates that in defining SE we must be logically "scientific", in a sense that SE definitional components being supported by cogent scientific logic (e.g. facts, data and appropriate methodologies).

I. Verification of "social mission" Dees (1998b) in his influential paper The Meaning of Social Entrepreneurship truly believed, "any definition of social entrepreneurship should reflect the need for a substitute for the market discipline that works for business entrepreneurs." He believes although social entrepreneurs are active in a market; the concept of the market is different from the conventional type of entrepreneurship. The markets for social entrepreneurs are missionoriented, not financially-oriented and seek "mission-related impact" in the community and also the estimation of how much social value is made in SE by the application of market resources is a challenging issue. Such a view gives prominence to the role of social mission in determination of who and how should be served. Therefore, he prioritizes, "Adopting a mission to create and sustain social value (not just private value)" as the first of the five items that he presumes for a social entrepreneur as a "change agent".<sup>24</sup> The importance of SE definitions which are mission-oriented is also reflected in the summary of Dacin et al.'s (2011) paper. They believed, "a mission-focused definition of social entrepreneurship provides the field with the potential to offer something unique to organization science."

"Social mission" could be verified if it is reflected in the mission statement of the SEO; otherwise it could not be applied in the strategic planning of the organization.<sup>25</sup> Each organization's strategic planning determines the policies and accordingly the operational plans to implement the formulated strategies. Therefore, a socially entrepreneurial organization or agency must have a social mission statement. In the absence of such a social mission statement, sometimes the organization acts a socially entrepreneurial one and in many other cases there would not be any guaranties to behave as an SEO. Having social mission to be

included in SE definitions is cognitively meaningful. Therefore, we can assert the justification as:

Since all SEOs have "social mission statement" (SMT) and all non-SEOs feel no necessity to have a persistent social mission that was translated and uttered in their mission statements,<sup>26</sup>social mission(SM) is the drive which pushes the organizations and agencies towards social commitment to the society or community and it is a definitional component of SE.<sup>27</sup>

 $SEO \land SMT \rightarrow SM \leftrightarrow SE$ 

**II.** Verification of "social innovation" Since SE is a form of entrepreneurship, it must deal with a form of "innovation". The presence of innovation to SE is so pivotal and vital that it could not be defined without it. Innovation is the most fundamental concept for any form of entrepreneurship and accordingly for SE too (Schumpeter 1951; Drucker 1985; Herbert and Link 1989; Nijkamp 2000; Galindo and Mendez 2008; Covin and Slevin 1991; Lumpkin and Dess 1996; Morris and Kuratko 2002; Kuratko et al., 2005; Zakić et al. 2008; Miller and Friesen 1982; Covin and Miles 1999; Burgelman 1984; Kanter 1985; Alterowitz 1988; Naman and Slevin 1993; Zahra and Covin 1995; Rwigema and Venter 2004; Slater and Narver 2000; Smart and Conant 1994; Lumpkin and Dess 1996; Ussahawanitchakit 2007; Mohd Osman et al. 2011; Salarzehi and Forouharfar 2011). The type of innovation that SE should seek is an external type of innovation. It means there should be tangible and sensible innovation which could be seen or felt easily in society. It is a must to feel and see the innovation easily otherwise it is a theoretical creativity, an idea that demands a social entrepreneur to translate it into practical innovation. Moreover, the relevance of innovations to "society", justifies the application of "social" for the innovations. The innovations in SE are social innovations (Sheldon and Daniele 2017; Perrini and Vurro 2006), i.e. the innovations which are practical and have been implemented in society. Therefore, we can assert the justification logic as:

Since SE is an orientation of entrepreneurship (E) and "innovation" (I) is an inseparable and irrefragable component of entrepreneurship, then the social orientation of entrepreneurship (SE) should also have innovation in its nature and because it is active in the social realm, the kind of innovation that SE deals with must be "social innovation" (SI).

