



EMES CONFERENCES

SELECTED PAPERS SERIES

"The Third Sector and Sustainable Social Change: New Frontiers for Research"
Barcelona (Spain) - July 9-12, 2008

8th ISTR International Conference
2nd EMES-ISTR European Conference
in partnership with CINEFOGO

THE SOCIAL CONSTRUCTION OF SOCIAL ENTERPRISE

Suzanne Grant⁽¹⁾ and Raymond Dart⁽²⁾
(1) University of Waikato, New Zealand
(2) Trent University, Canada

Copyright © 2009 Suzanne Grant and Raymond Dart

Any portion of these materials is freely available for information and educational purposes, but cannot be re-published in any format that may entail fees or royalties without the express permission of the copyright holders.

ABOUT THE EMES CONFERENCES SELECTED PAPERS SERIES:

This series aims to ensure that selected papers from conferences in which EMES has been involved will be accessible to a larger community interested in the third sector and social enterprise.

EMES Conferences Selected Papers have not undergone any editing process.

All the papers of the series are available for download at www.emes.net.

CONTENTS

Introduction.....	3
1. Organisational identity.....	4
2. In search of a social enterprise in New Zealand.....	5
3. Youthline Charitable Trust.....	6
3.1. Background	6
3.2. Youthline as a social enterprise	8
Influences on Youthline's social enterprise identity	9
Social enterprise and the wider Youthline community.....	9
Barriers to Youthline's identity as a social enterprise	10
3.3. Analysis and Discussion	10
Conclusion	13
References.....	14

INTRODUCTION

The quest to define "social enterprise" is fraught with ambiguity (Jones & Keogh, 2006) and concerns regarding legitimacy (Reid & Griffith, 2006). While literature provides a range of definitions (Harding, 2004; Haugh, 2005; Jones & Keogh, 2006; Kerlin, 2006) and geographic and ideological distinctions may be discerned (Dart, 2004a; Grant, 2008; Harding, 2004; Kerlin, 2006; Thompson & Doherty, 2006), the closest any scholars come to consensus is the general agreement that no commonly accepted definition or consistent application of social enterprise is applied in scholarship (Dart, 2004b; Haugh, 2005; Jones & Keogh, 2006; OECD, 1999). Amid these contested and plural sense of definitions, Martin and Osberg (2007) caution that indiscriminate application of labels, such as "social entrepreneur", risks undermining the significance and importance of the activities undertaken and value created. At this point, however, "social enterprise" can mean a number of things and its usage is variable and unstable.

In spite of, or perhaps even because of, this lack of consensus there is also a growing voice among scholars who purport the search for an "agreed" definition is a luxury we can ill afford at present. The field of social enterprise, however defined, is growing rapidly; and a preoccupation with trying to contain this dynamic movement within a precise definition risks overlooking the wealth of activity currently taking place around us (Mair, 2007; Stablein, 2007). Faced with escalating need across society, practitioners have little time (or patience!) to be constrained by definitional wrangling, dissent or ambiguity. In increasing numbers organisations and individuals are getting on with the task at hand – creating social value.

In this paper we address this issue by realigning our focus from "definition" to "identity". What is significant about an organisation considering itself a "social enterprise"? Emerging areas, such as social enterprise, are a particularly salient environment in which to consider organisational identity, as the process of identity formation may be particularly visible (Clegg, Rhodes, & Kornberger, 2007). By moving beyond academic musings which try to demarcate boundaries in theoretical silos, value can be added to scholarship and practice by better understanding how and why organisations *choose* to identify themselves as social enterprises.

Social enterprise in New Zealand is in its infancy, and the term is not yet in wide use. While activity is taking place which may fall under the broad social enterprise umbrella, the terminology is relatively unknown across many parts of New Zealand society and there is little published scholarship to inform our knowledge of how this diverse phenomenon is developing (Grant, 2008). Hence it is timely to consider how this concept may be manifest, and to what extent early adopters of the "social enterprise label" may shape perceptions of social enterprise in New Zealand society. We begin with a brief review of organisational identity scholarship, with specific consideration of how this literature may relate to the social enterprise concept. A case study is then presented of Youthline, a New Zealand youth development organisation which chooses to apply the social enterprise "label" to its activities. Our research question seeks to consider what agendas do(es) the social construction of social enterprise serve? We begin to examine what significance, if any, this identity has for Youthline. We seek to understand why and how this identity has been created.

Working within a social constructionist paradigm we understand meaning, knowledge and identity to be negotiated through interaction. Political, social, economic, historical and cultural contexts potentially influence these interactions and hence any construction of shared meaning. Dart (2003) and Downing (2005) suggest that a social constructionist perspective may be helpful in understanding interaction and hence identity. Identity is thus conceptualised

as a "complex, multifaceted transient construct that is negotiated (and re-negotiated) in the dynamic interplay between internal strivings and external prescriptions, between self presentation and labelling by others, between achievements and ascription, and between regulation and resistance" (Keenoy et al., 2007, p.395).

