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B CORP ENTREPRENEURS

Analysing the Motivations and
Values behind Running a Social
Business

**Florentine Mariele Sophie Roth
and Ingo Winkler**



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ABBREVIATIONS

BIA	B Impact Assessment
CORFO	Corporación de Fomento de la Producción
GDP	Gross Domestic Product
GIIRS	Global Impact Investing Rating System
OECD	Organization for Economic Co-operation and Development
SE	Social Entrepreneurship
SMEs	Small and Medium-Sized Enterprises

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CHAPTER 1

Challenging the Traditional Way of Doing Business

Abstract This chapter introduces the reader to the topic of the book. It departs from the question whether business could contribute to solving the societal and environmental problems of our time and age? Many authors are skeptical that it can and that it will, because numerous of these problems have been created by the traditional way of doing business. Therefore, breaking with existing paradigms and designing new forms of organization and governance distinct from “business as usual” is deemed to be one of the paths into a future that would enable humanity to solve its most pressing needs and thereby to have a future on this planet. B Corps are but one example of hybrid organizations that blur the boundaries between the for-profit and nonprofit sector by adopting social and environmentally driven missions while generating profit to sustainably accomplish these missions.

Keywords B Corp • B Corp entrepreneurs • Sustainability • Hybrid organization

BACKGROUND

According to WWF (2016), the way current economic and political systems is set up, human development is coupled with environmental degradation and social exclusion. In the last 50 years, biodiversity has declined by 58% affecting not only wild animals and plants but also humans

suffering under the deteriorating state of nature. Current human behavior requires the regenerative capacity of 1.6 earths to cover the products and services consumed each year (WWF, 2016).

Unsustainable choices made by individuals, businesses, and governments are encouraged through systemic failures inherent to the prevailing systems (Sabeti & the Fourth Sector Network Concept Working Group, 2009; WWF, 2016, pp. 12ff). These include elements such as the gross domestic product (GDP) as the global measure for well-being and the concomitant strive for infinite economic growth, the prioritization of short-term gains over sustainable long-term gains of many economic and political models, and the externalization of social and environmental costs (WWF, 2016, pp. 12ff). Social and environmental costs are increasingly recognized as “byproducts and unintended consequence of organizational design” (Sabeti and the Fourth Sector Network Concept Working Group, 2009, p. 1), and also Metcalf and Benn (2012) point out that the dominant business model will threaten human survival in the long run.

Chile is traditionally classified as a wealthy Latin American country due to its high economic growth rate compared to its neighbors, its low inflation rate and closeness to full employment (Ramos Arriagada & Castillo Gatica, 2013). Its high GDP per capita of US\$ 23,367 for 2015 (World Bank, 2017) makes Chilean society as a whole seem well-off. However, Chile’s Gini coefficient of 0.465 for 2013 (OECD, 2017) compared to the average Gini coefficient of 0.318 across OECD countries shows that it is distributed in a highly unequal manner. Dramatically increasing protests since 2011 led by students, ecologists, labor unions, and indigenous minorities further reflect a different reality of the well-being of Chilean society (Ramos Arriagada & Castillo Gatica, 2013).

According to economist and Nobel Peace Prize winner Muhammad Yunus (2010), the biggest flaw in today’s capitalist structures and underlying theory is the misrepresentation of human nature. In the present economic system, human beings are interpreted as being one-dimensional with the sole desire to maximize profit, leaving out any other relevant political, social, environmental, spiritual, and emotional aspects in life. Selfless motivations driving human behavior are not considered by economic theory, although clearly represented in the existence of institutions other than profit-making entities like charities, foundations, or nonprofit organizations.

A fundamental change in the global economic system is unavoidable to solve humanity’s most pressing needs (Yunus, 2010), like poverty, hunger,

inequality, and decreasing natural resources (UN, 2017). Responses need to be designed that trigger sustainable modes of consumption and production and promote the perspective of a planet with finite resources (WWF, 2016). Due to the fact that it is private businesses that nowadays exercise direct control over the majority of global resources and play a decisive role in employment, these become central in the generation of fundamental change (Abramovay, Correa, Gatica, & Van Hoof, 2013). The needed changes consequently require breaking with existing paradigms and designing new forms of organizations and governance distinct from business as usual (Abramovay et al., 2013; Hoffman, Haigh, & Badiane, 2010; Birkin, Cashman, Koh, & Liu, 2009; Birkin, Polesie, & Lewis, 2009; Stubbs & Cocklin, 2008). These must go beyond CSR practices attempting to reduce negative impacts but consist of the building of a regenerative economy with new competencies and capabilities that finds ways to generate positive social value (Porter & Kramer, 2011; Birkin, Cashman, et al., 2009; Birkin, Polesie, et al., 2009).

In this context, new forms of organizations have emerged globally that blur the boundaries between the for-profit and nonprofit sector by adopting social and environmentally driven missions while generating profit to sustainably accomplish those missions (Haigh & Hoffman, 2012). This type, often referred to as hybrid organization (e.g. Haigh & Hoffman, 2012; Boyd, Henning, Reyna, Wang, & Welch, 2009; Pache & Santos, 2013), demonstrates viable new business models that generate mutually enriching correlations among economic, social, and environmental value creation. Among these new hybrid alternatives to business as usual are so-called blended value organizations, new profit companies, nonprofit enterprises, social businesses, and B Corporations (Sabeti et al., 2009; Yunus, 2010; Stubbs, 2014).

Different alternatives for breaking with the traditional way of doing business and the emergence of different types of hybrid organizations have also presented themselves in Chile. The B Corp is one type of hybrid organization (Pileika, 2012; Troncoso Campos, 2014) promoted by the B movement originated in the United States that gains increasing attention. With a steadily growing number of Chilean B Corps and the movement's South American representation based in Chile's capital, it is among the most important alternatives in the Chilean ecosystem (Sistema B, 2017).

B Corps, in Latin America called *Empresas B*, are a new type of business form that amplifies its fiduciary duty to shareholders as well as non-financial interest groups (FOMIN, 2014). This implies an obligation of

distributing profits to shareholders while simultaneously taking their social and environmental impact into consideration. The overarching goal is to create a positive triple impact in the economy, society, and environment by using the forces of for-profit businesses. Being certified as a B Corp means to meet the highest standards of verified social and environmental performance, public transparency, and legal accountability (B Lab, 2017). As a new type of hybrid organization, B Corps seem to exhibit a high social innovation potential and to be better equipped to productively address certain types of market failures than the public sector and civil society (Liger, Stefan, & Britton, 2016). They have been identified as alternative economic actors with significant potential for the proposition and generation of concrete sustainable solutions for the most urgent social and environmental problems the world faces today (Abramovay et al., 2013).

WHY THIS STUDY?

Research on B Corps has up to date focused on how B Corp entrepreneurs operate these new types of business models as well as on how being part of the movement influences a company's performance (e.g. Wilburn & Wilburn, 2014; Hiller, 2013; Coral, 2016; Stubbs, 2014; Troncos Campos, 2014; Chen & Kelly, 2015; Apruzzese, 2015). The *Why* of B Corp entrepreneurship and concomitant foundation of B Corps still presents a gap in the current literature. Chile has been determined as the geographical scope of this study due to its key role in the Latin American B market and a lack of research addressing this target market despite it representing the biggest community of B Corps outside of Northern America (Sistema B, 2017).

The B movement represents a value- and individual-driven movement (Harriman, 2015) making a thorough understanding of these pivotal to its success and further expansion. Getting deeper insight into why individuals decide to found or convert their businesses into B Corps is essential. Given the acknowledgment of government, industry, and scholars of the urgent need for new hybrid business forms (Bacq & Janssen, 2011), a better understanding of B Corp entrepreneurial values and motivations may provide guidance for Sistema B and B Lab for the promotion of the B Corp model. Also, it may be of importance to assist policymakers and impact investors to support the building of these ventures and attract new potential B Corp entrepreneurs.

Recent studies have suggested that motivations that underpin venture creation reflect individual values (Miller, Grimes, McMullen, & Vogus, 2012) and social entrepreneurs have been identified to be deeply driven by their personal values which lead them to prioritize heterogeneous types of goals and decisions as required in hybrid organizations (Mody, Day, Sydnor, & Jaffe, 2016). Unlike the purely traditional profit-driven and the purely socially driven theoretical concept of types of entrepreneurs, a probable hybrid model of entrepreneurs has been suggested by scholars who are expected to be mixing socially and profit-oriented interests (e.g. McCabe, 2012). The personal values and motivations of B Corp entrepreneurs have therefore been determined as the elements of interest in the analysis of this empirical research.

RESEARCH OBJECTIVES AND RESEARCH ASSUMPTIONS

The study at hand sets out to elaborate Chilean B Corp entrepreneurs in order to determine common values and motivational factors present in every individual with the aim to contribute to empirical knowledge about B Corps in Chile due to their key role in the Latin American B market. The purpose of this study is, hence, to investigate the personal values and motivations driving Chilean B Corp entrepreneurs to found and run their B Corps and to identify any existing commonalities as well as differences. This is considered necessary to contribute to a more holistic understanding of the B Corp entrepreneur moving beyond current dominant depictions of entrepreneurs that seek to “use business as a force for good” (B Lab, 2017). Due to the lack of empirical motivational research on B Corp entrepreneurs, the focus of this book lies on the identification of their values and motivations, while their priority, sequencing, and interconnectedness remain to be determined.

The study does not make a difference between the state prior to and after the acquisition of the B certification. Such a distinction has been identified to be irrelevant in former research on B Corps (e.g. Coral, 2016; Stubbs, 2014; Harriman, 2015). Furthermore, the goal of this book is to fully grasp the nature and personality of the B Corp entrepreneurs rather than identifying any changes they have been going through.

The working assumption is for entrepreneurs of Chilean B Corps to have common intrapersonal values and motivations which influence the creation of a B Corp. The fact that entrepreneurs of B Corps are faced with a simultaneous focus on social, environmental, and financial missions

may lead to a complex coexistence of self-oriented and other-oriented motivations (Miller et al., 2012). As self- and other-oriented motivations are assumed to be interwoven, a broader perspective beyond a pure profit-social dichotomy dominant in social entrepreneurship (SE) literature on motivational research is attempted (Alter, 2007). Human values and their derived motivations are assumed to be reliable sources to describe and predict behavior (Schwartz, 1992). The influence of these is assumed to contribute to the emerging definition of the field of B Corps and B Corp entrepreneurs.

Moreover, the academic fields of hybrid entrepreneurship and SE are assumed to represent adjacent fields to the B Corp entrepreneurship suitable for complementation of the theoretical framework due to similarities in theoretical concepts as well as a classification of B Corp entrepreneurs as such by various scholars (e.g. Abramovay et al., 2013; Chen & Kelly, 2015).

OUTLINE OF THE BOOK

The remainder of this book proceeds as follows. Firstly, the theory is contextualized by discussing the type and characteristics of B Corporations followed by a description of the evolution of the B movement and an outline of the shared ideology within which the B Corp community is embedded. Secondly, the limited empirical research on motivational factors of B Corp entrepreneurs on the creation of B Corps is reviewed and complemented by an elaboration on empirical studies drawn on motivational antecedents of the adjacent field of SE. Hereafter, literature of the basic understanding of human values and derived motivations is reviewed providing a complementing continuum of why B Corp entrepreneurs might found B Corps or turn their traditional organizations into B Corps. From this theoretical foundation, data is gathered from Chilean B Corp entrepreneurs in the form of semi-structured interviews to understand the factors that drive them. The results are discussed and embedded in the motivational entrepreneurship and psychology literature in the form of classifications among value dimensions followed by the formation of profiles of different motivational types of B Corp entrepreneurs. The book concludes with a discussion of the theoretical as well as practical implications on how the findings can contribute to the further development of the B movement particularly in Chile and an outlook for potential future research.

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CHAPTER 2

The B Corp Movement

Abstract This chapter refers to the concept of the hybrid organization and places B Corps along the dimensions of mission motivation and profit motivation. It also illuminates the historical development of the B movement, both internationally and in Chile. The values and motivations of the movement suggest that B Corps not only aim at solving societal and environmental problems but also envisage a sustainable change. As Sistema B's co-founder Pedro Tarak (*Redefinir el sentido del éxito*, 2016) emphasized, the rationale of the movement is to create a new economic sector that will convert into a unique collective voice telling the world that it is time to redefine success and companies are not only to strive for being the best in the world but the best for the world.

Keywords B movement • B Lab • Sistema B • Hybrid organization

BUSINESS AS USUAL AND HYBRID ORGANIZATIONS

Over 250 years ago, the paradoxical ideology of a market driven by self-interested profit maximization and competition that would lead to wealth for all was introduced by Adam Smith (1910 [1776]) and has ever since influenced the economic systems in place today (Felber, 2015). Smith (1910) stated that “it is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest” (p. 13) supporting the idea that an invisible hand

would turn self-interested behavior into a contribution to the common good (Felber, 2015).

As discussed in the introduction of this book, economic activity today does not automatically turn into a positive impact for the common good but in many ways threatens the sustainable survival of all species and the planet Earth (WWF, 2016). Nonetheless, the prevailing economic systems are designed based on this ideology, whereas government and civil society are made responsible to address society's needs. Mission-driven for-profit entities may however ultimately be more effective and more self-sustaining in the long run than the traditional profit, civil service, and government sectors (Boyd, Henning, Reyna, Wang, & Welch, 2009). In some countries, it is the lack of managerial ability and material resources that prevent governments from effectively addressing social and environmental needs, in others, it is cultural and political norms (Felber, 2015).

Against this background, a new organizational form has emerged, often referred to as hybrid organization, which is defined as market-oriented and simultaneously common-good mission-centered (Boyd et al., 2009; Haigh & Hoffman, 2012; Pache & Santos, 2013). Hybrid organizations blur the sectors between the traditional for-profit and nonprofit sectors and can exist on either side of this divide by taking up different business solutions for profit generation coupled with a social and/or environmental mission (Haigh & Hoffman, 2012). Traditionally, profit purpose and social purpose have been perceived as a dichotomy facing constant trade-offs as illustrated in Alter's (2007) hybrid spectrum model exhibited in Fig. 2.1. The

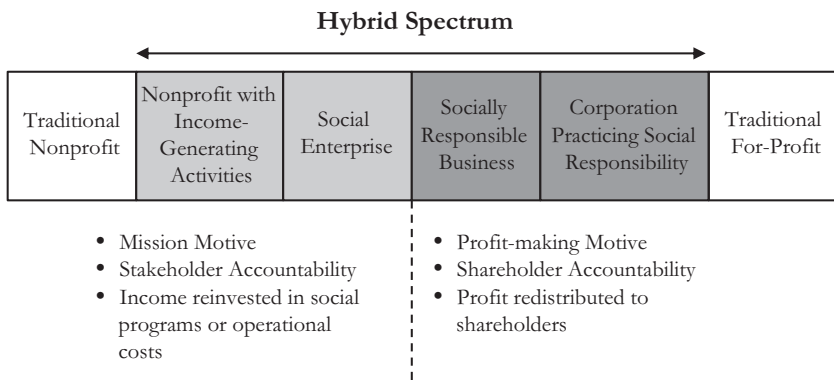


Fig. 2.1 The hybrid spectrum model (adapted from: Alter, 2007)

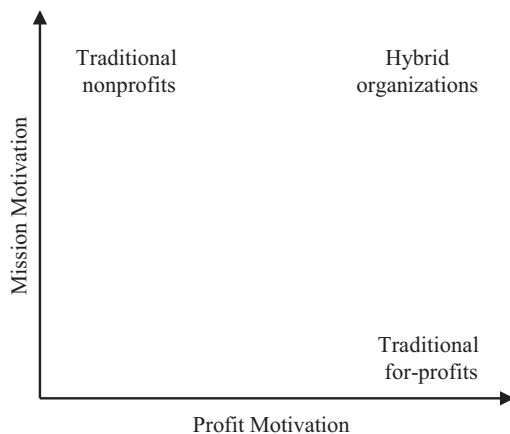
model classifies the different types of hybrids according to their relative adoption of elements of the traditional nonprofit and for-profit sector.

The relative position on the spectrum ranges from organizations that operate as traditional nonprofits generating money solely to fund their social missions to organizations that operate as traditional for-profits that are mainly driven by profit generation and their legal fiduciary duties to shareholders (Alter, 2007; Boyd et al., 2009). Some critics raise the concern that pursuing both profit and social and/or environmental missions might lead to a lack of clear guidance for decision-making (Yunus, 2010). Boyd et al. (2009), however, argue that the emerging types of hybrid organizations overcome the commonly accepted profit-social dichotomy in *business as usual* as illustrated in Fig. 2.2.

Mission motivation and profit motivation are consequently perceived as independent organizational dimensions allowing hybrids to be highly driven by both social and profit missions. This notion is in accordance with Haigh and Hoffman (2012) demonstrating the attempt of the emerging hybrid sector to develop viable new business models that generate mutually enriching correlations between business, social, and environmental value.

The growing importance of this new organizational paradigm is underpinned by an emerging demographic of individuals seeking to fit their personal value systems and beliefs into their workplaces (Haigh & Hoffman, 2012). Hybrid organizations treating profit as a means rather than an end seem to allow self-actualization on the job to be linked with

Fig. 2.2 Hybrid organizations in the profit-social spectrum (adapted from Boyd et al., 2009)



personal notions of purpose and calling (Haigh & Hoffman, 2012) merging the so far opposing value systems found in people's private and corporate lives (Felber, 2015).

The evolving B Corp movement is one type of new hybrid organizational form (Abramovay, Correa, Gatica, & Van Hoof, 2013; Hiller, 2013; Stubbs, 2014; Wilburn & Wilburn, 2014; Soto, 2015) that pursues a triple bottom line of economic, social, and environmental value creation and has the potential to propose concrete and sustainable solutions for the most urgent social and environmental problems faced today (Abramovay et al., 2013).

THE BIRTH OF THE B MOVEMENT AND B LAB

Founded in 2006, the B movement arose out of the strive for a new regenerative economy. Three American friends from Stanford University, Jay Coen Gilbert, Bart Houlahan, and Andrew Kassoy, saw the need for systemic change to foster an economy that would use the power of the private sector of the economy to create social and environmental value (Marquis, Klaber, & Thomason, 2011). Through B Lab, an independent nonprofit organization, they provide three separate but interrelated initiatives to create the needed infrastructure and support for a new social business sector of the economy (Marquis et al., 2011; Harriman, 2015):

1. *Building a community of certified B Corps* that undergo a rigorous external assessment to assure they meet a wide range of high social and environmental standards, public transparency, and legal accountability to differentiate socially positive business activity from marketing ploys (B Lab, 2017).
2. *Creating legal infrastructure* and market incentives in the United States by promoting a new legal business entity called Benefit Corporation that protects social mission-driven enterprises legally enabling them to achieve higher purpose than profit (B Lab, 2017).
3. *Developing and providing a global rating system* called GIIRS (Global Impact Investing Rating System) for social and environmental impact to create a basis for impact investment and encourage responsible investment (B Analytics, 2017).