 $(SE \leftrightarrow E \leftrightarrow I) \rightarrow (SE \leftrightarrow I) \rightarrow (SE \leftrightarrow SI)$ 

**III. Verification of "transformative social change"** "Social change" (Nicholls and Cho 2006; Skoll Foundation 2008; Prabhu 1999; Hoffman et al. 2010; Choi and Gray 2008; Cohen and Winn 2007; Waddock and Post 1991; Stryjan 2006; Picot 2012) is a definitional component of SE. Social change is inherently against the status quo. When the status quo stays for a long time its deficit functions in the social arena make some deprivations for some individuals or a group of people or result in some catastrophic

environmental, economic, political or social effects. SE is naturally a reaction to the embedded social malfunction and tries to transform it to a better and socially, environmentally, politically, or economically beneficial status. Therefore, we can assert the justification logic as:

Change is the result of any entrepreneurship.<sup>28</sup>The change that entrepreneurship seeks is unbalancing the current equilibrium (disequilibrium, D). SE also tries to make a new and fair equilibrium by destroying and toppling the current unjustified order (social disequilibrium, SD) which is envisaged in social segregations, deprivations, injustice, etc. Then it is a change which is social(SC) and since it is unbalancing the status quo (equilibrium) it is transformative(T), in other words, it is transformative social change (TSC).

 $(E \rightarrow C) \leftrightarrow (E \rightarrow D) \rightarrow (SE \rightarrow SC) \leftrightarrow (SE \rightarrow SD) \rightarrow TSC$ 

**IV. Verification of "recognition of social value-creating opportunities"** Social value assessment is an abstract issue which is very hard to be measured or to be determined. Emerson (2003) believes, "most elements of social value stand beyond measurement and quantification". Dees (1998b) has mentioned the hard task of determining economic utility<sup>29</sup> of social value creation by SE since social entrepreneurs' markets are different from the commercial ones:

"With business entrepreneurs, wealth creation is a way of measuring value creation... Markets are not perfect, but over the long haul, they work reasonably well as a test of private value creation, specifically the creation of value for customers who are willing and able to pay... Markets do not work as well for social entrepreneurs. In particular, markets do not do a good job of valuing social improvements, public goods and harms, and benefits for people who cannot afford to pay. These elements are often essential to social entrepreneurship. That is what makes it social entrepreneurship. As a result, it is much harder to determine whether a social entrepreneur is creating sufficient social value to justify the resources used in creating that value."

Additionally, sometimes economic utility is in contrast to social utility, as Christlieb (2012) mentions, "Santos 2012 points to the example of the Mexican bank *Compartamos* and argues that an enterprise needs to decide whether the focus is on the creation of social or economic value."

Hlady-Rispal and Servantie (2016), in the paper *Deconstructing the way in which value is created in the context of social entrepreneurship* asserted that: "within empirical or conceptual studies, almost all authors use the term 'value', but seemingly assume the dimensions of value rather than define or analyze its connotations and components." Such multi-dimensional connotative "values" in SE has taken *mentalist* interpretations.<sup>30</sup> Their belief of, "all authors use the term 'value', but seemingly assume the dimensions" is a hint for our attribution of *Mentalism* to "value" in SE literature (e.g. Certo and Miller (2008) define social value as, "the fulfillment of basic and long-standing needs", and in Thake and

Zadek (1997) as reduction of inequalities or resolving social problems by Drayton (2002)). These connotations reveal the ambiguity of the concept. Measurability of value-creation for a social opportunity is tougher. It is very hard to assess how much value-creation is potentially in a social opportunity.