Consideration of organisational identity in academic literature is often framed in problematic terms. For example Albert, Ashforth and Dutton (2000), and Scott and Lane (2000) consider the "problem of identity" in various ways, while Young (2001, p140) focuses on "identity dilemmas". In contrast, drawing on the social constructionist foundations of appreciative inquiry, we suggest the concept of organisational identity is a "mystery to be embraced" (Cooperrider & Srivastva, 1987). By doing so, our focus is not dominated by deficit discourse, and we are able to focus on what is good within the organisation. An appreciative inquiry stance also helps accommodate the temporal dimension of identity (Clegg et al., 2007) so as to consider aspects of an organisation's identity in the past, present and future.

1. ORGANISATIONAL IDENTITY

Organisational identity, just like social enterprise, is a socially constructed concept. Identity is constituted in the shared narratives which organisational members author (Humphreys & Brown, 2002), and develops over time and through interaction with stakeholders and other organisations (Albert & Whetten, 1985). A central premise is that identity helps convey what is central, distinctive and enduring about an organisation (Albert & Whetten, 1985). Thus, the values and beliefs that underpin a social enterprise can be seen to also shape the identity which the organisation projects. Albert and Whetten (1985) build on Parson's (1960) notion of normative and utilitarian organisations, suggesting that normative organisations (a categorisation which we propose includes social enterprises) are largely managed by ideology. The combined influence of values reaches beyond the technical and operational aspects of the organisation, so that the organisation's identity and purpose is not constrained to being defined in terms of the market place alone, but rather the broader purposes of society.

Clegg et al (2007) suggest identity can also be framed in terms of temporal and spatial difference, considering how the organisation changes over time, and also how the organisation positions its activities in terms of being different and/or similar to other organisations. The authors observe (p498) how construction of an organisation's identity occurs in the wider context of the industry or environment in which it is located. We propose this context poses unique challenges for social enterprises. Social enterprise activities potentially overlap public, private *and* community sectors, so any reference group(s) within which a social enterprise organisation may seek to position itself may itself be a composite identity. With potential reference boundaries unclear, it may be more meaningful to consider perceptions of social enterprise identity as being framed/located within "belief systems" rather than market based definitions of industry (Porac et al, 2005 as cited in Clegg et al., 2007).

Recognising social enterprise organisations cover a continuum of activities, Young (2001) proposes three classifications of social enterprise identity: corporate philanthropists, social purpose organisations and hybrids. Corporate philanthropists are perceived as "enlightened" for profit corporations who design their corporate philanthropic activities to contribute to corporate productivity, while social purpose organisations are commonly structured as non for profit organisations with a priority on mission. Commercial revenue and profit making activities are perceived by these organisations as a means to assist mission achievement. Hybrid organisations negotiate a fine balancing act as they pursue dual social and profit objectives simultaneously.

An organisation may encompass multiple, and sometimes conflicting, identities (Albert & Whetten, 1985; Clegg et al., 2007; Humphreys & Brown, 2002). Including social enterprises

in his consideration of the identity of not for profit organisations, Young (2001) cites strategic and structural implications as key reasons why the issue of identity should be carefully considered. He observes "identity is a distinct yet holistic notion that integrates, supports, and indeed drives a number of operative concepts guiding the long term direction and character of an organisation" (Young, 2001, p.143). Although distinctive in itself, organisational identity is related to many other facets of organisational behaviour and management (Young, 2001). The character of the organisation will drive many of the organisation's operational activities, while statements of identity may also be seen as political-strategic acts (Albert & Whetten, 1985) which may hence have various implications, including funding. For example, one of the main drivers behind many social enterprises is the quest to secure an independent, ongoing source of funds. Strategic decisions will be made with a view to achieving this objective, such as considering the extent (or not) to which the organisation chooses to engage in contracts to provide services on behalf of government (Grant, 2008).

If organisational identity is viewed as a driver of strategic performance (Clegg et al., 2007) where identity is drawn upon to rally support, issues surrounding perceptions of legitimacy must be considered (Humphreys & Brown, 2002). Senior managers often play a significant role in authoring narratives which may shape perceptions of identity, potentially leveraging their positional power (intentionally or covertly) to enhance perceptions of legitimacy. However, perceptions of identity are negotiated through interaction. With social enterprise encompassing various forms of exchange, developing a shared perception of identity requires "buy in" from a range of organisational stakeholders - from management to those who may utilise the products and services of the organisation (Scott & Lane, 2000; Young, 2001). We suggest consideration of power relations between stakeholders is complicated in the case of a social enterprise, as not all clients may wish to be identified (e.g. those who use a confidential counselling service).