The overall motivation of the B movement is to redefine the role of business in society by establishing a new purpose of business and of the

existing capitalist structures (Harriman, 2015). It is not about “creating another label on the side of a coffee bag—it is about trying to create another sector of the economy” (Bart Houlihan cited in Pileika, 2012, p. 6). Bart Houlihan continues to argue that while in today’s economic order the private sector seems to be solely responsible for generating profits, and civil society and government organizations attempt to address social and environmental problems, the B movement envisions a sector made up of a new type of actors that unify the forces of business with the purpose to generate public benefit (Pileika, 2012; Harriman, 2015). Through providing infrastructure and support for that new sector, B Lab hopes to indirectly address the most urgent social and environmental problems society is facing today by reintegrating ethics and values into a corporate model that works towards a triple bottom line of people and planet next to profit (Harriman, 2015).

THE CERTIFIED B CORP

The B stands for benefit and expresses B Corps’ commitment towards benefitting society, the environment, and its workers (Wilburn & Wilburn, 2014). *B Corp* and *B Corporation* are used interchangeably, however, must not be confused with the American legal organization form called *Benefit Corporation* or *Benefit Corp* (B Lab, 2017; Benefit Corps, 2017). Businesses of any kind regardless of their industry or legal structure can become certified B Corps by meeting the required extensive standards of social performance, accountability, and transparency (Gunther, 2013). The voluntary adoption of the high standards of decision-making can emerge from socially aware businesses that were found to resolve social and/or environmental problems, from traditional businesses that decide to change their business purpose and practices, as well as from foundations that decide to adopt a more business-oriented approach to sustainably achieve social change (Abramovay et al., 2013).

According to B Lab, B Corps are “for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency” (B Lab, 2017). B Corp entrepreneurs, in this study defined as founders or co-founders of B Corps or businesses that have become certified as B Corps, seek to create business models that offer solutions to social and environmental issues. The centrality of entrepreneurs in the foundation of B Corps is based on the movement’s logic to exert systemic influence based on a bottom-up

approach. This entails the expansion of the movement among start-ups with the objective to accumulate power and thereby eventually influence global corporations. As for-profit companies, B Corp entrepreneurs are aware of the necessity of generating profits, but not for the sakes of the profit itself, but to sustain the business and increase the social impact through growth. B Corps are further not willing to generate these profits at any cost. The company's purpose is the center around which a profitable business model is created. Decision-making relies on four fundamental areas of workers, community, environment, and governance and, as opposed to *business as usual*, is not based on strategies on short-term economic gain (Sistema B, 2017).

To become certified, a company must meet a variety of requirements. Firstly, it must undergo an extensive assessment, the B Impact Assessment (BIA) provided by B Lab, that evaluates the company's impact on its stakeholders (Wilburn & Wilburn, 2015). The BIA serves as a tool to assign scores by evaluating the corporation's business practices and models; a score of 80 points out of 200 is necessary to be eligible for the B Corp certificate (B Lab, 2017). Depending on a corporation's size and industry, the factors it needs to address vary between 130 and 180 (Wilburn & Wilburn, 2014). The factors themselves form part of the four broader impact areas *governance*, *workers*, *community*, and *environment*. *Governance*, for instance, includes transparency and accountability factors, whereas the impact area *workers* includes factors of compensation, training, ownership, and work environment. With community practices and beneficial attributes of products and services, points can be earned in the impact area *community* and with environmental practices in the impact area *environment* (Hiller, 2013).

Moreover, it must adapt its articles of incorporation as necessary to conform to B Lab's commitment to sustainability and social purpose, meaning to always act as required for the company to consider stakeholder interests of not only their shareholder but also their employees, customers, suppliers, the environment, the community, and society overall (Wilburn & Wilburn, 2015). It must concomitantly sign the declaration of interdependence that states:

We hold these truths to be self-evident: That we must be the change we seek in the world; that all business ought to be conducted as if people and place mattered; that, through their products, practices, and profits, businesses should aspire to do no harm and benefit all. To do so requires that we act with the understanding

that we are each dependent upon another and thus responsible for each other and future generations. (B Lab, 2017)

This legal framework provides protection for the survival of the social mission and reduced liability for directors who do include social considerations in financial decision-making, against new management, investors, or changes in ownership (Wilburn & Wilburn, 2015). A certified B Corp is, however, not a different legal entity as sometimes confused with B Lab's promoted legal form of a Benefit Corporation. Intersection with corporate law does take place to such a degree as to the change of articles of incorporation. By agreeing to the respective term sheets provided by B Lab, B Corps enter into a private contractual agreement (Hiller, 2013).

B Lab claims that the B certificate provides B Corps with several benefits (Honeyman, 2015). This includes to be part of a like-minded community, attracting and engaging talent in the search of work with a purpose, increasing credibility and creating trust which differentiates the social responsibility from pretenders in the industry, generating press, benchmarking performance, attracting impact investors, protecting the social mission, creating a collective voice, saving money through the access to services, and leading a global movement.

In 2012, the movement started to spread internationally with the first B Corp outside of North America being certified in Chile. Global partnerships have since then been established firstly in South America, then Australia, New Zealand, and Europe. Chile, as a market for B Corps and location of the global partnership for Latin America called Sistema B, plays a pioneer role in the movement's global spread (Harriman, 2015). To date there are more than 2048 certified B Corps from 50 countries, operating in more than 130 industries (B Lab, 2017). Among the most popular B Corps around the globe are the ice cream producer *Ben and Jerry's*, outdoor apparel producer *Patagonia*, and fair brownie producer *Greyston Bakery*.

THE B CORP MOVEMENT IN CHILE AND SISTEMA B

In 2011, four entrepreneurs with diverse backgrounds but one common interest, Pedro Tarak, Juan Pablo Larenas, Gonzalo Muñoz, and María Emilia Correa, got together to work on solutions for the transition towards an alternative economy and a more sustainable development of Latin America. The frustration of trying to promote changes within traditional

corporations and the limitation of the need to always prioritize shareholders' financial interest over long-term social benefits despite shared social interests by directors drove them to action (Abramovay et al., 2013).

Among the most urgent social problems that need to be tackled in Latin America are the regeneration of the ecosystems, the conservation of biodiversity, the use of alternative energy, conscious consumption and reduction of garbage, social protection, and lastly the access to qualitatively high public service in the urban sphere as well as in rural parts of the countries (Abramovay et al., 2013). A first concept of social companies existed already across Latin America. However, there was no uniform definition nor standards guiding these scattered lone warriors (Harriman, 2015). In the search of solutions, they were confronted with the B movement and B Lab in the United States which reflected their notion of an adequate alternative for Latin America's economy. In an interview with *GOOD* magazine, Larenas explains: "We were researching different experiences related to social enterprise all over the world, and we found out about the experience of B Corporations in the U.S., so we took a plane and decided to go meet the co-founders of B Lab" (Goldmark, 2012).

In Chile, like the rest of Latin America, a specific ecosystem for B Corps does not exist yet as it is still an emerging phenomenon. Different kinds of social businesses have been founded but have so far struggled in isolation from the national economy (Abramovay et al., 2013). However, compared to its Latin American neighbors, Chile has a favorable ecosystem for entrepreneurship and innovation (Abramovay et al., 2013). According to data from the OECD, Chile's economy is comprised of 99% small and medium-sized enterprises that employ about 57% of the national working force, and the willingness of Chileans to start their own business is steadily increasing (Abramovay et al., 2013). There is a series of governmental initiatives like the passing of the law *Tu Empresa en un día* (English: "Your company in one day"), which enables the foundation of a Chilean company within one day and without costs. The governmental organization *CORFO* (Corporación de Fomento de la Producción) financially supports thousands of entrepreneurs, while the program *Start-Up Chile* financially supports mainly foreign entrepreneurs to attract foreign talents and make Chile the focus of innovation and entrepreneurship in Latin America. This makes Chile an attractive region for an increasing B Corp community and the further development of a favorable ecosystem (Abramovay et al., 2013; Soto, 2015).

To enable the formation of a partnership and licensing agreement with B Lab, they founded Sistema B, an independent nonprofit organization,

that would promote and facilitate the B movement in Latin America (Abramovay et al., 2013). Headquartered in Santiago de Chile, Sistema B hence embodied the first step towards a global expansion strategy of the B movement (Gilbert cited in Harriman, 2015). It licenses the intellectual property of B Lab and earns a share of their income generated through B Corp certifications of Latin American companies (Harriman, 2015). Until today, Sistema B International, located in Santiago de Chile, is the starting point for the funding and establishment of every Latin American national team, for instance, Sistema B Brasil and Sistema B Colombia (Sistema B, 2017; Harriman, 2015).

Different from the B movement in the United States that focuses mainly on companies themselves, legal infrastructure, and a global rating system, the Latin American founders focus their work on holistic systemic change by creating a linkage between the most important actors in the ecosystem. The differing approach derived from the context-driven inherent lack of social entrepreneurship infrastructure, particularly for-profit social businesses (Harriman, 2015). The purpose of the so-called Sistema B is to facilitate the creation of a new economy where success is measured by the well-being of society and the environment. Its name reflects Sistema B's mission of a systemic approach towards creating a favorable ecosystem to establish a market that resolves social and environmental problems (Sistema B, 2017; Harriman, 2015). Not only does the nonprofit strengthen B Corps directly but also bring together the different strategic key players of social and economic change by focusing on six key components of the ecosystem: B Corps, capital, public policy, opinion leaders, an academy, and the market (see Fig. 2.3).

Building strong relationships with actors in the economy apart from the B Corp community was identified to be important to achieve the intended systemic change. Among these are the work with policymakers to positively impact regulatory frameworks, the involvement of universities to develop further empirical knowledge and reach academics, and the approach of opinion leaders to spread the idea and raise awareness (Harriman, 2015). Particularly, close collaboration with the government and policymakers is of high importance in Latin America to develop the legal framework needed for B Corps that recognizes their corporate form and legally protects their social mission (Soto, 2015).

Very particular for the region's initial development of the movement was the financial support and the commitment to work in favor of such an ecosystem through public policies and education agendas coming from

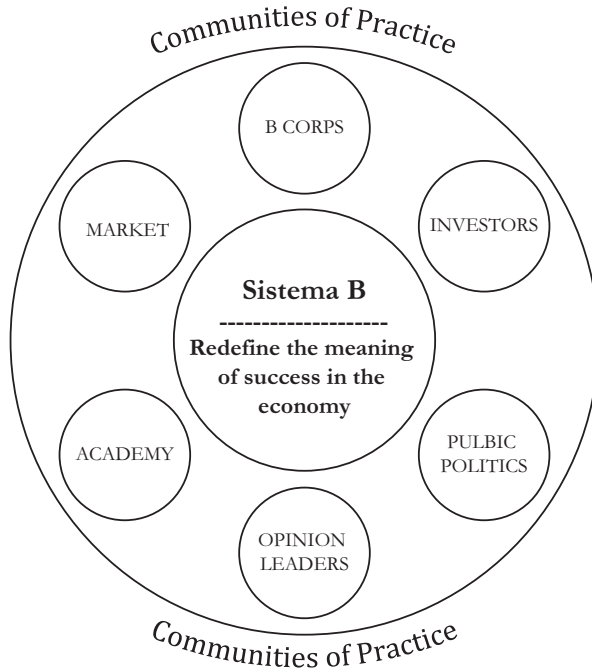


Fig. 2.3 Strategic model of Sistema B (adapted from: Sistema B, 2017)

the Chilean governmental organization CORFO, the multilateral investment fund called FOMIN, and CAF, the Latin American Development Bank (Harriman, 2015).

At the time of writing this book, the Chilean community is comprised of 101 certified B Corps, making it the largest B Corp community in Latin America and third largest B Corp community globally after the United States and Canada (B Lab, 2017).

VALUES AND MOTIVATIONS OF THE B CORP MOVEMENT

Harriman (2015) finds the B Corp movement to be value-driven in nature and an expression for the idealization of its adherents' values and beliefs. Supported by her selected theory of framing, she stresses the importance of taking cross-cultural borrowing of values, beliefs, and thought constructs of the movement into consideration. To date, literature on B Corps

has predominantly depicted B Corp entrepreneurs in alignment with the movement's ideology. Therefore, an elaboration on and understanding of the values and motivations of B Lab and the respective Sistema B in Latin America is pivotal to the proper collection and analysis of data.

Values and Motivations of B Lab and the Global B Movement

B Lab sees itself as serving people that use *business as a force for good* and envisions a future of companies competing to be the *best for the world* with the consequence of a more shared durable prosperity for society instead of the best in the world with the consequence of short-term individual prosperity. The collective voice plays a pivotal role in the achievement of that goal (B Lab, 2017). The central ideology is thus the potential and power of business to solve social and environmental problems and the need to change the role of businesses in society. The B Corp Declaration of Interdependence indicates B Lab's vision of unifying businesses that have the motivation to change the world. Those must value people and the planet in the sense that they aspire to benefit these and do them no harm through any of their business activities. They are further expected to value and support the community of B Corps based on the value of solidarity and the concept of collaboration and knowledge sharing, which breaks with the paradigm of competition in business as usual (B Lab, 2017).

The emphasis of B Lab's activities within the B Corp movement lies on its BIA of (potentially) certified B Corps, as the assessment system is a concrete strategy for the increase of impact of businesses that aim at solving social and environmental problems. It is consequently these uniform standards translated into measurable indicators that embody the core values of B Lab (BIA, 2017; Harriman, 2015). Thus, it becomes evident that the values of B Lab lie in the holistic ethical behavior of people and their businesses in the areas of governance, workers, community, and environment and the desire to work towards continuously improving these (B Lab, 2017).

B Lab's founders and leaders have established a variety of recurring vocabulary throughout the organization's communication with the objective of echoing and spreading these core values among the global B Corp community. Examples of these include *people using business as a force for good*, *best for the world*, *B the Change*, *Measure what Matters*, and *Profit with a Purpose* (Harriman, 2015; B Lab, 2017).

Values and Motivations of Sistema B and the Chilean B Movement

According to Harriman (2015), the fact that the B Corp movement has spilled over to the Latin American continent demonstrates B Lab's ability to define and transmit its values and beliefs to regions beyond North America to become a global ideology among movement adherents. Nonetheless, it needs to be considered that the ideology of the B Corp movement in the United States had been borrowed by the founders of Sistema B in Latin America and therefore put into a new cultural context. This cross-cultural borrowing of the ideology and concept of B Corps was not only embedded into a distinct societal context but also a distinct ecosystem for (socially motivated) businesses (Abramovay et al., 2013). To enable and determine necessary contextual adaptation to the transmitting of the ideology, Sistema B has been identified to be in the active role in Latin America. Academia B, an internal initiative responsible for the engagement of the academic community through relations with local universities, was one salient difference (Harriman, 2015).

Sistema B's co-founder Pedro Tarak (2016) states the collective of the movement to create a new economic sector that will convert into a unique collective voice telling the world that it is time to redefine success and companies are not only to strive for being the best in the world but the best for the world (Spanish: "Juntos podemos crear un nuevo sector que se convierta en una nueva voz única que le diga al mundo que ya es hora de redefinir el sentido de la palabra éxito. Para que las empresas sean no solo las mejores del mundo, sino para el mundo"). The use of the same (translated) words and ideas reflects the closeness of the cross-national borrowing within the global movement.

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Values and Motivations of B Corp Entrepreneurs and Social Entrepreneurs

Abstract This chapter addresses the values and motivations that drive B Corp entrepreneurs and social entrepreneurs. Drawing on prior research, it shows that the literature emphasizes the central importance of personal values and motivations of B Corp entrepreneurs in B Corps. However, unlike the adjacent field of social entrepreneurship, the particular values and motivation of B Corp entrepreneurs have only been addressed to a very limited extent. Therefore, the chapter turns towards social entrepreneurship to learn about the self- and other-oriented motives of social entrepreneurs. This in turn enables us to better understand why people run a social business.

Keywords B Corp entrepreneurs • Social entrepreneurs • Values • Self-oriented motives • Other-oriented motives

VALUES AND MOTIVATIONS: DEFINING TERMS

Schwartz and Bilsky (1987) determined five features of values, stating that “values (1) are concepts or beliefs, (2) pertain to desirable end states or behaviors, (3) transcend specific situations, (4) guide selection or evaluation of behavior and events, and (5) are ordered by relative importance.” Additionally, Schwartz (1992) defines ten basic values recognized in all societies that express distinctive motivational goals: self-direction, stimulation, hedonism, achievement, power, conformity, tradition, security,

benevolence, and universalism. Together these values represent a “continuum of motivations” whose motivational differences overlap between values (Schwartz, 1992, p. 45). The ten basic values are the focus in a later chapter of this book.

Values transcend situations and objects and turn into attitudes once applied to a certain context. Behavior is consequently a manifestation of applied values (McCabe, 2012). As values influence most if not all motivated behavior (Schwartz, 2006) in that they consciously and unconsciously weigh choices of action, they form an important basis in the understanding of motives of B Corp entrepreneurs. In other words, human values are the source attitude that motivates behavior (McCabe, 2012). Value-relevant contexts activate respective values which stimulate motivation and cause behavior (McCabe, 2012). The act of creating and maintaining a B Corp is thus assumed to be significantly influenced by the personal values that B Corp entrepreneurs possess.

VALUE AND MOTIVATIONAL RESEARCH ON B CORPS

All studies conducted on B Corps conclude that B Corps embody emerging economic actors with a high potential for economic change towards a more sustainable future in Latin America and the world in general. Extant literature can be found on how B Corp entrepreneurs operate their B Corps and the influence of the B Corp certificate on a company’s performance (e.g. Wilburn & Wilburn, 2014; Hiller, 2013; Coral, 2016; Stubbs, 2014; Troncos Campos, 2014; Chen & Kelly, 2015; Apruzzese, 2015). However, these authors have not empirically determined why entrepreneurs operate B Corps in the first place.

Research on motivations of B Corps has been very limited to date and almost exclusively restricted to self-reported motives for the adoption of the B Corp certification and concomitant joining of the B Corp movement (Stubbs, 2014; Kim, Karleshy, Myers, & Schifeling, 2016; Coral, 2016). The main drivers found are the desire for an alignment and an expression of values, a formal validation of business philosophies and approaches to stand out against profit-driven companies, the connection with like-minded businesses leading to a strong voice in society and a sense of belonging within the B community, as well as the potential for inter-B Corp business development.