Finally, it is very hard to empirically verify "social value creation" by SE opportunities since it is a *mentalist* assertion. Based on the rejection of proposition 1  $(P_1)$  (internalist *Mentalism* is rejectable) and the acceptance of proposition 2  $(P_2)$ , (the acceptance of externalist justification) we should claim that because of immeasurability and indescribability of social value it is not possible to be justified externally, and it needs to be justified by mental states of the authors and on such a ground it is an *internal* justification and so rejectable. In other words:

"Social value creation" (SVC) for social opportunities could have logically empirical acceptance if and only if it applies externalist justification (EJ) and since it cannot be justified by the externalist justification but its needs its contrary (internalist justification, IJ) then it is rejectable as a paradigm-making and tangible SE component and it is going to be eliminated in our final SE definition.

 $(SVC \leftrightarrow IJ) \rightarrow (SVC \leftrightarrow \neg EJ) \rightarrow SVC \lor SE$ 

One of the attributed characteristics to any entrepreneurship (E) is opportunity-seeking (OS). SE is an entrepreneurship with social objectives which is active in the social realm, therefore the nature of the opportunities that SE seeks must be social (social opportunity seeking, SOS) since it finds its opportunities in the society and applies those opportunities for social benefits.

$$(E{\leftrightarrow}OS){\rightarrow}(SE{\leftrightarrow}E){\rightarrow}(SE{\leftrightarrow}SOS)$$

V. Verification of "not to be sector-bound" According to Table 1 and summation of different authors' observations of SE in different sectors (Not-for-profit; e.g. Fowler 2000; Dees 1998b; Boschee & McClurg, 2003; Reis and Clohesy 2001; Hybrid; e.g. Dees 1998b; Blanding 2013; Battilana et al. 2012 and For-profit; e.g. Dees 1998b, Johnson 2000; Leimsider 2014), it could be claimed that:

*SE* could be seen in public (PUB.S), private (PRI.S), for-profit (FP.S), and not-for-profit (NFP.S) sectors, therefore, it is not bound to the sector (S).

 $SE \land (PUB.S/PRI.S/FP.S/NFP.S) \rightarrow SE \land \neg S \text{ or } SE \lor S$ 

### VI. Verification of "to be creative"

Change is the result of any entrepreneurship or according to Schumpeter, entrepreneurship (E) has "creative destruction"(CD), since on one hand SE is entrepreneurship, and on the other hand, innovation(I) is one of the fundamental traits to any entrepreneurship and any innovation needs creativity (C) then SE needs creativity too.

$$\frac{(E \leftrightarrow CD) \land (E \leftrightarrow I) \rightarrow (SE \leftrightarrow CD) \land (SE \leftrightarrow I)}{(E \leftrightarrow I \leftrightarrow C) \rightarrow (E \leftrightarrow C)}$$

Finally, the following SE definitional components are logically verifiable:

- 1. "social mission"
- 2. "social innovation"
- 3. "transformative social change"
- 4. "recognition of social opportunities"
- 5. "not to be sector-bound"
- 6. "to be creative"

And, as it was elaborated under its relevant heading, "Value-Creation" which was attributed to "social opportunities" is not verifiable on the ground that it requires internal justification which leads to *Mentalism*.

The abovementioned components are discussed in the next section for falsifiability.

### Falsification of SE definitional components

 $P_4$ : If a definitional component of SE could be proved not to be false then it is true.

*Karl Popper's Falsificationism* as a distinguishing factor between scientific and unscientific claims is a touchstone for us to distinguish true SE definitional components from the false ones. According to Popper; we should search for falsifiable issues. We should try to falsify them by "counter-evidence" and "those which survive testing should then be tentatively accepted and regarded as corroborated or closer to the truth than the ones which have been falsified" (O'Hear 2010). By providing "counter-evidence" cases for each SE definitional component, we can test their falsifiability and avoidance of pseudo-components. In other words, falsification could be used here as a reasoning tool for the acceptance or rejection of SE definitional components.

If an asserted SE component in the definitions deals with what "should be" or falls into "moral biases", because of being heavily subjective or mentalist interpretation of the SE phenomenon, it will be rejected before any discussion for falsifiability.