2. IN SEARCH OF A SOCIAL ENTERPRISE IN NEW ZEALAND.....

The study of social enterprise in New Zealand is still in its infancy. Informal observation indicates a range of activities are taking place in New Zealand which can be seen to fall under the broad umbrella of social enterprise, with many of these activities stemming from the community and voluntary (not for profit) sector. For example, a brief scan of community resources reveals a variety of activities ranging in both scope and size. Employment schemes seek to assist those with mental illness and/or disability; community development in remote areas encourages local capacity building and employment; youth and family services provide assistance, advocacy, and recreation; Maori and Pacific Island organisations target health concerns specific to their cultures, community co-operatives facilitate the purchase of fruit and vegetables, and a local church runs a second hand shop as well as provides nutritious, home-style pre-prepared meals for purchase. Although each of these organisations displays characteristics identified in literature as determinants of social enterprise (e.g. Thompson & Doherty, 2006), rarely are these activities labelled as such. Social enterprise is an unfamiliar term across most sectors of New Zealand society. There is little published scholarship to inform our knowledge of how this diverse phenomenon is developing (Grant, 2008).

With our focus specifically on organisations that *choose* to identify themselves as social enterprises, a search of New Zealand websites was undertaken. Less than 10 organisations were found to include a social enterprise description in their webpages. Several of these organisations were approached and invited to participate in a qualitative investigation focusing on how and why organisations choose to identify themselves as a social enterprise. The focus for this paper is Youthline, a youth development organisation.

During 2007/2008 a series of conversations (face to face and electronic) took place with Toni Hadlee, Youthline's social enterprise manager. Toni was our primary contact person, who from time to time also invited other staff members to add to our conversation, or clarify points. With the social enterprise manager based at Head office in Auckland, there was a tendency for the discussion to often focus on Auckland activities; however a national context was considered wherever possible. In addition to this ongoing dialogue, Youthline resources such as their website, resource manual and annual reports provided a source of secondary research. National media reports were also reviewed, as these reports provided a further illustration of how Youthline is portrayed to the New Zealand public.

3. YOUTHLINE CHARITABLE TRUST

3.1. Background

Youthline (www.youthline.co.nz) is a regionally focused, nationally linked youth development organisation, created for and with young people. Their web site describes the organisation as "*a social and community enterprise*" which "*is not just for young people at risk. Youthline provides development pathways for the many young people who want to help their peers and communities in positive, practical ways*" (Youthline Charitable Trust, 2008).

First established in Auckland in 1973, Youthline now has ten centres around New Zealand. A highly trained team, incorporating a mix of paid staff and over 500 volunteers, support young people and ensure they are well connected in society, building resilience and developing their potential.

Youth development for Youthline is about working from what they describe as "*a strengths based perspective*", rather than fitting into a more traditional nonprofit services model. Priority is given to youth being connected, having quality relationships, fostering participation and being able to access good information. Counselling and information services offered via telephone, text message, internet, or face to face are some of their most well known services, with over 200,000 calls made to the telephone help line each year. However, the organisation's mission reaches beyond crisis management. Youthline seeks to address youth, family and community needs through provision of a range of integrated services. Counselling services are complemented with training seminars and programmes (e.g. alternative education, youth mentoring, stopping violence programmes); information and referral services (e.g. web based youth health information service), youth workers, and community development and social enterprise activities – all with the ultimate aim of building resilience in, and developing the potential of, New Zealand youth.

Provision of service at three levels (i.e. being comprehensive, holistic and not simply reactive) is a key feature which Youthline sees as distinguishing their activity from other organisations serving the youth demographic. Youthline is simultaneously a community development organisation, a training organisation and a service provider – most other organisations tend to address just one of these activities. Community is the key theme which recurs when any of these activities are being described. Community development is framed as "*up skilling members of the community to better support the community*". Youth development is evident through how young people are engaged in all levels of service delivery. "*We provide services **with** young people as opposed to services **to** them*".

During 2007, the total income of Youthline was approximately NZ \$3.2 million. As shown in figure 1 just over half of this income was derived from contracts, primarily as a provider of services on behalf of government. Donations and grants comprise the remaining "traditional" sources of income. The remaining section (approx 18%) is a composite of the independent revenue generating activities Youthline engages in. Figure 2 provides a break down of this

category. With the exception of fundraising, each of these activities is still relatively insignificant on its own. Collectively however, these activities demonstrate a growing range of "independent" sources of income.