Stubbs (2014) finds that Australian B Corp entrepreneurs pursue financial results for the purpose of making social and environmental contributions

that help to create a better world. It is their strong belief that businesses must serve the need of either the planet or its people and that economic activity is indeed a powerful tool for societal change. These beliefs generate the desire to create a business model that serves as a role model and operating proof for a changing role of business in society. Even though Stubbs (2014) did not investigate specific values, the author identified the alignment of values is identified to be the main driver for obtaining the B certificate.

Abramovay, Correa, Gatica, and Van Hoof (2013) find B Corp entrepreneurs to be strongly driven by the search for alternative, more legitimate ways of generating prosperity in alignment with their values and ethics. Pressure from society plays a pivotal role for B Corp entrepreneurs to find new ways of doing business. By offering products and services that do neither harm society nor the environment and further produce a triple value for society, environment, and the economy, the license to operate is protected and talent attracted (Abramovay et al., 2013). In alignment with the concept of shared value of Porter and Kramer (2011), B Corp entrepreneurs recognize a social innovation potential that could open new markets and business opportunities. Recognizing this opportunity and the rise of networks to support and facilitate the creation of social businesses are additional drivers for B Corp entrepreneurial activities.

Most of these studies, regardless of their geographical areas in scope, have recognized the central importance of personal values and motivations of B Corp entrepreneurs in B Corps, but have not explicitly studied these. The motivations identified up to date still lack additional empirical evidence. Scholars have, thus, left a research gap in the determination of personal values and motivations of B Corp entrepreneurs in B Corps responsible for forming socially hybrid organizations in the first place. Probable hybrid models of entrepreneurs who are assumed to be mixing socially and profit-oriented interests have been also suggested by McCabe (2012).

VALUE AND MOTIVATIONAL RESEARCH IN SOCIAL ENTREPRENEURSHIP

Although value and motivational research has been limited in the field of B Corp entrepreneurs and B Corps, scholars in the adjacent field of SE recently started to be interested in motivational drivers of social entrepreneurs. The latter will therefore provide the background to the

inquiry questions for the research of this study. Nonetheless, it is worth mentioning that despite many calls for research exploring the why of SE (Austin, Stevenson, & Weiskillern, 2006; Haugh, 2005; Miller, Grimes, McMullen, & Vogus, 2012), little empirical research has yet addressed social entrepreneurial motivation, and the focus has predominantly been lying on North American and Western European perspectives (Ruskin, Seymour, & Webster, 2016; Miller et al., 2012). The book focuses on Chile, the key player of the B movement in South America, and thus aims at contributing to entrepreneurial motivational research in the so far rather neglected market.

The Concept of Social Entrepreneurship

SE is characterized by its use of business knowledge, that is, market-based methods, to solve social problems faced by society (Boluk & Ziene, 2014). Social entrepreneurs recognize business opportunities and leverage resources like commercial entrepreneurs, with the focus on the provision of social goods or services for target communities that fill market-based gaps (Austin et al., 2006). The fundamentals of SE highlighted by scholars are the social mission as a focus and driver of business activities (Sherman, 2014; Braun, 2010), the commitment to providing social value (Braun, 2010), and the entrepreneurial behavior motivated by the need to help others rather than by making profit (McCabe, 2012). In this book, B Corp entrepreneurs are hence assumed to be an adjacent type of social entrepreneur due to similarities in conceptualization and have even been described as such by various scholars (e.g. McCabe, 2012; Chen & Kelly, 2015; Coral, 2016).

In current literature, commercial and social entrepreneurs are commonly distinguished based on a perceived profit-social dichotomy. Social entrepreneurs are commonly depicted as heroic, virtuous, and selfless human beings with tendencies to take on roles as pathbreakers, pioneers, and activists (Boluk & Ziene, 2014; Braun, 2010), whereas commercial entrepreneurs are depicted as ambitious self-interested profit-driven personalities (Ruskin et al., 2016). However, the combination of market-based methods and the provision of solutions to social problems has been described as the marriage of “ostensibly competing organizational objectives” (Miller et al., 2012, p. 616). The fact that profit can be perceived as a means rather than an end for a business to be sustainable seems to often be neglected (Braun, 2010). Social entrepreneurs are found

to be profit-driven in the sense that financial gains support their ideals and increase their intended social impacts while making the solution self-sustaining (Boluk & Ziene, 2014; Braun, 2010). It is rather a desire to fulfill one's destiny than attain financial security (Ruskin et al., 2016).

Social entrepreneurs are described as hybrids expressing their combined interests (Boluk & Ziene, 2014). These hybrid interests make the concept theoretically problematic as it does not fit the current understanding of entrepreneurship motivation (Miller et al., 2012; Boluk & Ziene, 2014). As Yunus (2007) expresses: "While everyone is familiar with traditional entrepreneurs, [and] we feel we understand their values and motivations [...] the same is not true for the founders of the social business" (p. 37). The fact that social entrepreneurs are faced with a simultaneous focus on social, environmental, and financial missions may lead to a complex coexistence of self-oriented and other-oriented motivations (Miller et al., 2012). Accordingly, scholars have started to focus on the variety of motives of social entrepreneurs going beyond altruism by recognizing additional self-oriented motives like personal interests and the need for achievement (Boluk & Ziene, 2014).

Current Motivational Research in Social Entrepreneurship

Altruism is the most commonly cited motivator for SE in literature. Although recent studies apply distinct theoretical frameworks such as among others transformative learning theory (Braun, 2010), content theory (Braga, Proenca, & Ferreira, 2015), or the original value theory (McCabe, 2012), their findings all confirm explicitly or implicitly the coexistence of self-oriented and other-oriented motivations among social entrepreneurs (Boluk & Ziene, 2014; Braun, 2010; Ruskin et al., 2016; Braga et al., 2015; Yitshaki & Kropp, 2016; Sherman, 2014). Based on the research assumption that B Corp entrepreneurs will likewise be motivated by a mix of self- and other-oriented motivations, the central research findings in SE will be elaborated based on a classification of self- and other-oriented motives to facilitate their comparison.

Self-oriented Motives in Social Entrepreneurship

Social entrepreneurs exhibit a *need for achievement* demonstrated in a desire to challenge themselves to find and create solutions for social problems (Ruskin et al., 2016; McCabe, 2012). This self-oriented motivation has long been related to traditional entrepreneurial motivation (e.g.

McClelland, 1965). However, according to the definition of achievement for social entrepreneurs, it seems to differ from traditional entrepreneurs. Whereas the latter generally measure their achievement in short-term profit increase, social entrepreneurs have reported to measure success related to long-term social impact generation (Ruskin et al., 2016; Yitshaki & Kropp, 2016). Also, the need for accomplishment is associated with goals to provide security for the family and health (McCabe, 2012). The need to achieve can thus be satisfied by achieving something of importance to an individual independent of what that is (Boluk & Ziene, 2014). This motivation is key as it gives at least partly reason to why social entrepreneurs create their own social ventures instead of joining organizations that share similar values and missions (Boluk & Ziene, 2014).

The *desire for public acknowledgment* of their work is related to the need for achievement. Interviewees of recent studies confirm the interest in receiving some type of acknowledgment based on their social and/or environmental reputation (Boluk & Ziene, 2014). Joining a body that reaffirms, acknowledges, and publicizes the social contributions might indicate for public acknowledgment-seeking of a social entrepreneur. Informants report to consider themselves role models, which also accounts for the desire of public reputation (Boluk & Ziene, 2014) and is related to the self-oriented need for influence (see below). Empirical contradictions exist regarding the desire for acknowledgment among social entrepreneurs. For instance, Braga et al. (2015) find that Portuguese social entrepreneurs are not motivated by public recognition as opposed to traditional entrepreneurs.

The *need for autonomy*, defined as the freedom to determine how to manage a social business, is another self-oriented motivation of social entrepreneurs that includes choices on personal lifestyle and the social impact one desires to have (Ruskin et al., 2016). The creation of a social business can enable an entrepreneur to enjoy their chosen lifestyle and change the everyday life of the entrepreneur him-/herself according to their own preferences (Boluk & Ziene, 2014). Social entrepreneurs are, for instance, drawn to different geographical areas due to their interest in that culture or the possibility to establish their personal and professional life in close relation to nature (Boluk & Ziene, 2014). Bornstein (2004) and Barendsen and Gardner (2004) also identify social entrepreneurs not to treat their private and professional lives as separate the way commercial entrepreneurs do and, in some occasions, use a social venture as a means to resolve tensions existing between their personal and professional lives

(Boluk & Ziene, 2014). Lifestyle motives can also be triggered by health limitations, like a disabled child that needs special attention or a product/service that has not been invented yet (Ruskin et al., 2016).

The *need for influence* or power, defined as the desire to alter others' behaviors and attitudes, is another motivator driving social entrepreneurial behavior (Ruskin et al., 2016). Based on their personal values, social entrepreneurs attempt to shape the actions of others in their target community such as promoting cultural understanding and encouraging community engagement (Ruskin et al., 2016; Yitshaki & Kropp, 2016). This is congruent with the behavior of power-motivated individuals that choose their careers according to related legitimate authority enabling them to guide the behavior of others (Winter, 1992). Demeanor directed at catalyzing social change congruent to their preferences is another indicator for the need for influence (McCabe, 2012).

Relatedness, defined as the drive for warm, close relationships with others, was confirmed to be a motivator for social entrepreneurs when observing their time and energy devoted to seeking companionships and building social networks (Ruskin et al., 2016). Although the informants of the study of Ruskin et al. (2016) have not started their social ventures to increase their social network, they act on designing solutions for social problems identified in personal relationships. This self-oriented motive is closely connected with the other-oriented motive nurturance (see below).

The *search for meaning* in life as an intrinsic desire is often caused by a *disorienting dilemma* that triggers change in a person's life. This dilemma can vary from crises like the state of inconvenience to the death of a loved one (Braun, 2010). In order to satisfy that need, social entrepreneurs report to have created social ventures giving them the ability to make positive life changes (Braun, 2010; Barendsen & Gardner, 2004; Ruskin et al., 2016).

Accordingly, scholars find social entrepreneurs to have a *strong belief in their personal destiny and ability* to induce change, the human potential for social change creation, as well as the power of entrepreneurship and social change (Braun, 2010; McCabe, 2012). These beliefs are deeply rooted as no disruptive surroundings can change those thought constructs and meanings. These findings are in accordance with literature stating that social entrepreneurs have strong *faith-based or philosophical values* and the resilience to act differently than their surroundings (Bornstein, 2004; Elkington & Hartigan, 2008). Drayton (2006) states that social entrepreneurs share common positive visions for transformative change and act on these (Braun, 2010).

Social entrepreneurs are further found to be either drawn towards creating a social venture due to *personal passion* or pushed away from traditional businesses due to *personal frustration* with the latter (Ruskin et al., 2016). Passion, the feeling of being drawn towards something one enjoys, engages social entrepreneurs in meaningful social venture activities (Ruskin et al., 2016). Frustration, on the other hand, which emerges from a working context that constraints the satisfaction of needs for achievement and the search for meaning, can epitomize social venture creation into a means to address that source of frustration (Ruskin et al., 2016; Yitshaki & Kropp, 2016).

Other-oriented Motives in Social Entrepreneurship

Altruism, the central SE motivation in literature (e.g. Ostrander, 2007), is defined as the voluntary, intentional desire to help others without the expectation of receiving external rewards (Bar-Tal, 1985). Behavior driven by altruism is directed at helping individuals dealing with personal crises. The motive of altruism has been evident in social entrepreneurs as they declare to be working to achieve social benefits for their target communities and/or social changes that do not affect themselves but others who do not contribute (Ruskin et al., 2016). McCabe (2012) identifies tendencies among social entrepreneurs to act imaginatively for the sake of achieving social equality for others. Informants of Yitshaki and Kropp's study (2016) describe their social awareness shaped during childhood, due to transmitted values from their parents or grandparents, as decisive for their altruistic motivations today. Parents' altruistic behavior had been incorporated into their own value system.

Nurturance, the desire to care for, stimulate, and support the development of others (Ruskin et al., 2016), has further been reflected in participants' comments. Thus, caring for known others and future generations on the planet is the focus of social entrepreneurs. Nurturance is linked to altruism, might however include personal benefits. Yitshaki and Kropp (2016) find social entrepreneurs with present or past life events to develop a motivation of nurturance, that is, the drive to want to help people in similar circumstances in order to alleviate their suffering to prevent them from the pain they had to go through themselves. The motivation is therefore initiated by personal situations but extended towards the desire to help others in similar situations. Although not self-oriented, many social entrepreneurs confirm to have gained the benefit of personal rehabilitation through helping others (Yitshaki & Kropp, 2016). Participants in Braun's

(2010) study reveal that children influence their motivation to work on something that matters in order to be able to justify their own actions and make these children feel proud about their parents. Although social entrepreneurs seem to be less focused on meeting their family needs than commercial entrepreneurs, it is still a side motive for the maintenance of the social venture (Ruskin et al., 2016).

Social justice, the equal access to resources and opportunities (Ruskin et al., 2016), is another central other-oriented motivator for social entrepreneurs. Most social entrepreneurs interviewed purport driving social change by seeking to eliminate the disadvantages for particular target groups. It motivates behavior directed at alleviating systemic disadvantages and might lead to personal benefits if the target group is their own (Ruskin et al., 2016).

The repetitive use of expressions, like fulfilling one's destiny or calling due to a feeling that draws people to a specific type of work, gives evidence for a *sense of obligation*. Also, the desire to give back to society based on the idea of reciprocity drives individuals to engage in prosocial behavior and the active support of their communities (Ruskin et al., 2016). Braun (2010) interprets related comments as a *spiritual connection* felt by social entrepreneurs, which relates higher power like God, nature, or energy to an individual's understanding of one's own purpose and place in the world. Yitshaki and Kropp (2016) also identify a "career calling" (p. 555) to SE described through spiritual components like mystical messages and guidance from God.

Empathy and *sympathy* are emotional motivations for prosocial activities (Yitshaki & Kropp, 2016). Sympathy and empathy towards the target community foster the desire to help others and are therefore the emotional basis for other-oriented motives to create a social business (Ruskin et al., 2016; Braga et al., 2015; Miller et al., 2012). Compassion is identified as an emotion that increases other-oriented motivations to commit to creating a social venture (Miller et al., 2012). Ruskin et al. (2016) integrate compassion in the broader feeling of empathy which includes the experience of positive as well as negative emotions found in others. Individuals that experience empathy are more prone to integrative thinking and solution finding, reshaping their weights in the cost-benefit analysis favoring prosocial decision-making due to perceived higher benefit of helping others and commitment to alleviating the suffering of others due to a formed prosocial identity (Miller et al., 2012). It is worth mentioning, however, that the fact that compassion serves as an emotional other-

oriented motivator does not preclude the coexistence of self-oriented and other-oriented motivation. The other-oriented motivation emerging from compassion may lead to an enhanced self-image or social power and consequently result in a prosself benefit (Miller et al., 2012).

Environmental value creation within SE has been addressed very little, which leads to the assumption that there is still untapped potential for the definition of self- and other-oriented motivations of social entrepreneurs and, specifically, the type of B Corp entrepreneurs who happens to focus on environmental value creation next to social value creation (B Lab, 2017).

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CHAPTER 4

Schwartz' Values and Motivation Theory

Abstract Shalom H. Schwartz' values and motivation theory constitutes the conceptual backbone of this book. This chapter introduces the reader to both the early and the refined version of the theory. It provides an overview of the various values and sub-values and the dynamic relationship between them. Schwartz arranges the values on a circular motivational continuum. Attending to this continuum, the chapter illustrates the existence of two underlying bipolar dimensions, namely, (a) self-enhancement vs. self-transcendence and (b) change vs. conservation.

Keywords Shalom H. Schwartz • Values and motivation theory • Circular motivational continuum

THE ORIGINAL AND THE REFINED THEORY

The theoretical framework of this book does not only refer to current social entrepreneurship and B Corp literature but further addresses psychological literature, particularly the original value theory developed by Schwartz (Schwartz, 1992; Schwartz et al., 2012). In motivational research on social entrepreneurs, this theory has been applied to a quantitative research strategy only (e.g. McCabe, 2012). However, Schwartz' concept and dynamic structure of values and derived motivational goals are also considered to be beneficial for the theoretical orientation of the present study.

Drawing on Schwartz and Bilsky (1987, 1990), the values and motivation theory departs from the assumption that all individuals and societies must respond to three universal requirements of human existence: (a) needs of individuals as biological organisms, (b) requisites of coordinated social interaction, and (c) welfare and survival needs of groups (Schwartz, 1992). Seeking to provide a set of values that help people to collectively cope with these requirements and that are valid in all societies, Schwartz (1992) suggests and tests ten universal values recognized in any culture. These values are considered to be the socially desirable concepts that people use to mentally represent motivational goals. Furthermore, values are the vocabulary available to people to express motivational goals in social interaction (Schwartz, 2012). The theory defines each value referring to the particular motivational goals that underlie the value (Schwartz, 2012). For example, the value “stimulation” is defined by the underlying motivational goals of “excitement, novelty, and challenge in life” (Schwartz, 2012, p. 5). The value “security” instead expresses the need for safety, harmony, and stability (Schwartz et al., 2012).

Schwartz et al. (2012) refined the original theory as a response to difficulties differentiating between some of the original values. They argue: “because the 10 values have fuzzy boundaries, some items inevitably also express elements of the motivations of adjacent values” (p. 668). Therefore they suggest to further subdivide some of the values like “power” into power-dominance, power-resources, and power-face. The value “security” is further distinguished into “security-personal” and “security-societal.” Refining some of the original values, the revised theory allows scholars to better discriminate between them (Schwartz et al., 2012). The present study considers the refined theory of basic individual values appropriate due to the finer subdivision of assumed central values in B Corp entrepreneurship such as universalism, benevolence, and self-direction derived from existing research evidence in SE. The following description of the values and the related motivational goals that they express, therefore, follows Schwartz’ (1992) original distinction of ten values and indicates respective sub-values of the refined theory (Schwartz et al., 2012) through a, b, and c.

VALUES AND SUB-VALUES

1. *Self-direction*

- (a) *Self-direction-thought*: Derived from biological needs for control and the pursuit of intrapersonal mastery, the motivational

goal of this sub-value is freedom to developing and understanding one's own ideas, thought constructs, and intellectual competence. Components are creativity/imagination and curiosity/interest. This sub-value refers to an intrapersonal competence and not an external assessment (Schwartz, 1992; Schwartz et al., 2012).