**I. Falsification of "social mission"** Non-socially entrepreneurial organizations have not a "social mission statement", so all SE which takes place by organizations, if is conditioned to be persistent, need to have "social mission statement".

All non-SEOs (NSEO) do not have a social mission statement (SMT) and accordingly do not act socially entrepreneurial (SE). Therefore; in contrast SEOs have a "social

mission statement" and accordingly define their strategic views based on "social missions".

$$NSEO \land \neg SMT \rightarrow \neg SE$$
  
or  
$$NSEO \lor SMT \rightarrow \neg SE$$

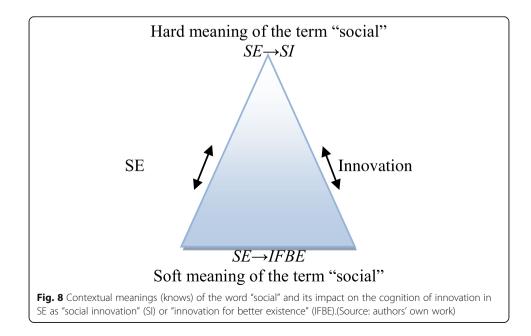
### II. Falsification of "social innovation"

All SE begets social innovations.

 $SE \rightarrow SI$ 

Concerning the contextual SE presented in Fig. 6 (dealing with "hard knows" and "soft knows" as two contextual understanding of the concepts soft "social" and hard "social") we can have two different types of innovations in SE which are discussed in the following:

**Soft knows** Although SE in many cases brings social innovation to society, as it was asserted briefly, there are some other possible cases too; for example, ecological or environmental innovations which are not "social"; in a sense that, they are not directly related to human society or human social life (e.g. treating sick animals in an organization such as *World Organization for Animal Health*<sup>31</sup> or trying to help endangered animals and prevent their extinctions in *World Wildlife Fund*<sup>32</sup> or preserving jungles in an organization such as *Rainforest Foundation US*<sup>33</sup> or *UN Environment*<sup>34</sup> and natural, cultural or historical preservatory activities such as in *UNESCO's World Heritage Fund*<sup>35</sup> all could be stereotype examples of the realms that we could find SE). "Soft knows" extend the meaning of the term "social" in SE. Therefore the claim that, "All SE begets social innovations (*SE*—*SI*)" is falsifiable or refutable on the ground that there is SE in the real world which



makes environmental, ecological, preservative, and some other animate being-oriented innovations. Therefore, it is better to modify that claim as:

All SE begets innovations benefiting live beings for a better existence (in other words, innovation for better existence, IFBE).

### $SE \rightarrow IFBE$

Such a claim can broaden and extend the hug of SE to really embrace what it really does, it means SE is not only active in the social realm and human being lives but also in all other fields which contribute to the existence and rehabilitation or conservation of other animate beings.

**Hard knows** If we limit the realm of SE only to the social realm and define other entrepreneurship such as *Ecopreneurship*,<sup>36</sup> *Green Entrepreneurship*, and *Sustainopreneurship* for the aforementioned cases; then the first claim could not be falsified, therefore we accept the following logic conditionally<sup>37</sup>:

All SE begets social innovations.

 $SE \rightarrow SI$ 

In other words, lack of social innovation (SI) leads to lack of SE.