Figure 1. Sources of Income for Youthline

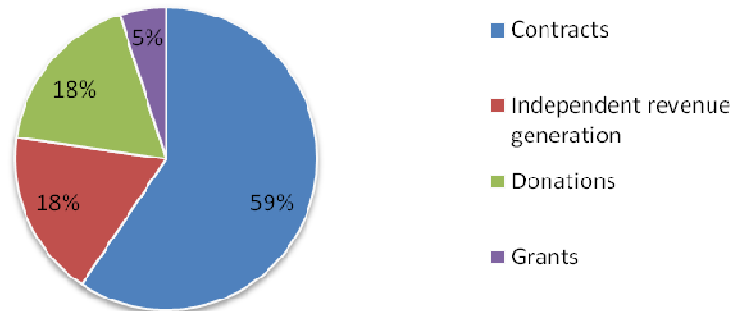
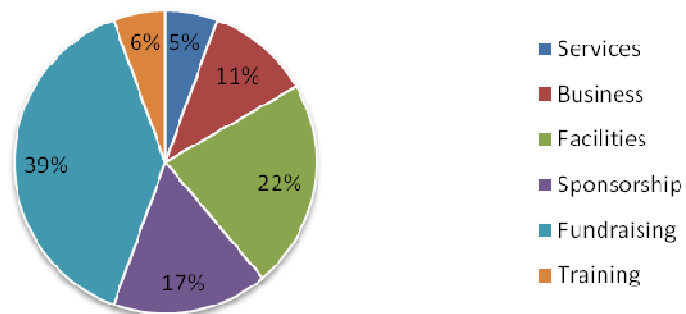


Figure 2. Independent revenue generation by Youthline



3.2. Youthline as a social enterprise

For the purposes of this investigation our research conversations were driven by an interest in how and why does Youthline choose to describe itself as a social enterprise, and what benefits and/or limitations do they perceive this label brings? Through their website (www.youthline.co.nz) Youthline describes itself as a "social and community enterprise". This position is elaborated on their website as follows:

This means we operate from a "not-for-private-profit" position, allowing us to use business methods to achieve financial self-sufficiency.

We are making efforts to deliver social, financial, environmental and cultural services making us a quadruple bottom line organisation.

We believe that by balancing mission and market, we can be stronger and more sustainable. It is the aim of Youthline to increase our income through trading and enterprise so that we are more independent and can provide services for young people and their families for many years to come.

(Youthline Charitable Trust, 2008)

These descriptors indicate some important rationale for Youthline adopting a "social enterprise" moniker. They are framed in terms of the desire to become and remain more independent and financially self-sufficient – with the hope that this independence and self-sufficiency may provide a platform to expand into new and more innovative areas. The rationale is also framed in terms of recently trendy discussion of the "triple bottom line" (i.e. the double bottom line of Emerson and Twersky (1996), the triple bottom line of Elkington (1998) and the now QUADRUPLE bottom line which must be newly invented ...)

As noted above, a large proportion of funding for Youthline comes in a manner typical to nonprofit organisations in New Zealand - from contracts with government for the provision of services (such as counselling, help-lines, information websites and an alternative education school). However, the accountability requirements attached to these contracts of service leaves little scope or resourcing for developmental work in other areas. Metaphors are often useful in describing identity (Morgan, 1997; Young, 2001, p.141), and the desire to depart from this contract for service model was described metaphorically when Toni Hadlee likens Youthline's social enterprise stance to a rocket ship: "... we use the asset as a launch pad to help boost the organisation into a more financially secure position. From that a large number of projects can be worked on, using the power from that initial boost..." Here, "social enterprise" is framed in terms of Youthline's desire to open strategic and organizational options wider than those available in a "traditional" nonprofit service organization operating model.

Youthline's framing of social enterprise relates to an organisational focus that stretches beyond grant and contract funding. Focusing primarily on traditional funding is seen by the management team to potentially drain the innovation, creativity and high impact contribution from the organisation. Development and provision of services at Youthline as framed around the four pillars (cultural, economic, social and environmental) provides this alternative focus, although Toni suggests that the biggest emphasis inevitably falls on the social, be it through youth events, phone lines and counselling, or some other means. Cultural aspects are identified as presenting unique challenges as the increasingly multicultural population builds on New Zealand's bi-cultural (i.e. Maori and European) heritage. The economic/business dimension is the area suggested by Toni as crucial for future development. The Business

Development and Social Enterprise Managers work collaboratively with a view to generating income through activities such as those identified earlier in Figure 2.

Influences on Youthline's social enterprise identity

The social enterprise/community enterprise approach taken at Youthline has been influenced by Toni's experience working with social enterprises in the United Kingdom. Social enterprise is a much more important identifier of innovative social sector organisation in the UK (Leadbeater, 1999) than in New Zealand. As is frequently the case when New Zealanders return home from their OE (overseas experience)¹, Toni brings with her return an increased skill base and greater awareness of opportunities and the global context (Grant, 2008; Myers & Inkson, 2003). Building on this UK experience she describes social enterprise as "*trading for social benefit*". In this instance, the social benefit is derived through the services created and provided by Youthline. Drawing on the experiences of a more rapidly developing social sector context such as the UK could also be seen to add legitimacy and creative drive to initiatives in a less central venue such as New Zealand.