- (b) *Self-direction-action*: Likewise derived from the same biological needs, the motivational goal of this sub-value is the freedom to determine one's own actions, that is, exercising one's capacity to attain self-chosen goals and concomitantly choosing one's own purposes. Independency and the reliance on oneself are central components. Again, this sub-value refers to an intrapersonal competence and not to an external assessment (Schwartz, 1992; Schwartz et al., 2012).
2. *Stimulation*: Derived from the biological need for an optimal level of arousal conditioned by social experience, individual differences arise in the motivation to attain excitement (stimulating experiences), novelty (variety in life/change), and challenge (daring/seeking adventure) in life (Schwartz, 1992; Schwartz et al., 2012).
 3. *Hedonism*: The motivational goal of hedonism is attaining pleasure and sensuous gratification for oneself (Schwartz, 1992; Schwartz et al., 2012). It is not to be confused with happiness, which, according to Schwartz (1992), finds its attainment in the pursuit of any of the ten values and is positively correlated with all of them.
 4. *Achievement*: This value refers to performance motivation and implies the strive for personal success according to social standards and being judged as successful by others (Schwartz, 1992; Schwartz et al., 2012).
 5. *Power*:
 - (a) *Power-dominance*: The power to limit others in their choices entails the goal to exercise control over people (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Power-resources*: The power to control materials and social resources expresses the motivation to control events (Schwartz, 1992; Schwartz et al., 2012).

- (c) *Power-face*: This sub-value expresses aspects of security as well as power values. The motivational goal of attaining security and power is to maintain one's public image/social status and prestige, and avoiding humiliation (Schwartz, 1992; Schwartz et al., 2012).
6. *Security*: The need for safety, harmony, and stability is divided into safety needs directed towards the self and towards others.
- (a) *Security-personal*: The motivation of safety in one's immediate environment includes a sense of belonging, the feeling that others care about oneself and about health, cleanliness, and reciprocating favors. Safety for family and loved ones is part of security-personal (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Security-societal*: The defined goal of safety and stability in the wider society includes national security, and social order and stability (Schwartz, 1992; Schwartz et al., 2012).
7. *Conformity*:
- (a) *Conformity-rules*: The compliance with rules, laws, and formal obligations has the motivational goal to exercise self-discipline and obedience in everyday interaction (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Conformity-interpersonal*: The avoidance of upsetting or harming other people strives for politeness, honoring, and respect towards others while restraining actions and impulses that are likely to provoke the contrary (Schwartz, 1992; Schwartz et al., 2012).
8. *Tradition*:
- (a) *Tradition*: Maintaining and preserving cultural, family, or religious traditions entails the motivational goal of respect, commitment, and the acceptance of one's portion in life. It also includes items related to religious faith (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Humility*: The recognition of one's insignificance in the larger scheme of things entails modesty, self-effacement, submitting to one's life circumstances, and not to draw any attention to the self (Schwartz et al., 2012).

9. *Benevolence*: The care for in-group members is often referred to as prosocial motivation.
 - (a) *Benevolence-dependability*: This sub-value is defined as being a reliable and trustworthy member of the in-group. The derived motivational goal is to act as a responsible and loyal friend (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Benevolence-caring*: Devotion to the welfare of in-group members is another prosocial value type. The motivation derived therefrom is preserving and enhancing the welfare of people one is in frequent contact with (Schwartz, 1992; Schwartz et al., 2012).

10. *Universalism*: While benevolent values have a narrower focus on in-group members, universalist values include caring for people and nature outside of direct contact, which happens once individuals become aware of the life-threatening scarcity of global resources.
 - (a) *Universalism-societal concern*: This sub-value finds its motivational expression in the commitment to equality, justice, and protection of all people (Schwartz, 1992; Schwartz et al., 2012).
 - (b) *Universalism-protecting nature*: This sub-value expresses the motivation of preserving and caring for the natural environment and the attempt to fit into nature (Schwartz, 1992; Schwartz et al., 2012).
 - (c) *Universalism-tolerance*: The motivational goal of this sub-value is the acceptance and understanding of those who are different from oneself (Schwartz, 1992; Schwartz et al., 2012).

THE DYNAMIC STRUCTURE OF VALUES

In addition to identifying the content of the basic and sub-values, the theory also attends to the dynamic structure of the values (see Fig. 4.1). Schwartz (2011) emphasizes that the ten distinct basic values the theory identifies form a continuum of related motivations which can be depicted in a circular structure.

Values that refer to similar motivational goals are deemed to be compatible (Schwartz, Caprara, & Vecchione, 2010). Hence, they are posi-

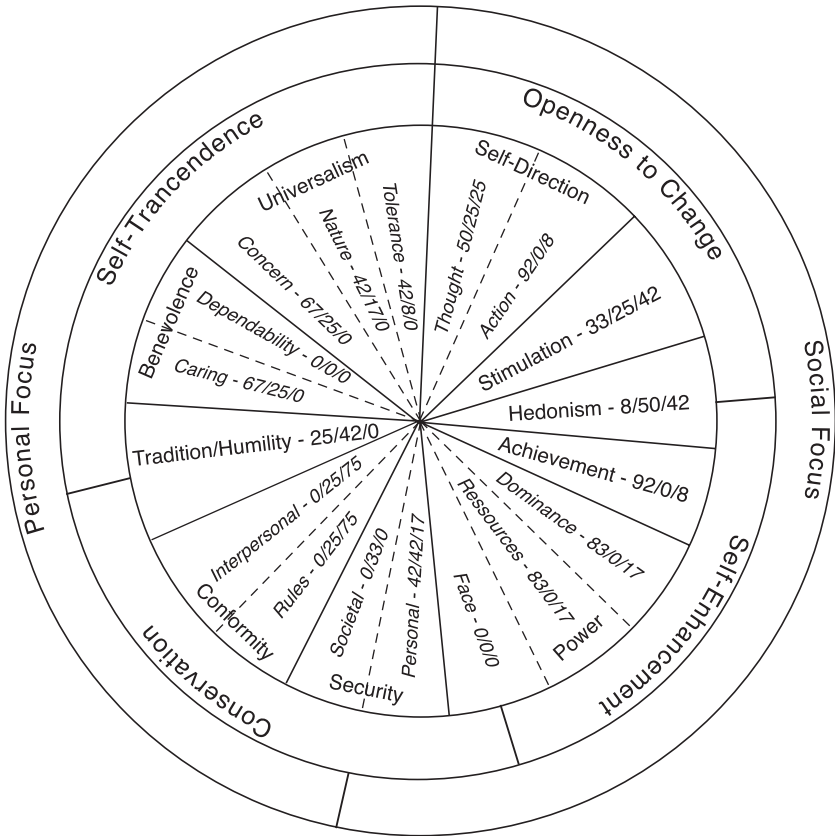


Fig. 4.1 The circular motivational continuum (adapted from: Schwartz et al., 2012)

tioned next to each other as they inform similar perceptions, preferences, and behaviors (Borg, Bardi, & Schwartz, 2017). Values that refer to oppositional motivations are located on opposite sides of the continuum. For example, both power and achievement express the motivational goals of social superiority and esteem and can be attained through similar actions (Schwartz, 1992, 2012). In contrast, while achievement implies the strive for personal success, the opposite value “benevolence” expresses the motivational goal of enhancing the welfare of others. Overall, as Fig. 4.1 depicts, the theory suggests the existence of two underlying bipolar

dimensions, namely, (a) self-enhancement vs. self-transcendence and (b) change vs. conservation (Schwartz, 1992, 1994). These dimensions refer to higher-order values along which basic values are grouped (Schwartz et al., 2012). Self-enhancement refers to values emphasizing dominance over others and pursuit of own success, whereas self-transcendence indicates a motivation in acceptance of others and an interest in their welfare. Openness to change indicates independent thought and action and readiness for change, while conservation values stress stability and submission to tradition. Furthermore, Schwartz (1992, 2010) and Schwartz et al. (2012) demonstrate that the left half of the circle depicts values that serve primarily self-interest. These self-directed values are power, achievement, hedonism, stimulation, self-direction, and personal security. The right half of the circle comprises the values that serve primarily collective interests, that is, universalism, benevolence, tradition, conformity, and social security. This distinction is important for the study of B Corp entrepreneurs as previous research assumes that actors in the domain of social business are concerned with both, outcomes for self and outcomes for others.

As the values in the circular structure can express similar or opposing motivational goals, actions in pursuit of some values have consequences that are congruent with adjacent values but in conflict with competing values (Schwartz, 2012). Actions to pursue the value of achievement, therefore, also contribute to pursuing the adjacent and, hence, compatible values of power and hedonism. In contrast, actions in pursuit of achievement, a self-directed value, have consequences that are in conflict with competing collective values such as benevolence and universalism (Schwartz, 1994). Hence, choosing actions that promote certain values has practical, psychological, and social consequences (Schwartz, 1992). The outcomes associated with pursuing one value while violating a competing one could become a manifest in psychological dissonance or social sanctions (Schwartz, 2012). For B Corp entrepreneurs, who are expected to have both a self and a social-orientation, pursuing self-directed values, hence, a concern for the self, may have conflicting outcomes with the simultaneous pursuit of collective values.

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CHAPTER 5

The Study: B Corp Entrepreneurs in Chile

Abstract This chapter provides an extensive overview of the various methodological aspects of the study. It provides insight into the ontological and methodological foundations of the case study, which aims at identifying why Chilean B entrepreneurs create and maintain B Corps through the identification of their personal values and motivations at a single point in time. Designing the research in the form of a case study enables a more in-depth examination to yield rich and enlightening new information that could not be found in the context of other more pre-structured designs.

Keywords Case study • Interpretivism • Purposive sampling • Semi-structured on-site interviews • Coding • Research ethics

RESEARCH APPROACH

The ontological basis of research refers to the nature of social entities. Within the concept of objectivism, social phenomena embody neutral entities independent from any social actors and consequently influence these as external factors over which they have no control (Bryman, 2012). Constructivism, on the other hand, implies the ontological position of social phenomena being built based on the actions and perceptions of their social actors and therefore represent social constructs (Bryman, 2012). In the present study, research is based on the ontological position of constructivism. The B Corp movement as an emerging social

phenomenon is thus viewed as a social construction of its actors and influenced by their values and derived motivations and behavior. Additionally, the research findings and underlying own accounts of the investigators of the social phenomenon studied are considered one of many possible social realities (Bryman, 2012).

The epistemological basis of a research strategy entails the question about what can be considered knowledge in a field of study (Bryman, 2012). Congruent with the constructivist ontological position of this study, the epistemological orientation of the study is interpretive in nature taking subjective meaning of social action into account. In line with other advocates of the interpretivist epistemology, methods are required that enable researchers to grasp subjective meanings within social action (Bryman, 2012). Only by taking the constructs of an interpreted world of its actors into consideration, behavior can be understood rather than explained (Schutz, 1962). Weber (1978, p. 88) also argues that “causal explanations” require “interpretive understanding of social action.”

Due to the lack of empirical data in motivational research on B Corp entrepreneurs and inconsistent motivational research on non-traditional entrepreneurs, the research approach followed is inductive in nature. The inductive approach, moreover, favors the primary objective of gaining in-depth insight into the personal values and motivations of B Corp entrepreneurs without limiting its outcomes exclusively through existing theory on the adjacent field of SE. Due to the influence of the a priori conducted literature review and its impact on the coding process and the embedment of the research findings into existing theory, the research process will not be purely inductive but will also entail a modicum of deductive elements (Bryman, 2012).

Accordingly, the research strategy of this study is qualitative in nature congruent with the inductive relationship between research and theory, and the constructivist ontological and interpretivist epistemological approach (Bryman, 2012). It is based on the attempt to not only capture words spoken in the conducted interviews but further capture the meaning of what has been said as a way to subjectively interpret the content of the literal data collected.

RESEARCH DESIGN

A *case study*, also referred to as *now-design* (Brewerton & Millward, 2001), is an adequate research design for studies aiming to answer why questions “about a contemporary set of events over which the investigator

has little or no control” (Yin, 2009, p. 9). This study aims at identifying why Chilean B Corp entrepreneurs create and maintain B Corps through the identification of their personal values and motivations at a single point in time over which no control is being held. Thus, the interview collection takes place exclusively in April 2017. Moreover, by designing the research in the form of a case study, a more in-depth examination of a case enables to yield rich and enlightening new information that could not be found in the context of other more pre-structured designs (Brewerton & Millward, 2001). Gaining new deep insights about Chilean B Corps is pivotal due to the current lack of empirical research and is in alignment with the inductive qualitative research approach.

For the purpose of this study, the B Corp community in Chile is “the focus of interest in its own right” (Bryman, 2012, p. 68) due to the particular role of the location within the B Corp movement. The research at hand is consequently designed in the form of a single-case study. Determining the Chilean B Corp community as the case further allows the collected data to cover contextual conditions as the market within which B Corps emerge is assumed to influence the B Corp entrepreneurs’ motivations and personal value systems due to differences in culture and the ecosystem (Yin, 2009). It is hence of further importance to study the phenomena within their natural real-life context enabled by the case study design as opposed to, for instance, an experimental design that deliberately creates a distance between the phenomenon under study and its natural context (Yin, 2009). The units of analysis of the case of the Chilean B Corp community are the individual B Corp entrepreneurs, defined as founders or co-founders of businesses that at the point of the study are certified B Corps in Chile. Due to the multiple units of analysis within this single-case design, this research can be classified as an embedded single-case design (Yin, 2009).

SAMPLING

Different sampling strategies are employed on two levels. On the first level, the Chilean B Corp community as the case to study is selected. The Chilean B Corp community represents a unit within the general B Corp community and underlies a purposive sampling strategy. This strategy is a form of nonprobability sampling that does not allow for generalization across cases and aims at the selection of (a) sample(s) relevant to the purpose of the study (Bryman, 2012). For this study’s research question to be

answered and the sample on the level of the research design to be purposeful, the Chilean B Corp community is determined to represent the case.

On the second level, the units of analysis must be selected in a way that allows a representation of the case (Bryman, 2012). In the context of this case study, it must be guaranteed that the selected Chilean B Corp entrepreneurs allow for a certain degree of generalization towards the overall Chilean B Corp community. In a first step, a convenience sampling strategy is applied implying the selection of sample units according to accessibility (Bryman, 2012). After having contacted all Chilean B Corp entrepreneurs from a contact list provided by Sistema B, the positive responses are selected according to criteria, also known as quotas (Bryman, 2012), that have emerged from literature and current research in the field of B Corporations. The convenience sampling is hence followed by a quota sampling with the objective to cover the heterogeneity of the overall Chilean B Corp community in the sample selection. Extreme deviations are considered negligible, like the negligible proportion of Chilean B Corps that do not fall under the category of small and medium-sized enterprises (SMEs) (3 out of 95). The criteria that have been pre-assumed to be of relevance to the answer of the research question, known as quotas, include the B Corp's industry, size, date of B Corp certificate obtained, the overall B score results, the impact area with the highest score results as it may represent an indicator for the focus of value creation, the organizational form before the B certificate, the entrepreneurs gender, and whether he or she has found a business apart from the B Corp (see Table 5.1). This presumption is derived from the B Corp literature explicated earlier.

The sample includes 12 Chilean B Corp entrepreneurs out of 95 that existed in Chile at the time when the study was conducted. The interview partners are coded from BE1 to BE12, while BE stands for B Corp entrepreneur. The eight industries covered are manufacturing, other services, wholesale, technical services, information technology, administrative services, accommodation services, and education. All 12 B Corps are SMEs. The dates of certification vary between the year 2012 when the B movement came to Chile and the year 2015 (2016 and 2017 are not yet included in the database provided by Sistema B to date). Seven out of 12 participants have the highest score results in the impact area *community*, 4 in the impact area *workers*, 2 in the impact area *customer*, and 2 in the impact area *environment*. Like literature suggests (Stubbs, 2014; Kim, Karlesky, Myers, & Schifeling, 2016; Coral, 2016), all B Corps were for-profit businesses with a social mission before obtaining the certificate.

Table 5.1 Sampling selection

B Corp							B entrepreneur	
Code	Industry	Size	Date of Certificate	B score range	Area	Organizational form before B	M/F	Other businesses
BE1	Manufacturing	SME	Oct 2014	80-85	Community	For-profit with social mission	M	Yes, non-profit
BE2	Other Services	SME	Nov 2014	80-85	Community	For-profit with social mission	F	No
BE3	Wholesale	SME	Jul 2012	80-85	Community	For-profit with social mission	F	No
BE4	Other Services	SME	Oct 2014	80-85	Environment	For-profit with social mission	F	No
BE5	Technical Services	SME	Aug 2014	116-120	Customers	For-profit with social mission	M	Yes, non-profit
BE6	Information Technology	SME	Jul 2013	80-85	Workers	For-profit with social mission	M	No
BE7	Technical Services	SME	Sep 2013	106-110	Workers / Community	For-profit with social mission	F	No
BE8	Wholesale	SME	Apr 2015	80-85	Environment	For-profit with social mission	M	No
BE9	Administrative Services	SME	Dec 2014	80-85	Workers / Community	For-profit with social mission (venture w/ non-profit)	M	Yes, non-profit
BE10	Accommodation Services	SME	Jul 2014	96-100	Community	For-profit with social mission	M	No
BE11	Information Technology	SME	Feb 2015	80-85	Workers / Community	For-profit with social mission	M	No
BE12	Education	SME	Feb 2013	106-110	Customers	For-profit with social mission	M	No

Source: Own representation

Four participants are female, eight participants are male, of which three have found a nonprofit organization apart from the B Corp.

DATA COLLECTION

Data for this research is collected in the form of semi-structured one-on-one on-site interviews with 12 entrepreneurs of Chilean B Corps. Qualitative interviewing was chosen due to the method's flexibility in conduction and its fit to the case study design with the purpose to intensively study a phenomenon within its natural setting (Bryman, 2012; Bhattacharjee, 2012). This data collection method enables capturing the interviewees' personal perspectives and worldviews and allows the respondents the flexibility to narrate in their own words about what they personally consider relevant and important (Bryman, 2012). As the research objective has its emphasis on the identification of personal values and motivations, these characteristics are considered particularly relevant for the subsequent data analysis and interpretation.

An interview guide is used with two primary open questions and a random number of 12 flexible secondary questions that can vary in sequence, wording, and completeness.

Primary Questions:

Tell me what it is you do.

How did you end up venturing a Chilean B Corp?

Support Questions:

1. How many years have you been operating this business? Has the business always had a social mission?
2. At what point did you decide to become a certified B Corp? Why did you decide to become a certified B Corp?
3. How did you decide to start this social business? Was there a personal reason for starting the business?
4. Do you feel there was a particular inspiring or transformative experience that led you to the social entrepreneurial path?
5. Is there a person who was significant in your development as an entrepreneur in a social business like your B Corp? If so, tell me a story about how that person motivated you.
6. Who benefits from your B Corp's activity and how do they benefit?
7. How are your personal needs met by the B Corp?
8. What expectations did you have before you started working in the B Corp? Do the benefits you receive match your expectations?
9. What makes your business successful?
10. How do you measure performance?
11. Have you started any commercial businesses? If so, how did your motivation differ there from the foundation of this B Corp?
12. Do you describe yourself as a social entrepreneur? What elements do you feel differentiate you from a conventional entrepreneur?