 $\neg SI \rightarrow \neg SE$ 

According to Fig. 6 dealing with "hard knows" and "soft knows" as two contextual understanding of the concepts in SE we can look at the word "social" in the phrase "social entrepreneurship" as hard (limited and specific) or soft (extended meaning which embraces environmental, ecological and other animate beings) (Fig. 8) and accordingly by narrowing down the concept of "social" and ascending the triangle (limiting and specifying our cognition) we could have a hard and fast knowledge of the word "social" and based on it define "social" only in the realm of society and thus the innovation which takes place in SE merely as "society-oriented innovation" and innovation must be defined as "social innovation" (SI). On the other hand as we descend the triangle, the soft concept of "social" is intensified and could include the other animate beings such as animals and plants or entities which contribute to the ecologies such as earth and its preservation; therefore any movement towards the facilitation and improvement of these entities could also count as "social" concept in its extended meaning. The hard concept of "social" in SE as it was shown is verifiable and not falsifiable, but the soft concept of "social" in the phrase SE is refutable to be used as a definitional component except we define the type of innovation that it makes as "innovation for better existence" (IFBE).<sup>38</sup>Furthermore, moving towards the peak of the triangle and hence limiting the type of innovation that SE seeks to "social innovation" we move towards convergence, unanimity and paradigm formation and moving in the opposite direction, counter move towards the base, makes divergent ideas, perplexity and residence in a pre-paradigmatic phase.

**III.** Falsification of "transformative social change" If there were no innovation (I), there were no entrepreneurship(E), also if there were no innovation, there were no transformative change (TC), accordingly lack of social innovation (SI) is corollary to non-existence of SE, i.e. lack of social innovation means lack of social change (SC) which inherently leads to lack of SE.

 $\frac{(\neg I \rightarrow \neg E) \land (\neg I \rightarrow \neg TC)}{(\neg SI \rightarrow \neg SE) \land (\neg SI \rightarrow \neg SC)}$ 

**IV. Falsification of "recognition of social value-creating opportunities"** "Value-creativity" was excluded in the verification; therefore we discuss falsifiability of "recognition of social opportunities". Thus, we put forward the following logic:

The prerequisite of any social innovation is taking advantage of social opportunities, *i.e.* lack of social opportunities (SO) leads to the nonexistence of social innovation (SI) which makes SE. Therefore, social innovation takes place within the recognized, perceived and used social opportunity.

$$\neg SO \rightarrow \neg SI \rightarrow \neg SE$$

### V. Falsification of "not to be sector-bound"

*If lack of social innovation (SI) leads to the lack of SE, then lack of social innovation in any sector (public, private, for-profit & not-for-profit) leads to the lack of SE in that sector.* 

 $\begin{array}{c} \neg SI \rightarrow \neg SE \\ \neg SI \wedge PUB.S. \rightarrow \neg PUB.S.SE \\ \neg SI \wedge PRI.S. \rightarrow \neg PRI.S.SE \\ \neg SI \wedge FP.S. \rightarrow \neg FP.S.SE \\ \neg SI \wedge NFP.S. \rightarrow \neg NFP.S.SE \end{array}$ 

**VI. Falsification of "to be creative"** Some authors (Albrecht and Albrecht 1987; Okpara 2007) believe "creativity" entails an abstract form (idea) and; in contrary, "innovation" entails the concrete form (practice) (i.e. creativity is conceptual and innovation is practical since innovation is the creativity which has been put into practice).

Therefore we can claim:

Social creativity (SC)<sup>39</sup> is the prerequisite to social innovation (SI),<sup>40</sup> since innovation is the conceptual creative idea which was put into practice and the final result is SE.<sup>41</sup>Therefore in the absence of social creativity, there is no social innovation and consequently no SE.

 $\neg SC \rightarrow \neg SI \rightarrow \neg SE$ 

On the other hand, in management literature "creativity" and "innovation" are mostly discussed simultaneously (e.g. Amabile 1988; Marković et al. 2012;

Martins and Terblanche 2003; Ekvall 1996; Luecke and Katz 2003; Robinson and Stern 1998; Bassett-Jones 2005; McLean 2005; Heunks 1998; DiLiello and Houghton 2006; Somech and Drach-Zahavy 2013).Therefore, even if they happen together and there would not be a priority or posteriority, we can assert the following logic:

Innovation (I) and creativity (C) are interrelated

 $I \! \leftrightarrow \! C$ 

Accordingly, social innovation (SI) is interrelated to social creativity (SC), and since one of the possible ways which leads to social innovation is SE, then we can claim that SE is also requires social creativity, and hence it is an accepted SE definitional component:

 $\frac{I\leftrightarrow C}{SI\leftrightarrow SC}$   $\frac{SI\leftrightarrow SE}{SE\leftrightarrow SC}$ 

In other words, lack of social innovation (SI) and social creativity (SC) are simultaneous which inherently leads to lack of SE:

 $\neg SC \leftrightarrow \neg SI \leftrightarrow \neg SE$ 

Therefore, the following SE definitional components successfully pass falsifiability:

- 1. "social mission"
- 2. "social innovation"
- 3. "transformative social change"
- 4. "recognition of social opportunities"
- 5. "not to be sector-bound"
- 6. "to be creative"

Table 6 has summarized the final SE definitional components in relation to *internalist* ( $P_1$ ), *externalist* ( $P_2$ ), *verificationist* ( $P_3$ ) and *falsificationist* ( $P_4$ ) propositions.

### Conclusion

Different scholars magnify different definitional components which lead to perplexity and ambiguity. It is noteworthy that abundance of various "epistemic values"<sup>42</sup>and scientific cognitions in any knowledge is not inherently unfavorable since it potentially intensifies the debates among the scholars in any field of social sciences and act as a catalyst toward the formation of a true and comprehensive paradigm; but in the case of SE definition because of its residence in a pre-paradigmatic stage, mostly will act as a disparity making tool instead of an enriching one. *Empiricism* and its orientation *Logical Positivism* which was applied in

Table 6 Generalized SE	Table 6 Generalized SE definitional components in relation with the paper's epistemological propositions	with the paper's epistemologi	cal propositions	
Generalized SE Definitional Verification Logic Components	Verification Logic	Falsification Logic	Proved Propositions	Reason for Inclusion or Exclusion
1. social innovation	$(SE \leftrightarrow E \leftrightarrow h) \rightarrow (SE \leftrightarrow h) \rightarrow (SE \leftrightarrow Sh)$	−S/ →      SE	$P_2P_3P_4$	Inclusion: "social innovation" is externally justifiable. It is also verifiable and has the potential to successfully pass falsification.
2. transformative social change	$(E \to C) \leftrightarrow (E \to D) \to (SE \to SC) \leftrightarrow (SE \to SD) \to TSC$	$\underbrace{(\neg i \rightarrow \neg E) \land (\neg i \rightarrow \neg TC) (\neg Si \rightarrow \neg SE) \land (\neg Si \rightarrow \neg SC)}_{\neg SC \rightarrow \neg SE}$	$P_{2}P_{3}P_{4}$	Inclusion: "transformative social change" is externally justifiable. It is also verifiable and has successfully passed falsification.
<ol> <li>recognition of social value-creating opportunities</li> </ol>	$(E \leftrightarrow OS) \rightarrow (SE \leftrightarrow E) \rightarrow (SE \leftrightarrow SOS)$	-SO→ 1SI→ 1SE	P <sub>1</sub> : for "value-creation" component P <sub>2</sub> P <sub>3</sub> P <sub>4</sub> :	Exclusion: "value-creation" is rejected on the ground that it needs Internalism justification and hence $P_1$ . Inclusion:
		NSEOA¬SMT→¬SE	for "recognition of social opportunities"	"recognition of social opportunities" is externally justifiable. It is also verifiable and has successfully passed falsification.
4. social mission	SEO $\land$ SMT $\rightarrow$ SM $\leftrightarrow$ SE certains chains chain contents		$P_2P_3P_4$	Inclusion: "social mission" is externally justifiable. It is also verifiable and has successfully passed falsification.
5. Not to be sector-bound	er∧rues/rur.s/rur.s/urr.set or SEVS (E↔CD)∧(E↔))→(SE↔CD)∧(SE↔C)	→SIAPUB.S→→PUB.S.SE →SIAPUB.S→→PRLS.SE →SIAPBI.S→→PRLS.SE →SIAP.S.S→→PR.S.SE	$P_2P_3P_4$	Inclusion: "Not to be sector-bound" is externally justifiable. It is also verifiable and has successfully passed falsification.
6. To be creative	$(E \leftrightarrow C) \rightarrow (E \leftrightarrow C)$ $E \leftrightarrow C$ $E \leftrightarrow C$		P_2P_3P_4	Inclusion: "to be creative" is externally justifiable. It is also verifiable and has successfully passed falsification.
Source: authors' own work based on the paper's results)	ased on the paper's results)			