The driving influence behind Youthline choosing to describe itself as a social enterprise is attributed to Stephen Bell, the founder and CEO of Youthline. Toni recounts how "*Stephen always had the social enterprise view, but hasn't (always) had a name for it...*" Toni identifies how Stephen's business background is complemented by values she sees as essential to underpinning the way she frames social enterprise: "*activism; diplomacy; cultural awareness; persistence; creative and visionary; being able to think outside the box and spot opportunities; and having the ability to stand up and push the agenda, change policies etc, while maintaining a holistic view*". This holistic view is evidenced when Toni observes Stephen's driving influence "*...because social enterprise is an important part of the ethos of the organisation, he [Stephen] feels strongly that everyone should be a social enterprise manager rather than only one person holding the role*".

Social enterprise and the wider Youthline community

Espousing all organisational members as contributing to the social enterprise identity however, by no means assures 100% acceptance of the ideals of social enterprise by stakeholders. Toni perceives social enterprise as either an unknown or misunderstood concept to many New Zealanders; representing an "*'alternative' mindset for many people, potentially a 'wishy washy' concept about doing good, (but) which nobody really knows what it is.*" Social objectives are easily grasped by stakeholders, but for some the other facets of social enterprise, such as profit seeking ventures, are less socially acceptable in the traditional nonprofit discursive community. Stemming from the "traditional" not for profit perception that community organisations will always be (and perhaps should be), struggling, some stakeholders are uneasy with the notion that Youthline makes a profit. (That Youthline describes its "department surplus" as a "profit" is itself quite important from a discursive and identity perspective.) "*Not for private profit*" is the specific framing Toni employs to address these concerns and distinguish Youthline from more traditional community/not for profit organisations. Any surplus/profit generated from social enterprise activities is reinforced as belonging to the Youthline *community*, and is channelled to develop services beyond those funded by government contract.

For some Youthline stakeholders, a social enterprise focus may be perceived as a risk. There is concern that pursuing social enterprise strategies (such as trading merchandise and developing assets) may disrupt or shift the organisation's culture in a negative manner. For

¹ Term used to describe an extended period of travel which encompasses employment. This experience is typically undertaken by young New Zealanders and seen by many to be a "rite of passage".

example, strategies with regard engaging with government contracts for provision of service may be perceived as contradictory to strategies which seek to expand enterprise activities. In practice the two strategies may be complementary. While Youthline is currently seen as a leader in community contracts; their social enterprise aspirations are broader, so that eventually they may be recognised as a leader in community enterprise. A key strategy in Youthline's community/social enterprise approach is developing assets. Property is their most obvious asset. Head office is based in Ponsonby, Auckland², close to the inner city. Youthline owns the large property they are based in, and is able to rent parts of the facility to others. Approximately 600 people (including staff) use the building each week for various activities, providing a resource for the community, as well as ongoing rental revenue for Youthline. Developing physical assets is also seen as a means through which to boost the Youthline public profile, but even this activity is not without some controversy. For example, youth rock band rehearsals and an emerging café scene may not be deemed "ideal" neighbours by some of the people providing counselling services. Reinforcement of the social dimension of social enterprise helps to offset tension and misinterpretations. Infusing community spirit and developing atmosphere is identified as a Youthline objective when Toni describes her hope to *"Keep the community atmosphere, but make it thriving – rather than focusing on the negative factors"*.

Barriers to Youthline's identity as a social enterprise

Youthline identifies several barriers which need to be addressed before social enterprise is likely to be more fully understood and potentially embraced by the wider community. Toni observes how currently social enterprise to most New Zealanders *"are little words just floating around with no actual [recognised] meaning to them"*. There is no recognisable middle layer, support network or umbrella group to which social enterprises in New Zealand can align themselves – and hence use as a reference group within which to establish their social enterprise identity. Further, the neoliberal reforms initiated by successive New Zealand governments during the 1980s introduced a new culture of contracting to provide services on behalf of government. The impact of these changes on the community sector was often negative (Kelsey, 1997), resulting in growing mistrust and an imbalance of power between the state and community sectors (Grant, 2008; Tennant, Sanders, O'Brien, & Castle, 2006). At first glance social enterprise may be misconstrued as another "government scheme" and time and effort is required to distinguish and establish social enterprise as a potential positive cross sector initiative. Youthline efforts to establish sponsorship and partnerships with business demonstrate one way in which cross-sector collaborations may develop.