Semi-structured interviews with the above interview guide of primary questions and support questions are preferred over completely unstructured interviews to ensure a more reliable cross-unit comparability and the provision of a certain degree of guidance (Bryman, 2012). Notwithstanding, the interview guide structure has been designed with the aim of evoking a

maximum of personal insights and the yield of rich uninfluenced information. Therefore, the open primary questions are posed first, while subsequent support questions are directed strongly by what is mentioned by the interviewee. A full coverage of all support questions is not intended and additional or complementary issues raised by interviewees as well as the interviewer are encouraged (Bryman, 2012). Many interview questions are furthermore implicit in nature based on the assumption that interviewed B Corp entrepreneurs might attempt to fit their answers to commonly accepted assumptions of adherents of the B movement and concomitant ideology.

All 12 interviews are conducted in person, in Spanish, the native language of the interviewees, and in the natural environment, namely, the premises of the respective B Corps of the entrepreneurs. With the permission of the entrepreneurs, they are recorded and then transcribed verbatim. Field notes are created immediately during and after the interviews to capture notable observations and researcher thoughts and considered in the subsequent data analysis. In the research findings, direct citations from study participants will be displayed in their translated form in English.

DATA ANALYSIS

Coding is regarded as a strong data analysis method for the generation of theory and therefore congruent with the inductive qualitative research strategy applied in this study (Bryman, 2012). The empirical process of theme identification, classification, and creation of categories and concepts is often not explicitly described and represents a gap in qualitative research (Ryan & Bernard, 2003; Pierre & Jackson, 2014). In order to ensure reliability of the qualitative data analysis of this study (Campbell, Quincy, Osserman, & Pedersen, 2013), these fundamental steps will be described in detail in the following section.

There are many terms describing the basic idea of this empirical research step. Some social scientists talk about themes and their expressions (Opler, 1945), others about codes (Miles & Huberman, 1994) and labels (Dey, 1993). This study will make use of the terms covered by the famous grounded theorists Glaser and Strauss (1967) calling these themes and codes *categories*, and Strauss and Corbin (1990) referring to their expressions as *concepts*. Concepts can be observed as “conceptual labels placed on discrete happenings, events, and other instances of phenomena” (Strauss & Corbin, 1990, p. 61). Categories, on the other hand, are the

classification of those concepts, which are “discovered when concepts are compared one against another and appear to pertain to a similar phenomenon. Thus, the concepts are grouped together under a higher order, more abstract concept called category” (Strauss & Corbin, 1990, p. 61). In other words, categories conceptually link concepts to abstract constructs of different kinds. Some categories can be broad and link many concepts, others can be very narrow and specific. A category is found, once the question *What is this concept an example of?* can be answered (Ryan & Bernard, 2003).

The categories of this research emerge from a hybrid thematic coding procedure combining data-driven inductive coding and theory-driven a priori coding (Mody, Day, Sydnor, & Jaffe, 2016; Ryan & Bernard, 2003). The current motivational research on B Corp entrepreneurs and adjacent social entrepreneurs, which has influenced the design of the interview guide, provides a priori categories, for instance, the search for meaning and the role of businesses in society. These are complemented and enriched with concepts and additional categories, such as love-related associations and the desire for self-development, induced directly from the data, maintaining the constructivist nature of this research (Mody et al., 2016). This hybrid thematic coding procedure is employed to generate a balance between the risk of not making connections between the research questions and data due to theory avoidance, and the risk of only finding what one has been looking for from the beginning due to a narrow theoretical perspective (Ryan & Bernard, 2003). Furthermore, Schwartz’ original value theory provides a first meta-category raster to ensure a clear theoretical distinction between the different types of values and motivations among the data-driven inductive coding. Due to its neutral nature towards the motivational research area of B or social entrepreneurs, the risk of pre-determining potential findings in the data is considered limited.

The act of identifying categories is called *open coding* among grounded theorists and can consist of manifold observational techniques (Ryan & Bernard, 2003). The observational techniques used for the identification of concepts and categories of this study are adapted from Ryan and Bernard (2003). Before employing the techniques listed, each interview transcript will be read and each interview recording listened to, in order to reproduce the interview situation and capture changes in tone of voice as well as pauses and emotional reactions like laughter. Moreover, the respective field notes that were generated during and directly after the interviews are considered for the analysis of the respective interview transcript.

In a first step, the three observational techniques *repetition*, *transitions*, and *similarities and differences* are used with the aim to identify the most salient concepts and categories in the data (Ryan & Bernard, 2003).

1. *Repetitions*: This technique implies the focus on occurrence and recurrence. It can emerge as words but also as ideas around which the interviewees circle (Ryan & Bernard, 2003). For example, the words *sense* and *meaning* that occur and recur in all the interviews conducted.
2. *Transitions*: By using this technique, the coder searches for naturally occurring shifts in content, like changes in speech, tone of voice, or the occurrence of pauses, interruptions, turn taking, or particular phrases. Through the application of semi-structured interviews as the data collection method, it is both the interviewer and the interviewee who steer changes in content (Ryan & Bernard, 2003). The interviewer, for example, steered the interviewee into a more in-depth explanation about their *self-perception as an entrepreneur* once the topic came up in another context.
3. *Similarities and Differences*: Known as the constant comparison method of Glaser and Strauss (1967), this technique deals with the identification of similarities and differences across units of data by applying systematic comparisons. Questions like “What is this sentence about?”, “How is it similar to or different from the preceding or following statements?”, “How is one expression different from or similar to the other?”, and “How is this text different from the preceding text?” and also hypothetical questions like “What if the informant who produced this text had been a woman instead of a man?” (Ryan & Bernard, 2003, p. 91) help to identify explicit as well as more abstract similarities and differences among concepts within and across interviews. Comparisons also include degrees of strengths in categories (Ryan & Bernard, 2003). Their *definitions of success*, for instance, are classified according to distinct categories as socially oriented, hybrid-oriented, and profit-oriented, based on a constant comparison of expressed priorities in the decision-making process.

In a second step, the observational technique *theory-related material* is used with a stronger emphasis on theory and the aim to add and complement the identified categories in the first step (Ryan & Bernard, 2003):

4. *Theory-Related Material*: Embedding what has been said into a theoretical context helps the coder to be sensitive to the particular con-

ditions and settings of the phenomena under study. This approach, however, contains the risk of only finding what one has been looking for from the beginning (Ryan & Bernard, 2003), which is why this technique was applied in the late category identification process. Categories like the desire for *social justice* and the *search for relief from personal frustration* are borrowed from findings in SE literature.

After the identification of as many relevant concepts and categories as possible through the application of the aforementioned four observational techniques, Ryan and Bernard's (2003) processing technique called *cutting and sorting* is applied to further explore relationships and links among data and across interviews.

5. *Cutting and Sorting*: This step involves a first determination of which of the emerged categories are of importance for the purpose of the study and deserve further analysis. These are then cut and pasted on small index cards including their source and sufficient context for interpretation. Subsequently, the index cards are piled up and arranged based on constant comparison. The emergent piles will build the categories of the identification process (Ryan & Bernard, 2003). Around the meta-category *self-development-thought*, for instance, categories emerged labelled *self-development*, *development of personal competence*, *learning*, *curiosity*, and *creativity*.

RESEARCH QUALITY

To ensure quality of research, criteria of reliability and validity are taken into consideration throughout the entire research process. Due to the study's qualitative research approach, the common quality standards of reliability and internal and external validity are replaced by criteria adapted to qualitative research designed by Lincoln and Guba (1985) to fit the purpose of this study as well as its ontological and epistemological position.

Reliability refers to the extent to which research can be replicated (Bryman, 2012). For a case study, reliability means the replicability of research using the same case, namely, the Chilean B Corp community (Yin, 2009). In qualitative research, the applicability of this criterion is

limited as social phenomena are dynamic and constantly evolving over time. Lincoln and Guba (1985) thus propose the qualitative criterion *dependability*, implying that findings are consistent and could be repeated. It is suggested that complete records are kept and made accessible of all stages of the research process (Bryman, 2012). It is moreover suggested to describe the research context and factors that influence the research process (Trochim, 2006). Records from this research are consequently being kept and largely integrated into the book including the problem formulation and the derived research approach and design decisions, the sample selection process, the interview guide, and a detailed description of the process of data collection and analysis. Field notes and interview transcripts have not been attached to preserve the participants' anonymity. The research processes themselves are designed in traceable steps, like the observational and processing techniques decided on in data analysis, to allow a repetition of the same procedures as suggested by Yin (2009).

Internal validity expresses the degree to which the research findings gathered by the investigator match the translation into theoretical implications. For qualitative research, Lincoln and Guba (1985) suggest the criterion *credibility* to replace internal validity to measure the confidence in the "truth" of what has been found. Based on the recognition of multiple accounts of an aspect of social reality in the social sciences, the derivation at conclusions and concomitant choice of one account of the researcher is assessed regarding feasibility or credibility of that conclusion and its acceptability to others (Bryman, 2012). More precisely, the research findings must be credible from the viewpoint of the phenomena studied due to the research purpose of gaining insight into their reality (Trochim, 2006). To ensure credibility, respondent validation has been suggested, which refers to the process of seeking explicit confirmation from interviewees for the congruency of research findings and derived conclusions (Bryman, 2012). In the context of this study, the interviewer overtook the role of asking for affirmation of conclusions drawn during the interview process. A direct post-interview respondent validation, however, was avoided due to the nature of the research objective including intentional and unintentional exhibitions of personal values and motivations. The risk of defensive reactions and censorship of research participants has also been mentioned by Bryman (2012).

External validity is concerned with the generalization of research findings beyond the immediate (case) study (Yin, 2009). Based on the notion that generalization must apply to the level of cases, meaning the research

results of one case apply to other cases or settings, critics suggest that single-case studies provide poor external validity (Bryman, 2012; Yin, 2009). However, as opposed to quantitative research, qualitative case studies tend to be sensitive to and are even designed to generate the rich context of unique social settings (Bryman, 2012). Lincoln and Guba (1985) adopt the term *transferability*, which can be enhanced by detailed descriptions of the research context and the research assumptions it is based on (Trochim, 2006). Accordingly, the aim of this study is to explore the phenomenon of a B Corp community within its Chilean ecosystem in order to contribute to its unique social setting rather than aiming at the generalization towards other B Corp communities. This notion is congruent with Yin (2009) stating that analysts of qualitative case studies should focus on generalizing findings to theory instead of other cases. The research context and the research assumptions have been described in detail earlier in the book.

The equivalent to *objectivity* in quantitative research is the criterion *confirmability* in qualitative research (Lincoln & Guba, 1985). The assumption of one researcher translating data into research findings and theoretical implications bringing one unique perspective to the results demands an enhancement of confirmability. This can be achieved by one researcher through procedures of rechecking the data analyzed and by several researchers through a data audit and cross-analysis and coding (Trochim, 2006). In the case at hand, research is conducted by one single researcher to meet this criterion. Confirmability is enhanced through the method of constant comparison in the process of data analysis and sensitive handling of data.

ETHICAL CONSIDERATIONS

In doing their work, social researchers face ethical dilemmas due to competing obligations and conflicts of interest (British Sociological Association, 2002). Ethical considerations should therefore be undertaken, especially in the areas that might potentially harm either the participants of the study or the researchers themselves (Bryman, 2012).

Concerning the relationships with research participants, the researcher must act responsibly at all times in order to ensure that the “physical, social and psychological well-being of research participants is not adversely affected by research” (British Sociological Association, 2017, p. 5). It is pivotal to inform participants about the research as fully as meaningful to them for them

to be able to make an informed decision of whether and to what extent to participate (British Sociological Association, 2017). In this study research participants are informed beforehand about the scope and objective of this study. Participation is based on voluntary responses to an email including key information about the research that explicitly states the right to refuse participation. In the data collection process, participants are asked permission to use a tape recorder and they are ensured that the data will only be used for the purpose of this study. With the aim not to intrude into the lives of participants, data gathering is embedded into their natural work lives by conducting the interviews during working hours on the premises of their B Corps and adopting a formal meeting conversation style rather than an empirical inquiry.

The data gathered is handled confidentially at all times and is encrypted for the publication of this study. The encrypted data will only be used for the purpose of this study and will not be passed on to third parties without the consent of participants. Congruent with the constructivist ontological position of this study, the research findings are regarded as one (appropriate) account of social reality of many. Despite the research aim of identifying commonalities among B Corp entrepreneurs' personal values and motivations, this study does not attempt to limit their profiles to the research findings which might mislead to conclusions of limited characteristics to which B Corp entrepreneurs must fit.

LIMITATIONS

Derived from the nature of the case study design, the research findings presented in this study are limited to the Chilean B Corp community and do not necessarily apply to the overall global B Corp community. Implications from the present study must therefore be drawn under careful consideration of the Chilean context. Moreover, this study has both the strengths and limitations of a sample of 12 B Corp entrepreneurs in Chile. The sample represents much variation within the parameters of Chilean B Corp entrepreneurs in terms of industry, time of membership in the B Corp movement, overall B score results, best rated impact area, gender, and potential foundation of businesses apart from their B Corp. It is, however, possible that a larger sample of B Corp entrepreneurs in Chile would reveal additional values and motivations not captured in this study and provide evidence for additional or refined motivational profiles. At this exploratory phase of studying B Corps and their respective entrepreneurs in Latin America, the strength of rich, in-depth interviews with a

diverse cohort of B Corp entrepreneurs, however, outweighs the limitations of a small sample. The number of interviews is further restricted by the difficulty of availability and willingness of B Corp entrepreneurs to participate in the study. The voluntary participation of B Corp entrepreneurs might moreover imply a slight shift towards other-oriented B Corp entrepreneurs as these are assumed to be more willing to participate in studies related to the B movement.

Due to the interpretative nature of narratives, it cannot be claimed that the present research findings are absent of bias (Harriman, 2015). The perceived realities of the subjects interviewed provide the basis for the observations and patterns identified contributing to the creation of the research findings. Additionally, in accordance with the ontological position of this study, the interpretation of the reported realities is based on the own accounts of the investigators and can consequently only be considered one of many possible social realities (Bryman, 2012).

At the level of data processing, the application of the original value theory of Schwartz (1992) might have limited a representation of results in different thematic junctions, like the B Corp community or the search for meaning. However, the complete spectrum of values to create multidimensional research implications was considered more significant given the state of current research.

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Chilean B Corp Entrepreneurs' Values and Motivations

Abstract This chapter provides a detailed elaboration of the values and motivations expressed by the Chilean B Corp entrepreneurs. Each of the values that the study was able to identify from the interview material is addressed in this chapter. To capture the rich insights from the study, this chapter presents the different degrees in the motivational expressions among the B Corp entrepreneurs. The motivational expressions of the individual B Corp entrepreneurs are ranked as strong, moderate, weak, or not applicable (if no statements have been made about the concerned value). This ranking expresses a qualitative comparative evaluation and takes the context of each B entrepreneur into consideration. In addition to the analysis of each value, this chapter also attends to the dynamic structure of the B Corp entrepreneurs' values. It pays particular attention to the bipolar value structure and the distinction between self-oriented values and other-oriented values.

Keywords Values and motivation • Self-direction • Achievement • Benevolence • Universalism

THE VALUES AND MOTIVATIONS OF CHILEAN B CORP ENTREPRENEURS

Overview

Table 6.1 presents an overview of the percentage distribution of the expression of values and motivations among the B Corp entrepreneur sample.

The table shows that 17 out of 19 values of Schwartz (1992, 2012) find expressions in the narratives of the B Corp entrepreneurs interviewed. A detailed explanation of the findings will be described in detail in the subsequent section.

B CORP ENTREPRENEURS' VALUES AND MOTIVATIONS

The research findings derived from the 12 semi-structured interviews conducted with B Corp entrepreneurs from 12 different Chilean B Corps will be presented according to their classifications under the 19 values and

Table 6.1 Overview of the distribution of motivations among BEs

<i>Value</i>	<i>Strong motivation</i>		<i>Moderate motivation</i>		<i>Weak motivation</i>		<i>n/a</i>	
	%	#	%	#	%	#	%	#
Self-direction-thought	50	6	25	3	25	3	0	0
Self-direction-action	92	11	0	0	8	1	0	0
Stimulation	33	4	25	3	42	5	0	0
Hedonism	8	1	50	6	42	5	0	0
Achievement	92	11	8	1	0	0	0	0
Power-dominance/power-resources	83	10	0	0	17	2	0	0
Power-face	0	0	0	0	0	0	0	0
Security-personal	42	5	42	5	17	2	0	0
Security-societal	0	0	33	4	0	0	67	8
Conformity-rules/ conformity-interpersonal	0	0	25	3	75	9	0	0
Tradition-tradition and humility	25	3	42	5	0	0	33	4
Benevolence-caring	67	8	25	3	0	0	8	1
Benevolence-dependability	0	0	0	0	0	0	0	0
Universalism-societal concern	67	8	25	3	0	0	8	1
Universalism-protecting nature	42	5	17	2	0	0	42	5
Universalism-tolerance	42	5	8	1	0	0	50	6

Source: Own elaboration

sub-values of Schwartz et al. (2012). The values are divided into ones with self-oriented motivational goals and ones with other-oriented motivational goals of Chilean B Corp entrepreneurs. To capture the rich insights obtained in a rather untapped research field, the commonalities identified among B Corp entrepreneurs are kept in their diverse occurrence of different degrees in motivational expression. The motivational expressions of the individual B Corp entrepreneurs are ranked as *strong*, *moderate*, *weak*, or *not applicable* (if no statements have been made about the concerned value). Their distribution among the sample is visualized through the positioning of icons on each value dimension. The ranking expresses a qualitative comparative evaluation of the authors and takes the context of each B Corp entrepreneur into consideration. Direct citations are added whenever considered value-adding. These are displayed in English and have been translated as accurately as possible from the interview language Spanish.