nanar's anistamological propositions relation with the .2 Ļ 8 eralized SE definitional 9 Table 6 G this paper as the research paradigm, is only beneficial in the early stages of consensusmaking process among the SE scholars, but as SE develops and evolves through its paradigmatic voyage, *Logical Positivism* will be strict and dull and in order to be able to reveal SE holistically the necessity of other schools of thought such as *Constructivism*, *Discourse Analysis*, *Phenomenology*, etc. would become evident. The paper's authors used this approach as a starting point for a unanimous definition of SE and as an early stage of paradigm-making process in SE and do not believe it is a sufficient tool for the subsequent stages of SE paradigm-making process. The justification behind the use of logic in this paper through *Verificationism* and *Falsificationism* was presenting "scientifically meaningful" statements by *Verificationism* and reverse logic in our justifications by the other. Finally, by showing the logical interrelationship between the constituents of generalized definitional components of SE, which are also supported by the SE literature, and presenting logical justifications for each one, the paper's suggestion for a more consensus-based and epistemologically-supported definition for SE is presented in the following:

"Social entrepreneurship is a socially mission-oriented innovation which seeks beneficial transformative social change by creativity and recognition of social opportunities in any sectors."

### Endnotes

<sup>1</sup>https://www.gov.uk/government/groups/social-impact-investment-taskforce <sup>2</sup>https://evpa.eu.com/blog/gsg-impact-summit-2017

<sup>3</sup>http://www.oecd.org/sti/ind/social-impact-investment.htm

<sup>4</sup>A term coined by Ralf Dahrendorf (1929-2009).

<sup>5</sup>Stagflation: (n) "persistent inflation combined with stagnant consumer demand and relatively high unemployment" (Merriam Webster's on-line dictionary, https://www.mer-riam-webster.com/dictionary/stagflation).

<sup>6</sup>Although Capitalism still needs SE as much as any other school of political economy, recently an article by David Bornstein in *The New York Times* (10 Oct. 2017) entitled, "Giving Capitalism a Social Conscience" quotes Muhammad Yunus' - "the Bangladeshi founder of the Grameen Bank"- view in his most recent book *A World of Three Zeros: The New Economics of Zero Poverty, Zero Unemployment, and Zero Net Carbon Emissions,* "that capitalism is in crisis and remains moored in a flawed conception of human motivation. He proposes a far more robust role in the economy for 'social businesses,' which he defines as 'non-dividend' companies 'dedicated to solving human problems."

<sup>7</sup>"Coined by Bill Drayton of Ashoka in the early 1980's" (*Shapiro* 2013: Forbes online website).

<sup>8</sup>Such a case is also true for SE, since we always approach SE with the knowledge we have about entrepreneurship.

<sup>9</sup>S and *p*, stand for *Subject* and *Proposition* respectively.

<sup>10</sup>"The study and measurement of interpersonal relationships in a group of people" (*Merriam Webster* on-line dictionary).

<sup>11</sup>Although the words *Substructure* and *Superstructure* are loaned from Marx, his interpretation is not expected here.