3.3. Analysis and Discussion

So why is it important to consider Youthline's chosen application of a social enterprise identity? What agenda(s) are being served through the social construction of this identity? As noted above social enterprise in New Zealand is in its infancy. At best it may be a vague concept about doing good; at worst it may potentially become a poorly supported, misunderstood approach which is open to misinterpretation or even misrepresentation. Application of organisational identity scholarship to the Youthline context helps us to understand some of the implications this mantle may have – for Youthline and potentially the development of social enterprise in a place like New Zealand.

² Other sites around the country are in rented premises, but the Trust is continually on the look out for property they may be able to develop in conjunction with other providers of youth services, such as local government.

Drawing on the identity and social enterprise nomenclature suggested in literature, Youthline could be positioned as a normative organisation (Albert & Whetton, 1985). The organisation is managed with reference to its' ideology, and the organisation's identity is defined beyond the confines of "the market" in terms of the broader purposes and need of society. Hence, Youthline is also a social purpose organisation (Young, 2001), building on its not for profit foundation and its specific focus on youth development. Without context however, these descriptors provide little insight into the implications of Youthline's use of the social enterprise identity. Indeed, Youthline chooses to promote itself first and foremost as a youth development organisation, and currently utilises the social enterprise lexicon on its website, internally and in corporate communications. The choice of when, where and how to use the social enterprise label is strategic, and hence it is through deeper consideration of the strategic-political influences that we begin to understand the social construction of Youthline as a social enterprise.

Social constructions are continually being re-authored and re-negotiated (Cooperrider & Whitney, 2000). The social construction of Youthline's identity as a social enterprise appears at this point to be primarily rhetorical and evocative, although indications are that this discourse is beginning to shape strategy and operations, and perhaps even assumptions. Toni Hadlee observes how *"(social enterprise) is more than just shopping...it's a bit more chunky, about assets and planning....."* Here, the identity of social enterprise serves to position the organization in terms of comprehensive and modern thinking, rather than simply about alternative revenue generation. Youthline's commitment to the four pillar framework is helping shape these types of decision making and resultant actions. Recent developments such as the appointment of the Business Development Manager demonstrate how operations are now beginning to address the revenue generation dimension of these issues. Similarly, there is understanding that the New Zealand context is influencing the rate at which social enterprise activity develops. *"We're just pushing; starting the conversation...it's a really new concept here"*. Embodying this new concept (albeit sometimes in an understated fashion) is one way in which Youthline is beginning to initiate these conversations with potential stakeholders. In addition, being an early adopter of a globally current concept helps to further position Youthline's identity as an innovative, leading, perhaps boundary-breaking organisation.

The strategic-political influence of the social enterprise identity helps to make the abstract concept more tangible. In many ways it begins to demonstrate and model the *"alternative mindset"* the management team is endeavouring to establish not only in Youthline, but the wider community. Strategy is typically about mission achievement, although Youthline acknowledges that their current social enterprise strategies are not the fastest route to mission accomplishment *"...it takes three or four times as long to get anything done...and you might constantly be making part decisions."* Yet, this strategy is seen as absolutely essential – *"I do know that without a good strategic aim it gets a bit flappy"*. Key to any Youthline strategy attempting to balance mission and market objectives is their commitment to community development. *"You can't just get funding and parachute in....community involvement and grassroots support is needed to help you flourish"*. As such, Youthline appears cautious about pushing boundaries (either activity or identity boundaries) too far or too fast during this "pioneer phase" of social enterprise in New Zealand.

Clegg et al (2007, p 510) propose "organisational identity is enacted and embedded in a field of differences". Youthline has already expressed their most obvious difference being their comprehensive, systematic and proactive approach to youth – as evidenced by the multi-tiered focus providing services in three areas in a field where most youth oriented organisation only focus on one. (Further, the "one" area most organisations function in is traditional, reactive "treatment" of youth "problems".) Resourcing is supported by a perspective of *"not for private*

profit". From this perspective, the wider context of operation spreads across all three spheres of society, providing multiple reference points. Open acknowledgement of social enterprise aspirations provides a further point of difference, although other youth organisations may also have similar ambitions but have yet to find a means through which to verbalise these intentions. This point of difference may diminish over time as social enterprise becomes more visible within New Zealand society.

Scott and Lane (2000, p51) observe how the communication of organisational image and identity takes many forms. Not all stakeholders may wish to be visibly associated with Youthline, particularly for example those who receive counselling and assistance from other support services. Strategy can be described as a "theory of action" (Stimpert, Gustafson, & Sarason, 1998). For Youthline, engaging in enterprise activities is one way in which they are able to demonstrate their intention to become an independently funded organisation, a more innovative organisation, and a more effective organisation. Social enterprise would achieve very little if interaction did not occur, so the transactions and exchanges which take place for example when people rent rooms at the Ponsonby site, or purchase t-shirts and other merchandise not only provide a less threatening form of affiliation but also demonstrate some form of acceptance for the social enterprise activities Youthline is introducing.