Self-oriented Motivations of Chilean B Corp Entrepreneurs

Self-direction-Thought

Recall: Derived from biological needs for control and the pursuit of intrapersonal mastery, the motivational goal of this value is freedom to developing and understanding one's own ideas, thought constructs, and intellectual competence. Components are creativity/imagination and curiosity/interest. This value refers to an intrapersonal competence and not external assessment (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.1 Results for the value “self-direction-thought” (Source: Own elaboration)

Strong Motivation (BE1, BE3, BE7, BE9, BE10, BE12)

A very strong need for autonomy of thought has been expressed by half of the B Corp entrepreneurs interviewed. This is partly motivated by

the strive for learning, self-development, and the development of personal competence on the job. Their B Corp serves as their university and personal space for creativity and spontaneity. It gives them a “giant room to play, create, perform, and to learn” (BE1). This is what empowers motivation and purpose for the B Corp entrepreneurs. Learning is one of the highest assets which they prioritize over financial gains. Exchanging ideas and inter-group learning is therefore highly promoted in daily business. From their perspective, people that focus on profit and image lost their orientation and dedicate their lives to the wrong purposes.

The autonomy of thought enables the B Corp entrepreneurs to find new solutions to urgent social and environmental problems that, in their eyes, cannot be tackled with the traditional sectors and “business as usual.” Acting out their creativity and curiosity is thus another important value. They exhibit a high level of curiosity reflected in their actions. They do not shy away from time-consuming dedication to broaden their knowledge about the problem they intend to solve, like BE9, who explains: “I just picked up my backpack and started to travel through Chile visiting projects (...). This is where I started to build relationships and deepened my knowledge.” Their rich imagination and creativity enables them to design innovative business models unique to their industry. With these alternative business models, they attempt to generate economic, social, and environmental value for all stakeholders involved.

Moderate Motivation (BE6, BE8, BE11)

These three B Corp entrepreneurs have had a less creative start into the B Corp business. They had been presented with opportunities, like partners presenting ideas or the opening up of clear business opportunities for which they were already equipped with key knowledge and resources, making it a convenient switch. BE6 narrates: “I started to work differently and they almost threw me out for that. That’s when I talked to [today’s founding partner] who was starting with [the B Corp] and I saw my opportunity.” Nonetheless, the motivation to adopt the new logic of conducting business in the form of a B Corp was motivated by the need to develop their ideas in the area of good and fair business practices. Founding a B Corp thus gave them a new intellectual challenge.

Weak Motivation (BE2, BE4, BE5)

Their focus on efficiency of action and proven effectiveness of business models makes these three B Corp entrepreneurs little motivated by the autonomy of thought. While others have developed their business ideas for them, the motivation to join the movement was based on other values. BE5, for instance, states: “At the beginning I was not very convinced (...) but after we had worked together on a project that generated a lot of impact while at the same time generating economic value for the company, I ended up loving it and said ok let’s do this.”

Self-direction-Action

Recall: Derived from biological needs for control and the pursuit of intra-personal mastery, the motivational goal of this value is the freedom to determine one’s own actions, that is, exercising one’s capacity to attain self-chosen goals and concomitantly choosing one’s own purposes. Independence and the reliance on oneself are central components. This value refers to an intrapersonal competence and not to an external assessment (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.2 Results for the value “self-direction-action” (Source: Own elaboration)

Strong Motivation (BE1, BE3, BE4, BE5, BE6, BE7, BE8, BE9, BE10, BE11, BE12)

Autonomy of action is highly valued by all B Corp entrepreneurs with one exception (BE2). The central motivation here is the attainment of self-chosen goals. On the one hand, this is important to B Corp entrepreneurs because they have deeply rooted belief systems about the world and a clear idea what they want to dedicate their lives to. They are not willing to spend time working in traditional companies that do not give them the context for the pursuit of their convictions and derived purpose in life. In their opinion, many people still do not focus on the most important goals that would serve humanity and therefore feel the strong need to act

according to their own goals. BE7, for instance, states: “I wanted to do something that makes sense. (...) This is where I understood that there was a lot of things that made all the sense in the world to me, but that, for some reason, human nature refused to learn and to change (...) in order to make more human things happen.” The belief that a business has the potential to become a motor of social development and that can be part of designing such a respective business model motivates them to found a new and better company from scratch.

On the other hand, autonomy of action enables them to choose a lifestyle that includes all their personal passions. Many B Corp entrepreneurs have a very clear idea about what lifestyle makes them happy and what personal interests they desire to combine. BE10 narrates: “It is an entrepreneurship that perfectly combines my passions namely travels, my own business and helping others.” In multiple cases, the foundation of a B Corp is the solution to experienced personal frustration on former jobs that made them realize what was missing in their lives and what they were keen on changing.

Moreover, B Corp entrepreneurs are motivated by their achieved independence and self-reliance, which is enabled through their autonomy of action. This is reflected in their admiration for strong independent entrepreneurs in their surroundings and the expressed pride of their own actions, like BE8 expresses: “It brings a lot of satisfaction to do that all by yourself.” For the female BEs (BE3, BE4, BE7) and one male BE (BE12), independence is also related to the ability to combine their lives as parents with their lives as professionals.

Weak Motivation (BE2)

It is not BE2’s primary motivation to have the freedom to determine her own actions or to be independent. Nonetheless, she feels like they do good in the for-profit company especially due to the self-chosen objective of scoring high in the B Corp certificate while at the same time having financial stability. The search for meaning in all her jobs made her decide to work in this B Corp. However, it seems like she does not perceive herself as freer compared to her former jobs within which she felt she had more meaningful work. She explains: “I like working in a sense that makes me satisfied at the end of the day. (...) This does not always happen to me, less in private companies, it happened to me a lot in the NGO. I think that I work because I have to work. I have two kids to sustain, and the better the work I have, the better for them, the better for me.”

Stimulation

Recall: Derived from the biological need for an optimal level of arousal conditioned by social experience, individual differences arise in the motivation to attain excitement (stimulating experiences), novelty (variety in life/change), and challenge (daring/seeking adventure) in life (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.3 Results for the value “stimulation” (Source: Own elaboration)

Strong Motivation (BE1, BE9, BE10, BE11)

The challenge is what keeps these B Corp entrepreneurs at their optimal level of activation. As BE1 states: “I like that kind of life where I decide how things are done as long as they are a challenge.” They feel motivated by encounters of obstacles they need to deal with before the breakthrough of unique business models that have the desired outcomes. Consequently, they are willing to work intensively on finding solutions to their problems.

Moreover, the B Corp gives them the opportunity to shape their preferred working style. Like BE9, who claims to be “a restless person” that likes to “create new things,” they strive for variety in their daily business routine. Their motivation through variety is reflected in the way they choose business activities and projects that keep them moving that make them interact with a lot of different people and continuously adapt to new experiences. These new experiences make them feel excited about their work.

Moderate Motivation (BE2, BE5, BE7)

While BE5 and BE7 are rather motivated by the variety and novelty of the projects they execute and not by challenges in particular, it is the B Corp certificate that motivates BE2 to become better and increase the B score results. However, BE2 does not mention any desire for novelty or excitement.

Weak Motivation (BE3, BE4, BE6, BE8, BE12)

While they accept challenge as a part of entrepreneurship, they do not value it as something positive. Neither novelty nor excitement lies in their

focus when they choose their projects and business activities. To these B Corp entrepreneurs, a desired impact as the result of a project and achieving self-chosen goals are more motivating than the way it is achieved.

Hedonism

Recall: The motivational goal of hedonism is attaining pleasure and sensuous gratification for oneself (Schwartz, 1992; Schwartz et al., 2012). It is not to be confused with happiness, which, according to Schwartz (1992), finds its attainment in the pursuit of any of the other ten values and is positively correlated with all of them.



Fig. 6.4 Results for the value “hedonism” (Source: Own elaboration)

Strong Motivation (BE11)

Hedonism may be the strongest motivator for one B Corp entrepreneur, as he makes his level of gratification about work the decisive factor for whether to continue with it. The “vibes” felt at the premises of the B Corp and the way it allows him to alter his lifestyle with regard to what gives him pleasure is what motivates this B Corp entrepreneur to its success. The projects he decides to execute in the context of the B Corp are selected based on how well they match his personal passions. BE11 states: “I am interested in doing projects that I am passionate about.”

Moderate Motivation (BE1, BE5, BE7, BE9, BE10, BE12)

Although they founded their B Corps to fulfill a higher social or environmental purpose, they had simultaneously searched for a work solution that would entail their central passions (BE1, BE5, BE7, BE9, BE10, BE12). That way they find joy in their professional life and their daily work routine. BE7 explains: “We want to do good by doing a good job and having a good time.” Some of them (BE9, BE12) did not enjoy the way business was conducted in their former jobs in the traditional sector and how it affected their lifestyles, which is why they started scanning alternatives that would provide them more pleasure.

The fact that the concept of a B Corp combines doing good with a potential financial stability and consequently a broader tolerance for enter-

taining projects and activities is described as an additional motivator. BE5 illustrates: “Being in a company allows you to do entertaining things that even result in impact [generation].”

Not Applicable (BE2, BE3, BE4, BE6, BE8)

These B Corp entrepreneurs do not reveal any motivation derived from the value hedonism.

Achievement

Recall: This value refers to performance motivation and implies the strive for personal success according to social standards and being judged as successful by others (Schwartz, 1992; Schwartz et al., 2012).

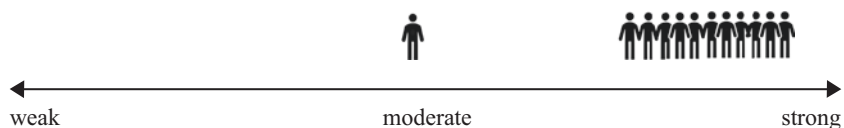


Fig. 6.5 Results for the value “achievement” (Source: Own elaboration)

Strong Motivation (BE1, BE2, BE3, BE4, BE5, BE6, BE7, BE8, BE9, BE10, BE12)

Eleven out of 12 interviewed B Corp entrepreneurs are strongly driven by achievement. As they highly value the pursuit of self-chosen goals, the attainment of these targets represents a central motivation in the foundation and maintenance of a B Corp. However, it is key to distinguish between the kind of achievement these B Corp entrepreneurs strive for and how they define success for themselves, namely, whether they include profit-oriented, socially oriented, or a hybrid form of success factors.

The achievement type occurring the most is the B Corp entrepreneur striving for achievement based on factors of success that reflect the hybrid character of their businesses (BE1, BE2, BE4, BE5, BE6, BE8). Although solid financial results are the main pillar in their definition of success and congruently of achievement, they only consider themselves truly successful in combination with significant social and/or environmental contributions. Therefore, their success indicators entail financial figures and social or environmental impact measurements depending on their focus of impact. Respectively, the projects executed are mainly selected based on

the potential for financial success combined with the generation of impact. Moreover, financial results must always be reached through fair business conducts in order for them to feel good and proud about their companies. They value personal success through performance related to doing good and transparent business.

Growth is an achievement motivator for this type of B Corp entrepreneur. They share ambitious dreams about the expansion of their B Corps to increase their impact significantly in Chile and then afterwards also on a global scale. Values like persistence and consistency are also reoccurring among these B Corp entrepreneurs. For instance, BE2 illustrates: “What is most important, is not to get tired. It is like raising children. One day everything works out fine, the other day it works out badly. That’s how you keep going and navigating.” Although the work in the context of a hybrid organization and the creation of social and environmental value can be difficult and frustrating at times, they seem to be compensated by public acknowledgment. They narrate about awards for social and environmental value creation (BE2, BE4) and state that the B Corp certificate helps them to get the recognition and credibility for what they do. BE4, for instance, narrates: “It worked out well for me and it turned out to be a project with a super attractive growth rate at the business level. [Governmental organizations] take me as an example for everything, for them I am the perfect example of female entrepreneurs and they love to mention me.”

Others are strongly driven by the generation of social and environmental value, thus not so much by financial value (BE3, BE7, BE9, BE10, BE12). A success for them is to see the impact achieved through their projects, which is reflected in their *definition of success* and the indicators to measure it entailing pure social and environmental impact targets. Achievement related to generating impact is essential to them and connected to their search for meaning. Financially, their motivation is to accomplish a self-sustaining B Corp so that social and environmental value can be generated without financial limits. They feel that it is much easier to start a successful traditional business than a hybrid organization, but claim the B Corp entrepreneurial experience to be much more gratifying and thrilling. They do not do their jobs in the B Corp for money as most of them hardly reach the financial break-even point at the end of the month. Attaining the desired contribution in a project is what gives them the “highest gratification on earth and makes it all worth the pain” (BE10). They prefer a hybrid organization over a nonprofit organization because they are convinced to be able to achieve higher social and environmental impact through the power of the market.

Their inner peace through social and environmental creation is more important to them than public acknowledgment. Only BE7 states to be motivated by public acknowledgment achieved through the B Corp certificate because she feels that beforehand nobody understood the intentions she had with a for-profit company that prioritizes social impact over financial performance. Furthermore, they prioritize impact creation over growth of the B Corp and therefore only consider growth if it is for the sake of an increase in impact.

The strong motivation for profit alone is not represented in the sample, which might be explained through the fact that B Corp entrepreneurs feel like their businesses make it more difficult to be financially successful than it is for similar businesses in the traditional sector (BE4, BE7, BE6, BE10).

Moderate Motivation (BE11)

For BE11, neither the growth of his business nor the increase of its impact is important motivator as that would interfere with his preference of a relaxing and enjoyable work environment. He explains: “You start growing and having more responsibilities and salaries to pay at the end of the month (...) and this is where I felt that we had lost the things that were fun the things that we had been doing at the beginning” (BE11). Financial performance is the most important indicator for him to decide whether a business year has been successful. Public recognition and acknowledgment of his alternative business model motivate him to obtain the B Corp certificate.

Power-Dominance and Power-Resources

Recall: Power-dominance, the power to limit others in their choices, entails the goal to exercise control over people (Schwartz, 1992; Schwartz et al., 2012). Power-resources, the power to control materials and social resources, expresses the motivation to control events (Schwartz, 1992; Schwartz et al., 2012). Power-face expresses aspects of security as well as power values. The motivational goal of attaining security and power is to maintain one's public image/social status and prestige, and avoiding humiliation (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.6 Results for the value “power-dominance and power-resources” (Source: Own elaboration)

In the B Corp entrepreneurs' expression of power values, the sub-values of power-dominance and power-resources are interconnected as they include influence over people and their conducts as well as influence over other businesses which incorporate social resources. Expressions of the sub-value power-face have not been found in the data collected.

Strong Motivation (BE1, BE2, BE3, BE5, BE6, BE7, BE8, BE9, BE10, BE12)

Eighty-three percent of all participants have revealed to be strongly motivated by their value of power over people and social resources, representing a significant rate of all B Corp entrepreneurs. They have created new business models and hybrid market solutions with the objective to serve as examples for how B Corp entrepreneurship can be done successfully and to thus be perceived as role models among entrepreneurs. They believe in the strengths and efficiency of impacting social and environmental issues through market forces. In their lives, they strive for the similar values that are represented by their B Corps. As these are nothing less than deeply rooted beliefs about how the world should look like and/or how people should behave, they want their missions to influence the minds and choices of as many people and businesses as possible. BE3 explains: "I was very aware of my intention and biggest interest to have an impact on the behavior of people and the lifestyle of people." They all offer products and services that allow for them to influence others in a way they feel is the right way.

Internally B Corp entrepreneurs also mention to enjoy being in strategic job positions that allow them to make decisions about the future and direction of the B Corp. Although most of them encourage self-initiative among employees and flat hierarchies, they value the fact that they have the last word to keep control over the direction into which business activities are going. BE12 explains: "As B Corps we are not perfect, we have to be careful. We must feel that we aggregate value when creating new business relations. If not, I am not going to do it, because what we offer is very often not the cheapest option but it generates impact. Everything else is none of my interest." They value having influence on internal decision-making processes and staffing.

Another important power component is their decision to be certified B Corps and thus part of a global B Corp movement. In their eyes, the B Corp community represents a great opportunity to connect to like-minded

entrepreneurs and bundle their strengths with the aim to significantly impact the economic system and the way business is conducted and perceived around the world. They believe traditional companies will at some point be steered into a more sustainable direction as society evolves around social movements like the B Corp movement and consumers will increasingly search for sustainable alternatives in the market. They trust the idea that they can co-create a potential new economic sector consisting of hybrid organizations.

Weak Motivation (BE4, BE11)

Both entrepreneurs BE4 and BE11 have founded their B Corps due to a personal need and do not express their need for influence. Both represent a niche in their industry and do not try to change industry into their direction but rather consider it a business opportunity due to their chosen differentiation. The B Corp movement serves as an inspiration, guidance in environmental concerns, and a safety net that makes them feel less alone in an alternative business model.

Security-Personal

Recall: The motivation of safety in one's immediate environment includes a sense of belonging, the feeling that others care about oneself and about health, cleanliness, and reciprocating favors. Safety for family and loved ones is part of it (Schwartz, 1992; Schwartz et al., 2012).

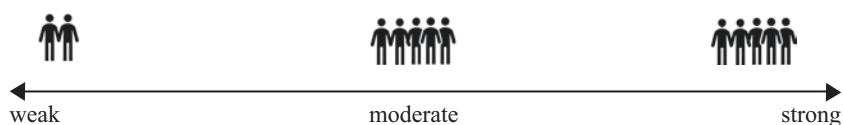


Fig. 6.7 Results for the value “security-personal” (Source: Own elaboration)

Strong Motivation (BE2, BE3, BE4, BE7, BE12)

Children have triggered a change in lifestyle and deeper search for meaning in all five B Corp entrepreneurs. With the pregnancy of three female B Corp entrepreneurs (BE3, BE4, BE7), they started to reflect more about their lives' purposes and lifestyle choices. BE3 and BE4 became more concerned with health issues as they were not willing to put their

babies' health at risk. BE7 was striving for more meaning in life and therefore a deeper social mission she wanted to dedicate herself to. As the desire for a healthier and more meaningful life became more intense over time, they all ended up making this the core of their businesses. BE7 explains: "After I had my daughter, everything changed, and well that was when it happened that I asked myself what purpose I wanted to pursue in life. So I decided to found my own social company." BE2 was and still is driven by the financial stability so that she can provide for her children in a way she wishes to. The male BE12 was driven by the need for flexible hours due to his priority to spend quality time with his wife and children and to concomitantly co-create a better, more equal world in which he wants his children to grow up. For all of them, the B Corp is therefore a result of the need for family security, health, stability, and harmony.

The B Corp community is an important motivation for the participation in the B Corp movement. Like-minded entrepreneurs and an institutional context of support give them a sense of belonging. They feel like they are "not the only crazy ones out there but there are more people willing to try" (BE12). Similar philosophies about life and the role of business in society create a feeling of harmony and companionship.