<sup>12</sup>Snowball Effect

 $^{13}$ *Pragmatism* "emphasizes the practical application of ideas by acting on them to actually test them in human experiences". (Gutek 2014)

<sup>14</sup>"In logic and probability theory, two propositions (or events) are *mutually exclusive* or *disjoint* if they cannot both be true (occur). A clear example is the set of outcomes of a single coin toss, which can result in either heads or tails, but not both." (Wikipedia)

<sup>15</sup>Borrowed from *Albert Einstein*'s "A man should look for what is, and not for what he thinks should be."

<sup>16</sup>"*Implicit bias* is a term of art referring to relatively unconscious and relatively automatic features of prejudiced judgment and social behavior." (Brownstein 2015).

<sup>17</sup>*Plato* believed the objects are reflecting to us in this world the same as shadows, we are entrapped as prisoners in a cave and only we can see the shadows of the objects on the wall of the cave because of a fire out of the cave but we should try to get to the perfect form of the real things by leaving the cave.

<sup>18</sup>Dees (1998b) did not call his definition as "pentagonal"; such an attribution is given to his definition by the authors of the paper since he mentioned five factors as the definitional components of social entrepreneurs and accordingly SE.

<sup>19</sup>http://www.aravind.org/default/clinicscontent/hospitals

<sup>20</sup>http://www.mahak-charity.org/main/index.php/en/home-en

<sup>21</sup>http://www.grameen.com/introduction/

<sup>22</sup>https://www.ashoka.org/en/about-ashoka

 $^{23"}$ According to *Evidentialism*, what makes a belief justified ... is the possession of evidence. The basic idea is that a belief is justified to the degree it fits *S*'s evidence" (Steup, 2016).

<sup>24</sup>The other definitional components that Dees(1998b) mentioned for social entrepreneurs but also applicable to SE are as the following:1.Recognizing and relentlessly pursuing new opportunities to serve that mission,2.Engaging in a process of continuous innovation, adaptation, and learning,3.Acting boldly without being limited by resources currently in hand, and 4. Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.

<sup>25</sup>"Social mission statement" is necessary but not sufficient. An SEO must also have "social vision statement"; otherwise the organization is not strategically an SEO, but a sporadic practitioner of SE.

<sup>26</sup>Non-SEOs do not have a social mission statement, therefore even though some of them in some cases show *Corporate Social Responsibility (CSR)*, it could not be counted as SE, because usually either their social philanthropy is for a short term or it is for some reasons as acquiring a good reputation for the company.

<sup>27</sup>According to *Logical Propositions*' rules:

<sup>28</sup>Schumpeterian "creative destruction" is in essence a change.

<sup>29</sup>Note: Dees (1998b) was not applied the term "economic utility" directly. "*Utility* is a term used by economists to describe the measurement of 'useful-ness' that a consumer obtains from any good" (Wikibooks). <sup>30</sup>It also shows *Contextualism* which is discussed previously (Because authors usually attribute different types of "knows" to the concept of "value-creation").

<sup>31</sup>http://www.oie.int/

<sup>32</sup>https://www.worldwildlife.org/

<sup>33</sup>http://www.rainforestfoundation.org/

<sup>34</sup>http://www.unep.org

<sup>35</sup>http://whc.unesco.org/en/world-heritage-fund/

<sup>36</sup>Environmental Entrepreneurship

<sup>37</sup>On condition that we take the "hard" meaning of the word "social".

<sup>38</sup>Note: In this paper for all our discussions we have taken the hard meaning of the word "social" in the phrase "social entrepreneurship" (i.e. the word "social" only refers to society; thus the ecological and environmental concepts are specified to *Ecopreneurship* and *Green Entrepreneurship*, respectively).

<sup>39</sup>A priori

<sup>40</sup>A posteriori

<sup>41</sup>Corollary

<sup>42</sup>"Epistemic value is a kind of value which attaches to *cognitive successes* such as true beliefs, justified beliefs, knowledge, and understanding" (Bondy 2017).

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#### Authors' contributions

All authors contributed equally and they read and approved the final manuscript.

### **Competing interests**

The authors declare that they have no competing interests.

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