In contrast to Scott and Lane's (2000) portrayal of identity being a joint construction between the perspectives of management and stakeholders, Youthline's social enterprise is undeniably driven by management, as they collectively present their view of reality to stakeholders. We propose this is not uncommon for social enterprises with a not for profit background. After all, organisational communication is part of reality construction, and typically not for profit organisations reflect the beliefs and values of their founders and management, as well as their operational field. Influence over stakeholder perceptions in this way raises questions with regard the balance of power, and how perceptions of legitimacy may also be influenced – in a positive or negative manner. However; to conceive social enterprise identity as providing a source of legitimacy is in this instance, we suggest, premature or incomplete. Rather, in the current New Zealand context, the positive reputation of Youthline as a well respected community organisation may also lend reciprocal legitimacy to the relatively unknown/poorly understood concept of social enterprise.

Earlier we noted Toni Hadlee's application of a rocket ship metaphor to describe her conception of social enterprise at Youthline – with social enterprise activities (such as trading) providing the resources from which to develop, launch and support further services. We propose an additional metaphor – "social enterprise as a jacket", is helpful in understanding the current significance of social enterprise to Youthline. This jacket has been acquired in anticipation – key stakeholders understood it was not quite the right fit for the organisation at first, but still recognised the value it could bring. Youthline has grown conceptually and operationally and now the jacket is beginning to fit. Tailoring, and slight adjustments are still needed to achieve the "perfect fit", but already this new jacket is providing another facet to Youthline's identity.

The current social enterprise activities undertaken by Youthline may seem to some to fall short of the innovative approaches taken by social entrepreneurs elsewhere in the world. Consistent with Clegg et al's (2007) observation that identity is constructed in the wider context in which the organisation is located, Youthline has observed that many parts of New Zealand society are not yet prepared (in terms of mindset and or infrastructure) for the divergence of activity social enterprise may bring. The identity of social enterprise and its associated activities is providing a medium through which Youthline can reach out beyond the well recognised social service component, to demonstrate to the wider community and business the vibrant, proactive dimensions of the organisation (i.e. demonstrate added social

value) rather than be mis-perceived as a traditional outlet catering only for 'troubled youth', and only in a traditional manner. Once these conversations are begun and relationships established, the full potential a social enterprise identity may bring can begin to be realised.

CONCLUSION

Our intention in this paper was to consider *why* and *how* an organisation chooses to identify itself as a social enterprise, so that we might move beyond the ambiguity of definition and begin to understand the implications of this nomenclature through consideration of the context and interactions which construct the concept. Our discussion illustrates how Youthline has chosen to adopt a social enterprise identity not as a replacement or reincarnation identity but as a strategic extension to its well established public identity as a youth development organisation. In doing so, they are not only able to pursue opportunities to support their objective of becoming an independently funded organisation, but are also able to promote the Youthline message to a wider audience, such as business. Developmental enterprise activities such as sponsorship and merchandising provide a medium through which the wider community can engage with Youthline, while still supporting the core beliefs which founded the organisation.

This brief profile of Youthline illustrates how adopting a social enterprise identity has the potential to open doors to new opportunities. We have shown that the identity of Youthline as a social enterprise is in its developmental stages. The organisation has only just begun to tap into the range of activities and outcomes this identity may encompass. But the contribution of this paper goes deeper. Reflection during the writing and analysis process of this investigation highlights the potential for reciprocity. As noted earlier, social enterprise in New Zealand is still in its infancy and is a little known and poorly supported concept. Having a well respected organisation such as Youthline choosing to pursue a social enterprise identity potentially opens doors for the social enterprise "message". Youthline may be perceived as some form of social enterprise ambassador – with their actions and beliefs providing an exemplar on how social enterprise may develop.