Moderate Motivation (BE1, BE5, BE6, BE8, BE10)

These B Corp entrepreneurs do not focus on either personal health or family security. Notwithstanding, they also value the B Corp community because it gives them a sense of belonging and support. According to BE6, "what makes a business B, is the club of people that think alike and see business as a means to change the world in a fast, dynamic way." The community is thus perceived as a network of businesses that support each other in their fight for the transformation of business as usual. BE8 explains that "the traditional economy still smiles at the ideas of companies that think in a kind of utopically perfect economy and one is not taken seriously." Thus, the sense of belonging the B Corp entrepreneurs receive from being part of a B Corp community is very important, particularly in difficult times. BE10 explains: "I feel comfortable being connected to this group of crazy people and it motivates in bad times when someone else is there and doing well. We give each other mutual energy to keep business going."

Weak Motivation (BE9, BE11)

Some B Corp entrepreneurs have their own convictions about how their business should look like and what determines their daily business decisions. They therefore do not value the B Corp community as much as other B Corp entrepreneurs. Rather than seeking support and companionship, BE9 takes the role as a supporter of the B movement that depends on many adherents to become influential in the economy. BE11, on the other hand, is an adherent to complete the sustainable business niche and image he is striving for.

Other-oriented Motivations of Chilean B Corp Entrepreneurs

Security-Societal

Recall: The defined goal of safety and stability in the wider society includes national security, and social order and stability (Schwartz, 1992; Schwartz et al., 2012).

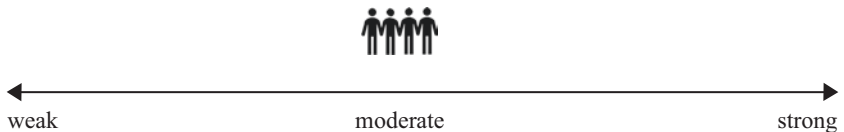


Fig. 6.8 Results for the value “security-societal” (Source: Own elaboration)

Moderate Motivation (BE6, BE9, BE10, BE12)

Four out of 12 B Corp entrepreneurs mention the motivation to change society at large to be more equal, better off, and a place where “everybody dedicates their time to what they are passionate about and where everybody contributes to the common good” (BE12). They all mention this motivation in combination with the self-oriented interest of having their children live in a safe and fair environment that gives them the opportunity to grow up to be kind-hearted and happy people.

Not Applicable (BE1, BE2, BE3, BE4, BE5, BE7, BE8, BE11)

Most B Corp entrepreneurs do not reveal any motivation derived from the security-societal value.

Conformity-Rules and Conformity-Interpersonal

Recall: The value conformity-rules, the compliance with rules, laws, and formal obligations, has the motivational goal to exercise self-discipline and obedience in everyday interaction (Schwartz, 1992; Schwartz et al., 2012). Conformity-interpersonal, on the other hand, entails the avoidance of upsetting or harming other people and strives for politeness, honoring, and respect towards others while restraining actions and impulses that are likely to provoke the contrary (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.9 Results for the value “conformity-rules and conformity-interpersonal” (Source: Own elaboration)

In the B Corp entrepreneurs’ expression of conformity values, the sub-values of conformity-rules and conformity-interpersonal are interconnected and are therefore explained in one value dimension.

Moderate Motivation (BE2, BE4, BE8)

Some elements of motivations derived from the value of conformity could be revealed in three B Corp entrepreneurs. These are willing to adapt to external expectations deriving from institutions, support organizations, and family members who support their businesses. They all value conformity in case of benefitting from complying with the norms and expectations from their environment. Achieving goals, they could not reach without external support, makes it worth to comply with certain rules and expectations. BE4 narrates: “I got financing from CORFO who told me to create accounts and do everything that I had told them I would do. And at the same time, I had to get certified [as a B Corp] and I wanted to die. I also just had gotten a baby and I didn’t feel like doing it. But CORFO told me to do so.”

Weak (BE1, BE3, BE5, BE6, BE7, BE9, BE10, BE11, BE12)

As all B Corp entrepreneurs have a very independent and proactive nature based on their strongly developed value of self-direction, conformity is not

a distinct motivation for the foundation or maintenance of a B Corp. The only importance for all B Corp entrepreneurs is to strive for conformity in their B score results above 80 out of 200 in order to get and keep their B Corp certification. However, reaching these score results has been motivated by the strive for achievement rather than conformity. BE5, for instance, actively searched for an alternative, namely, the foundation of a B Corp, to reduce situations of formal compliance with rules and formal obligations. BE5 reveals: “Entrepreneurship releases you from certain limits. Being employed in a company means you have to restrain yourself according to certain structures, and limits that are pre-established logically according to what that company aims at doing.”

Tradition-Tradition and Humility

Recall: Tradition, the value of maintaining and preserving cultural, family, or religious traditions, entails the motivational goal of respect, commitment, and the acceptance of one’s portion in life. It also includes items related to religious faith (Schwartz, 1992; Schwartz et al., 2012). Humility, the recognition of one’s insignificance in the larger scheme of things, entails modesty, self-effacement, submitting to one’s life circumstances, and not to draw any attention to the self (Schwartz et al., 2012).

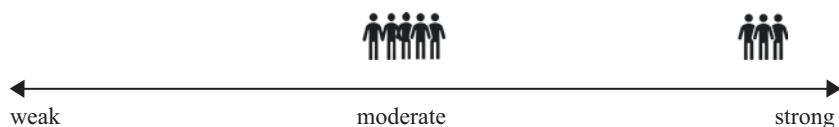


Fig. 6.10 Results for the value “tradition-tradition and humility” (Source: Own elaboration)

Strong Motivation (BE9, BE10, BE12)

Three B Corp entrepreneurs strongly value tradition and humility. They share a childhood in families with deeply rooted value systems based on solidarity, humility, and hard work. Their parents as well as the universities they attended have “always inculcated these values” (BE10) in their minds. Their parents have frequently taken them to the countryside where they had contact with different cultural groups and the simple way of living. BE9 illustrates: “I am still affected by what I experienced when I was little.

Until today my most significant childhood memories come from when we were in the countryside and not in the city.” They perceive themselves as privileged individuals that had a lot more opportunities throughout their life paths than others and therefore want to give back to society. Their parents have worked hard to provide for them and enable them to have a good education. In order to respect and commit to their families, they want to preserve the strong value system and behave accordingly by contributing to society and supporting those with less opportunities in life. This includes benefitting different indigenous cultures in Chile through their businesses and the active support of the target communities’ preservation of cultural traditions. BE12 further mentions a desire for maintaining a strong relationship to God. He sees the B movement as an opportunity provided by God to get like-minded people together in order to create for and contribute to society.

Moderate Motivation (BE2, BE3, BE4, BE7, BE11)

This group of B Corp entrepreneurs does not reveal any motivations derived from the sub-value tradition, but exhibit a certain level of humility. None of them actually considers themselves a social entrepreneur. BE3 modestly explains: “The businesses that give themselves the name social entrepreneurship have the objective to directly solve social problems and ours is more indirect. In fact, you have to be a little astute to see the social impact you ask for because in the end it is a large loop way.” The impact they generate with their B Corps is not enough for them. Although they reach the necessary minimum scores to become certified, they want to significantly improve their social and environmental impact. They are careful with popularization because they value authenticity, honesty, and modesty. While BE7 wants to stay a modest niche B Corp for niche target clients, BE4 expresses her discomfort with the over-popularization of her success in the business performed by a supporting organization: “They love to mention me but frankly I have not been doing *that* great.”

Not Applicable (BE1, BE5, BE6, BE8)

Four out of 12 interviewed B Corp entrepreneurs have not revealed any motivation derived from either the sub-value tradition or the sub-value humility.

Benevolence-Caring

Recall: In literature caring for in-group members, often referred to as prosocial motivation, is divided into more narrowly defined concepts. Benevolence-dependability is defined as being a reliable and trustworthy member of the in-group. The derived motivational goal is to act as a responsible and loyal friend (Schwartz, 1992; Schwartz et al., 2012). Benevolence-caring, the devotion to the welfare of in-group members, is another prosocial sub-value type. The motivation derived therefrom is preserving and enhancing the welfare of people one is in frequent contact with (Schwartz, 1992; Schwartz et al., 2012).



Fig. 6.11 Results for the value “benevolence-caring” (Source: Own elaboration)

Expressions of the sub-value benevolence-dependability have not been found in the data collected. The subsequent explanations therefore refer exclusively to the sub-value benevolence-caring.

Strong Motivation (BE1, BE3, BE5, BE6, BE7, BE9, BE10, BE12)

The business model alignment of the B Corp entrepreneurs exhibits a strong orientation towards the value of benevolence-caring. Designed to distribute benefits of economic, social, and environmental kind among all stakeholders involved, B Corp entrepreneurs use their businesses for the creation of welfare and not for the pursuit of personal financial wealth. BE1 declares: “Being concerned only with myself does not make sense to me, it makes me unhappy. I like working with people, see what they think and see how I can contribute to that. That is what fulfills me and not only to work for money in a traditional company doing boring things.” They are aware of the fact that they would receive a much higher salary performing their professions in traditional companies, but are willing to sacrifice money for the personal satisfaction they receive from changing the lives of others. This other-oriented motivation becomes even clearer in cases where B Corp entrepreneurs sacrifice their own financial stability in

order to maintain the social mission (BE3, BE7, BE10). BE10 says: “In very few months we have been above the financial break-even, normally we rather lose money. The best moments we’ve had were when we could execute social projects that actually worked, that created the impact we were looking for. When that happens, it is the most gratifying feeling in the world and it was all worth it.”

Although in some cases the business idea itself had emerged from a personal need (BE3, BE4, BE6), today’s motivation is based on the improvement of other people’s lives in similar situations. They mention a sense of obligation to give back to the Chilean society after it had given them the opportunities to be where they are today: “I am privileged given the opportunities I’ve had with my studies and I feel like I have the responsibility to give back to society” (BE12). Many of the B Corp entrepreneurs also use words associated with love when they talk about the purpose of their B Corps, like BE3 stating that “the search for change in other people’s lives is where the heart lies” and BE5 who declares that “it was love at first sight.” BE7 declares that the love that drove her to found the B Corp is “love for one’s homeland, one’s children, and the people in one’s surrounding.” They believe creating bonds induces change in people and makes them develop the urge to care about and for others. The more involved B Corp entrepreneurs become with people in their surroundings, the more they care about observed social injustice. This induces a desire to devote themselves to enhancing equality and welfare of these people.

Also, caring for direct employees is an important value for B Corp entrepreneurs. This is exhibited, for instance, in the integration of employee well-being in their success indicators: “Internally we measure how our team is holding up and how each one of them feels” (BE5). Flat hierarchies, self-initiative, equal distribution of responsibilities, team activities, and open discussions in meetings are other core characteristics of their B Corps.

The devotion to the welfare of family members is another important motivator for B Corp entrepreneurs. Through the flexible design of their daily working duties, they are able to dedicate time to their loved ones and be available in important situations. BE12 explains: “This is a very family-oriented decision. Supporting my wife and kids is key.”

Moderate Motivation (BE2, BE4, BE8)

Their business models are closer aligned to profit-driven indicators of success. Related to their high motivation through achievement, they focus on

bringing forward their business activities to be able to grow in a traditional business sense. Although economic value creation comes first, social and environmental value creation are important pillars in their business philosophies. They are motivated by the impact they create through their businesses by automatically increasing their positive impact through growth. Additionally, they sometimes engage in business activities that do not generate profit for them, like pro bono projects for underprivileged customers or free trainings. Their employees are also very important to them. BE4, for instance, explains: “I have the most committed team. They have stayed all these years with every difficulty that we’ve had, because they believe in the project, that is a huge plus. They know that what they get here they won’t get in another (business) nearby.”

Not Applicable (BE11)

BE11 does not reveal any motivation derived from the value benevolence-caring.

Universalism-Societal Concern

Recall: While benevolent values have a narrower focus on in-group members, universalist values include caring for people and nature outside of direct contact, which happens once individuals become aware of the life-threatening scarcity of resources. This value finds its motivational expression in the commitment to equality, justice, and protection of all people (Schwartz, 1992; Schwartz et al., 2012).

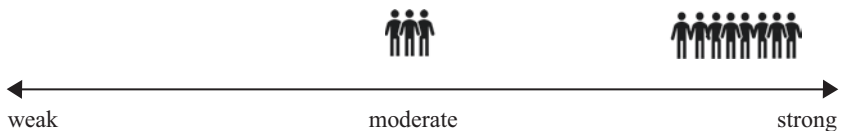


Fig. 6.12 Results for the value “universalism-societal concern” (Source: Own elaboration)

Strong Motivation (BE1, BE3, BE5, BE6, BE7, BE9, BE10, BE12)

Related to the mature love B Corp entrepreneurs feel for others they are in direct contact with, they are motivated to create significant social impact for as many people as possible in the world. This motivation is closely connected to their personal search for meaning and a purpose in life. Creating

social value and thereby benefiting others is what makes them passionate about their work, which they call “missions and not work” (BE12). Some have experienced personal frustration and even a “spiritual crisis” (BE7) in former jobs in traditional companies (BE6, BE7, BE9) as they had always hoped to make a contribution to society through their work. With the foundation of a B Corp, they have found an alternative that fulfills their “professional dream[s]” (BE12).

The theoretical concept of a B Corp is in line with B Corp entrepreneurs’ perception on how businesses should work and what their role in society should be. They do not believe in the concept of charity, but rather strive for the mutually beneficial creation of opportunities that improve the lives of many. Successfully combining the three components of economic, social, and environmental value in a hybrid business model is what would allow them to one day “rest in peace” (BE10). Creating benefits for every stakeholder involved results in more justice and can turn businesses into “a motor for social change” (BE5). Concomitantly, it is pivotal to them to change perspectives on what is being defined as successful in the business world. Projects are only considered interesting when resulting in social value.

Businesses have the potential to function as motors for social change through the use of market forces, whereas the government is supposed to provide a platform for the generation of equal opportunities for all citizens to enable them to develop up to their full potential. B Corp entrepreneurs feel that they have a responsibility as citizens of this planet and play roles that imply the creation of fair opportunities for many others. BE3 describes what she does as following “a conviction with respect to one’s responsibility and existence in this world.” Congruent herewith, they form part of a global B movement because they are motivated to co-create social contribution worldwide. They hope to reach the world society with new idea concepts and models of how business can be done in a different way. Once companies reach the point of being able to pay their bills and simultaneously create social value, they find ourselves in a “perfect world” according to BE10.

Moderate Motivation (BE2, BE4, BE8)

What differentiates this group of B Corp entrepreneurs from the highly motivated one is that its primary focus lies on the success of their B Corps. Notwithstanding, they also strive for social impact creation in the world and hope to achieve that through a successful expansion of their businesses. Creating social value while going after their businesses makes them feel proud and gives them a personal satisfaction at the end of a working day. They do not agree with the traditional role of businesses and value the

potential power of the global B movement to change the definition of the responsibilities and of success in businesses worldwide.

Not Applicable (BE11)

BE11 does not reveal any motivation derived from the value universalism-societal concern.

Universalism-Protecting Nature

Recall: While benevolent values have a narrower focus on in-group members, universalist values include caring for people and nature outside of direct contact, which happens once individuals become aware of the life-threatening scarcity of resources. This sub-value expresses the motivation of preserving and caring for the natural environment and the attempt to fit into nature (Schwartz, 1992; Schwartz et al., 2012).

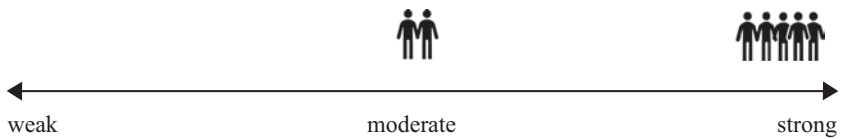


Fig. 6.13 Results for the value “universalism-protecting nature” (Source: Own elaboration)

Strong Motivation (BE1, BE3, BE4, BE8, BE11)

The core impact they intent to generate with their B Corp is an environmental one. They are aware of the state of pollution in Chile and the ignorance of society. Their objective is consequently to make a significant contribution to the reduction of the carbon footprint of the Chilean society and concomitantly to raise awareness and to educate people about what they can change in their lifestyles. This value is strongly related to the sub-value universalism-societal concern and its derived motivational goal to take the role of responsible citizens of Mother Nature. They are strongly convinced they can generate an impact through the influence on other people’s conducts and, in a broader perspective, on other entrepreneurs.

Moderate Motivation (BE2, BE12)

Although the generation of environmental value does not represent the main concern of their B Corps, they still actively try to reduce their negative footprint in nature by implementing as many environmentally friendly

solutions as possible on their B Corp premises. From waste separation to the selection of the eco-friendliest supplier, they set up their company policies and encourage sustainable ideas among their staff.

Not Applicable (BE5, BE6, BE7, BE9, BE10)

These B Corp entrepreneurs do not reveal any direct motivation derived from the value universalism-protecting nature.

Universalism-Tolerance

Recall: While benevolent values have a narrower focus on in-group members, universalist values include caring for people and nature outside of direct contact, which happens once individuals become aware of the life-threatening scarcity of resources. The motivational goal of this sub-value is the acceptance and understanding of those who are different from oneself (Schwartz, 1992; Schwartz et al., 2012).

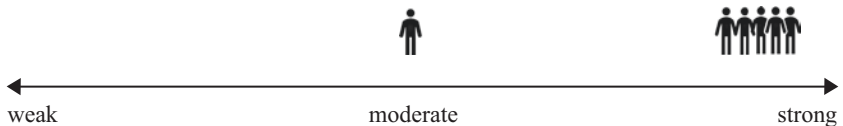


Fig. 6.14 Results for the value “universalism-tolerance” (Source: Own elaboration)

Strong Motivation (BE5, BE7, BE9, BE10, BE12)

The nature of their projects is what confronts them with different kinds of people, communities, and social classes in their daily lives. Diversity is what makes their work interesting and exciting to them. They are highly motivated to respect and protect diversity among the different target groups through their work. BE7 even claims that for her “tolerance is a sacred value.”

Moderate Motivation (BE4)

One B Corp entrepreneur appreciates the diversity among the B Corp community and enjoys the open discussions based on mutual respect and tolerance. She explains: “There are businesses that reach more, others that reach less scores (...) and its seems very honest to me how we are in different positions but have open debates and nobody judges the other” (BE4).

Not Applicable (BE1, BE2, BE3, BE6, BE8, BE11)

These B Corp entrepreneurs do not reveal any motivation derived from the value universalism-tolerance.