REFERENCES

- Albert, S., Ashforth, B. E., & Dutton, J. E. (2000). Organizational identity and identification: Charting new waters and building new bridges. *Academy of Management Review*, 25(1), 13-17.
- Albert, S., & Whetten, D. A. (1985). Organizational identity. *Research in Organizational Behaviour*, 7, 263-295.
- Clegg, S., Rhodes, C., & Kornberger, M. (2007). Desperately seeking legitimacy: Organisational identity and emerging industries. *Organization Studies*, 28(4), 495-513.
- Cooperrider, D., & Srivastva, S. (1987). Appreciative inquiry in organisational life. In W. A. Pasmore & R. W. Woodman (Eds.), *Research in organisational change and development* (Vol. 1). Greenwich, CT: JAI Press.
- Cooperrider, D., & Whitney, D. (2000). A positive revolution in change: Appreciative inquiry. In D. Cooperrider & P. F. J. Sorensen & D. Whitney & T. F. Yaeger (Eds.), *Appreciative inquiry: Rethinking human organisation towards a positive theory of change*. Champaign, IL: Stipes Publishing LCC.
- Dart, R. (2003). *Social construction and social innovation: How enactment constrains 'doing more with less'*. Paper presented at the Administrative Sciences Association of Canada Annual Conference, Organisation Theory Division, Halifax, Nova Scotia.
- Dart, R. (2004a). Being 'business-like' in a nonprofit organisation: A grounded and inductive typology. *Nonprofit and Voluntary Sector Quarterly*, 33(2), 290-310.
- Dart, R. (2004b). The legitimacy of social enterprise. *Nonprofit Management and Leadership*, 14(4), 411- 424.
- Downing, S. (2005). The social construction of entrepreneurship: Narrative and dramatic processes in the co-production of organisations and identities. *Entrepreneurship Theory and Practice*, March, 185-204.
- Elkington, J. (1998). *Cannibals with forks: The triple bottom line of 21st century business*. London: Capstone.
- Emerson, J., & Twersky, F. (1996). *New social entrepreneurs: The success, challenge, and lessons of non-profit enterprise creation*. San Francisco: Roberts Foundation.
- Grant, S. (2008). Contextualising social enterprise in New Zealand. *Social Enterprise Journal*, 4(1), 9-23.
- Harding, R. (2004). Social enterprise. The new economic engine? *Business Strategy Review*, 15(4), 39-43.
- Haugh, H. (2005). A research agenda for social entrepreneurship. *Social Enterprise Journal*, 1(1), 1-12.
- Humphreys, M., & Brown, A. D. (2002). Narratives of organizational identity and identification: A case study of hegemony and resistance. *Organization Studies*, 23(3), 421-447.
- Jones, D., & Keogh, W. (2006). Social enterprise: A case of terminological ambiguity and complexity. *Social Enterprise Journal*, 2(1), 11-26.

- Keenoy, T., Ybema, S., Oswick, C., Sabelis, I., Ellis, N., & Vbeverungen, A. (2007). Special issue call for papers: Constructing identity in organisations. *Human Relations*, 60(2), 395-397.
- Kelsey, J. (1997). *The New Zealand experiment. A world model for structural adjustment?* Auckland: Auckland University Press.
- Kerlin, J. A. (2006). Social enterprise in the United States and abroad: Learning from our differences. In R. Mosher-Williams (Ed.), *Research on social entrepreneurship: Understanding and contributing to an emerging field* (Vol. 1, pp. 105-125). Indianapolis, IN: Association for Research on Nonprofit Organizations and Voluntary Action.
- Mair, J. (2007). Discussion at Skoll World Forum on Social Entrepreneurship. Oxford, UK.
- Martin, R., & Osberg, S. (2007). Social entrepreneurship: the case for definition. *Stanford Social Innovation Review*, 5(2), 28.
- Morgan, G. (1997). *Images of organization* (2nd ed.). Thousand Oaks, California: Sage Publications.
- Myers, B. A., & Inkson, K. (2003). The big OE. How it works and what it can do for New Zealand. *University of Auckland Business Review*, 5(1).
- OECD. (1999). *Social enterprises: Organisation for Economic Co-operation and Development*.
- Parsons, T. (1960). *Structure and process in modern societies*. Glencoe, Ill.: Free Press.
- Reid, K., & Griffith, J. (2006). Social enterprise mythology: critiquing some of the assumptions. *Social Enterprise Journal*, 2(1), 1-10.
- Scott, S. G., & Lane, V. R. (2000). A stakeholder approach to organizational identity. *Academy of Management Review*, 25(1), 45-62.
- Stablein, R. (2007). Discussion at Organisation, Identity, Location (Oil) Critical Theory Symposium. Massey University, Albany Campus, Auckland.
- Stimpert, J. L., Gustafson, L. T., & Sarason, Y. (1998). Organisational identity within the strategic management conversation. In D. A. Whetten & P. C. Godfrey (Eds.), *Identity in organisations. Building theory through conversations*. Thousand Oaks: Sage Publications.
- Tennant, M., Sanders, S., O'Brien, M., & Castle, C. (2006). *Defining the nonprofit sector: New Zealand*. Baltimore: The Johns Hopkins Centre for Civil Society Studies.
- Thompson, J., & Doherty, B. (2006). The diverse world of social enterprise. A collection of social enterprise stories. *International Journal of Social Economics*, 33(5/6), 361-375.
- Young, D. (2001). Organisational identity in nonprofit organisations: Strategic and structural implications. *Nonprofit Management and Leadership*, 12(2), 139-157.
- Youthline Charitable Trust. (2008). Retrieved 5 May, 2008, from the World Wide Web: www.youthline.co.nz