THE DYNAMIC STRUCTURE OF B CORP ENTREPRENEURS' VALUES AND MOTIVATIONS

Attending to the structure and dynamic relations of the B Corp entrepreneurs' values, the findings are arranged on a circular motivational continuum (see Fig. 6.15). The numbers represent the percentages of the B

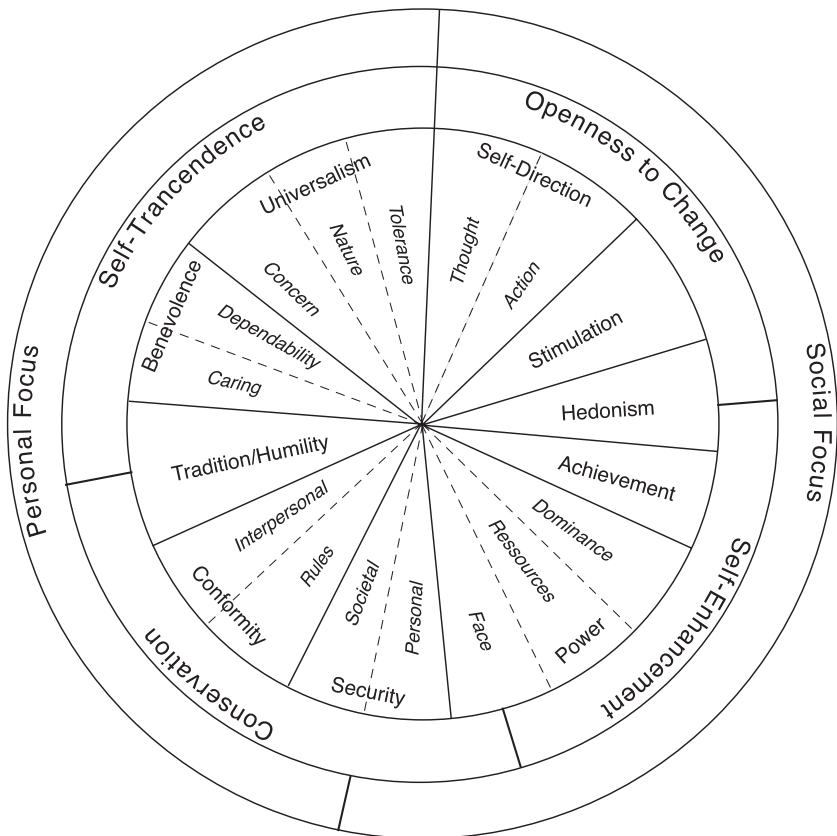


Fig. 6.15 B Corp entrepreneurs' circular motivational continuum (Source: Own figure adapted from Schwartz et al., 2012)

Corp entrepreneurs' strong, moderate, and weak orientation towards each value (see again Table 6.1).

The results demonstrate the B Corp entrepreneurs' simultaneous orientation towards self-oriented and other-oriented values. According to the hybrid nature of B Corps, the B Corp entrepreneurs show both a concern for self and a concern for others, that is, the community and the society at large. This hybrid nature becomes particularly prominent in the bipolar dimension of self-enhancement and self-transcendence. The results reveal moderate to strong motivations for both ends of the continuum, particularly power and achievement for self-enhancement and universalism and benevolence for self-transcendence. With regard to the competing values "power" and "universalism," most of the B Corp entrepreneurs in this study are strongly motivated by both values. In terms of power, the B Corp entrepreneurs are strongly motivated by their value of power over people and resources. Constituting role models, they follow their mission to influence the minds and choices of as many people as possible. They also value their position at the top of their B Corp enabling them to exert influence and to determine the corporation's success. Regarding universalism, the B Corp entrepreneurs are motivated to create social value and thereby benefiting others. They strive to improve the lives of many in addition to protect the natural environment in Chile and to embrace diversity. Turning to the competing values "achievement" and "benevolence," the B Corp entrepreneurs again are motivated by both values. On the one hand, they value achievement, thus, the pursuit of self-chosen goals such as financial success in combination with significant social and/or environmental contributions. Furthermore, they show an orientation towards growth, that is, expanding their B Corp in order to increase direct impact. On the other hand, they are driven by motivational goals related to care for the community, particularly aiming at the creation of economic, social, and environmental benefits for their stakeholders. Improving other people's lives sometimes comes at the cost of sacrificing money for the personal satisfaction to have a positive direct social impact.

Summarizing these findings, the B Corp entrepreneurs in this study show motivations to pursue their own success and seek dominance over others, and at the same time they demonstrate "acceptance of others as equals and concern for their welfare" (Schwartz, 1992, p. 13). Emphasizing self- and other-orientation, meaning both poles of the self-enhancement-self-transcendence continuum, according to Schwartz (1992, 2012) and Schwartz et al. (2012), is likely to cause conflicts, a circumstance that later chapters of the book will address.

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Motivational Profiles of Chilean B Corp Entrepreneurs

Abstract This chapter presents motivational profiles that group B Corp entrepreneurs with similar values and motivations with the aim to theoretically conceptualize different motivational types of B Corp entrepreneurs in Chilean B Corps. Empirically based typifications have the advantage to make the emerged data more tangible and coherent while maintaining a high level of the data's richness. The value dimensions of achievement and universalism—directly opposite values in the Schwartz' theory, yet, also values that had the highest impact on the motivation of the B Corp entrepreneurs in this study—form the two dimensions along which the profiles are developed. The chapter describes the following four motivational profiles in detail: the social idealist, the sustainable impact seeker, the hybrid achiever, and the self-sustaining hedonist.

Keywords Motivational profiles • Social idealist • Sustainable impact seeker • Hybrid achiever • Self-sustaining hedonist

DEVELOPING PROFILES ALONG TWO DIMENSIONS

In the present study, motivational profiles are outlined in accordance with the definition of Kluge (2000), namely, as the result of a clustering process that entails the grouping of B Corp entrepreneurs according to their attributes of selected value dimensions of Schwartz based on the results of the first part of the research findings in the previous chapter. On the level of

the motivational profile, the authors hereby strive for a maximum of internal homogeneity and external heterogeneity. A motivational profile consequently represents the formed sub-group of the B Corp entrepreneur sample that exhibits common attributes on selected dimensions which serve as the basis for a final characterization of the ideal-typical B Corp entrepreneur belonging to that sub-group. The concept of an ideal-typical comprehension is based on the work of the sociologist Max Weber (Kluge, 2000). This implies that B Corp entrepreneurs within one motivational profile might exhibit differences related to, for instance, the level of complexity or the reference to reality within their common characteristic value. They might also differ related to attributes in other value dimensions not included in the clustering process. Notwithstanding, the commonalities that form the basis for their grouping provide a value-adding insight to the data analysis to enhance the understanding of values and motivations of B Corp entrepreneurs.

The value dimensions of the previous chapter form the basis for the cross table designed to group B Corp entrepreneurs according to the dimensions that have been selected as the most relevant in the context of this study (Kluge, 2000). Given the centrality of the discussion on profit- and socially oriented motivations in entrepreneurial research (e.g. Alter, 2007; Boyd, Henning, Reyna, Wang, & Welch, 2009; Boluk & Ziene, 2014), and the data-induced research findings on B Corp entrepreneurs indicating significant differences related to this subject, the following value dimensions are defined as the most relevant for the creation of motivational profiles:

1. *Achievement* with its attributes of motivation of hybrid-oriented achievement, socially oriented achievement, and profit-oriented achievement, and
2. *Universalism-societal* and *benevolence-caring* with their attributes strong, moderate, and not applicable. The two latter value dimensions can be merged easily into one dimension due to their exact match in attributes per BE.

In current literature, commercial and social entrepreneurs are commonly distinguished based on a perceived profit-orientation or mission-orientation (Alter, 2007; Boyd et al., 2009). Social entrepreneurs are commonly depicted as heroic, virtuous, and selfless human beings (Boluk & Ziene, 2014; Braun, 2010), whereas commercial entrepreneurs are depicted as ambitious self-interested profit-driven personalities (Ruskin, Seymour, & Webster, 2016). Hybrid organizations have likewise been dis-

Table 7.1 Motivational profiles

<i>Achievement</i>	<i>Benevolence-caring/universalism-societal</i>		
	<i>Strong</i>	<i>Moderate</i>	<i>n/a</i>
Social-orientation	BE3, BE7, BE9, BE10, BE12 <i>I</i> “ <i>The social idealist</i> ”		
Hybrid-orientation	BE1, BE5, BE6 <i>II</i> “ <i>The sustainable impact seeker</i> ”	BE2, BE4, BE8 <i>III</i> “ <i>The hybrid achiever</i> ”	
Profit-orientation			BE11 <i>IV</i> “ <i>The self-sustaining hedonist</i> ”

Source: Own elaboration

cussed based on their relative position in such social-profit dimensions (Boyd et al., 2009). Derived from the research findings presented in the coherent value continuum and particularly in the value dimensions *achievement*, *universalism-societal*, and *benevolence-caring*, it becomes evident that Chilean B Corp entrepreneurs are driven by diverse constellations of social and profit motivations. The formation of distinct motivational profiles in a profit-social continuum as opposed to a dichotomy is hence more in alignment with Boyd et al.’s (2009) concept of handling mission motivation and profit motivation as independent organizational dimensions than a dichotomy according to Alter (2007).

The cross table that results from the comparison of the defined value dimensions is shown in Table 7.1.

DESCRIPTION OF THE MOTIVATIONAL PROFILES

The cross table provides four sub-groups of B Corp entrepreneurs with similar in-group attributes and distinct outer group attributes in the selected dimensions:

Profile I: “The Social Idealist”

The ideal-typical B Corp entrepreneur represented in the first motivational profile including BE3, BE7, BE9, BE10, and BE12 is characterized by

their *socially oriented definition of personal achievements* combined with a *strong motivation for welfare creation* for in-group members as well as people outside of direct contact.

Priorities in the definition of achievement are key in the characterization of the social idealist as these are distinct from the other motivational profiles, namely, social impact creation is always prioritized over financial gain. A success for this motivational type is to see the impact achieved through their projects. This is reflected in their definition of success and the indicators to measure it including solely social and environmental impact measurements. Achievement related to generating impact is essential to them and connected to their search for meaning.

We have been tremendously successful as we have survived as an entrepreneurship, in fact us as private people also. We continue fighting with the results and that is reality. On a financial level, we don't have good results. But on other levels we have succeeded with amazing results as we have made a lot of direct contact with people in the last couple of years (...) and these people come here and we have a direct impact on them. (BE3)

Financially, their motivation is to accomplish the B Corp to be self-sustaining so that social and environmental value can be generated without financial limits. Financial gain in itself does not have a value though. They feel that it is much easier to start a financially successful traditional business than a hybrid organization, but claim the experience of social value creation to be so much more gratifying and thrilling. Attaining the desired contribution in a project is what gives them the “highest gratification on earth and makes it all worth the pain” (BE10). They prefer a hybrid organization over a nonprofit organization because they are convinced to be able to achieve higher social and environmental impact through the power of the market. Their inner peace through social and environmental creation is more important to them than public acknowledgment, and growth of the business is only considered if it is for the sake of an increase in social or environmental impact.

This B Corp entrepreneur further sticks out due to their strong sense of belonging and desire for strong relationships with people close to them. From this motivation further derives the need to help others they see suffering in their environment. They feel like they have been very privileged in their lives which triggers a sense of obligation to give back to society making them dedicate their work to this deeply rooted motivation. The B Corp entrepreneurs of this motivational profile express their feeling

that they have a responsibility as citizens of this planet and that they have to play roles that imply the creation of fair opportunities for many others.

I work in this, because, on the one hand I have the conviction to want to contribute to society. And I convinced that talent is distributed among the entire society without the influence of where one comes from. Nonetheless, I am very privileged given the opportunities I have had to study where I studied, at such a high level of education and that is what makes be responsible and find ways to give that back to society. (BE12)

Congruent herewith, they form part of a global B movement because they are motivated to co-create social contribution worldwide. They hope to reach the world society with new idea concepts and models of how business can be done in a different way. Once companies reach the point of being able to pay their bills and simultaneously create social value, we find ourselves in a “perfect world” according to BE10.

Profile II: “The Sustainable Impact Seeker”

The ideal-typical B Corp entrepreneur represented in the motivational profile II including BE1, BE5, and BE6 is characterized by their *hybrid definition of personal achievements*, including economic as well as social value generation, combined with a *strong motivation for welfare creation* for in-group members as well as people outside of direct contact.

The sustainable impact seeker values a strong hybrid business model. They feel comfortable in a financially stable situation with a concomitant strive for social purpose. Financial gain needs to always be linked to social value creation in the long run. The overall definition of success is therefore comprised of financial and social impact indicators. To feel fulfilled and happy, they are willing to put all their energy into something that makes sense to them, namely, work with and for people and finding ways to contribute.

It is a business with triple impact. We have to earn money, be a common good to society and to our employees (...) In the end this is a way to end inequality. If we don't earn money, we cannot hand anything out to help others. It must be a sustainable business that does not depend on anybody or anything besides the market. (BE6)

Moreover, achieving the foundation of their own company is important to the extent that they have a need for a workplace that represents exactly

their values and convictions as they are not willing to restrain due to preset rules and company structures. The B Corp represents a (medium-term) solution to serve as a means for impact and purpose creation. The B Corp certificate itself does not have an achievement value for them (yet), as it is still too small to attract public acknowledgment but they are willing to support the B movement because of a desired powerful effect on the traditional economic system. Public acknowledgment is appreciated but not considered a priority.

Like the social idealist, they are strongly motivated by the creation of welfare for others. What is distinct for this B Corp entrepreneur is that employees play a central role in their pursuit of welfare maximization around them. Work relationships are close and harmonic and the employee well-being is included in the indicators of success.

Being concerned only with myself does not make sense to me, it makes me unhappy. I like working with people, see what they think and see how I can contribute to that. That is what fulfills me and not only to work for money in a traditional company doing boring things. (...) One has to work with people. People are what counts the most. (BE1)

Profile III: "The Hybrid Achiever"

The ideal-typical B Corp entrepreneur represented in the motivational profile III including BE2, BE4, and BE8 is characterized by their *hybrid definition of personal achievements*, including economic as well as social value generation, combined with a *moderate motivation for welfare creation* for in-group members as well as people outside of direct contact.

The hybrid achiever's business models are closer aligned to profit-driven indicators of success than the ones of the motivational profiles I and II. Related to their high motivation through achievement, they focus on bringing forward their business activities to be able to grow from a traditional business perspective. They are not willing to generate profit at any cost as they value good business practices and transparency. However, they value the generation of financial value as it gives them personal security. They thus generate profits for the sake of profit but also for the business to be sustainable and able to generate social and environmental value.

Simply through the concept we have we, we ended up solving some issues, but it is not the final objective, in the sense that our priority lies on the sales of a good

service. Through those due to the way we conduct business and our products we simultaneously solve a problem for people (...). Business survives because it sells services. Trying to do it in a better way is what makes us be B, but we are B and not a social business. (BE4)

Although economic value creation comes first, social and environmental value creation are important pillars in their business philosophies. They are motivated by the impact they create through their businesses by automatically increasing their positive impact through growth. Additionally, they sometimes engage in business activities that do not generate profit for them, like pro bono projects for underprivileged customers or free trainings. Creating social value while going after their business makes them feel proud and gives them a personal satisfaction at the end of a working day. They do not agree with the traditional role of businesses and value the potential power of the global B movement to change the definition of the responsibilities and success of businesses worldwide.

Achievement is the most important motivator for this type of B Corp entrepreneur. That induces the atypical motivation to also comply to rules and social expectations in order to benefit from external support. Although they highly value independence and public acknowledgment for personal achievement, they are simultaneously willing to comply to certain rules and social expectations with the aim at achieving higher goals through external support they could not achieve without.

Profile IV: “The Self-sustaining Hedonist”

The ideal-typical B Corp entrepreneur represented in the motivational profile IV including BE11 is characterized by their *profit-oriented definition of personal achievements* combined with a *lack of expression of a motivation for welfare creation* for in-group members as well as people outside of direct contact. This motivational profile is comprised of one single B Corp entrepreneur from the sample. Although he is an outlier in the overall research findings, he is considered worth represented in a separate motivational profile as a re-occurrence of this type of B Corp entrepreneur is considered likely in a larger sample in future research.

This type of B Corp entrepreneur is mainly motivated by hedonism. A relaxing and enjoyable work environment is preferred over growth or the increase of impact and works as a decisive factor for whether to continue with the business.

You start growing and have more responsibilities and salaries to pay at the end of the month (...) and this is where I felt that we had lost the things that were fun that we had been doing at the beginning. (BE11)

Financial performance is the most important indicator for them to decide whether a business year has been successful. Their business model is based on a sustainable business idea that generates mutually enriching correlations between business, social, and environmental value. The projects executed in the context of the B Corp are selected based on how well they match their personal passions. There are, however, no explicit motivations for an increase in the social or environmental impact.

I am interested in doing projects that I am passionate about. (...) Last year was a complicated year financially speaking and it made me rethink a lot of things because I did not have such a great time, you know? So, to be very honest, I asked myself whether that was really what I wanted to do. Because I did not have as much of a good time as I had expected. Because when we started our idea was to have the freedom to do the things we like and the way we like it. But then you start growing and have more responsibilities and salaries to pay at the end of the month (...) and this is where I felt that we had lost the things that were fun that we had been doing at the beginning. (BE11)

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CHAPTER 8

Implications and Future Research

Abstract Derived from the urgent need for new organizational designs in order to provide solutions of humanity's most pressing needs, different types of hybrid organizations have been emerging globally. In Chile, the B Corporations are among the most widespread. Given the centrality of B Corp entrepreneurs to the development of B Corporations and the subsequent need for insights into the rationale of B Corp entrepreneurship, the book examined the narratives of B Corp entrepreneurs in Chile to investigate the personal values and motivations, which drive them to found and maintain their B Corps. Discussing the results of the study, this final chapter of the book turns towards both theoretical and practical implications. It returns to the concept of the hybrid organization and the subsequent hybrid value orientation of B Corp entrepreneurs. Furthermore, it transcends the domain of B Corps and shows implications of this study for social entrepreneurship research. In so doing it also addresses various avenues for future research.

Keywords Hybrid-orientation • Value spectrum • Profit motives • Social motives • Social entrepreneurship • Policy • B Corp community

THEORETICAL IMPLICATIONS: B CORP ENTREPRENEURS' HYBRID VALUE ORIENTATION

First, a significant theoretical contribution of the present study to the research field of B Corporations is its comprehensive identification of personal values and motivations of B Corp entrepreneurs. It does not only compile the limited depiction of motivational drivers from prior studies on B Corporations (e.g. Stubbs, 2014; Abramovay, Correa, Gatica, & Van Hoof, 2013), but further provides more detailed insights and complements these motivations with additional values and motivations of Chilean B Corp entrepreneurs. The research results are in alignment with the ideology and aspiration of the overall B movement and the broadly defined motivational type of entrepreneur B Lab and Sistema B collaboratively attempt to unify in the movement. Ninety-two percent of the B Corp entrepreneurs interviewed are strongly driven by the motivation to attain self-chosen goals that reflect this ideology and give them a purpose in life. Expressed in the motivational goals of the value *achievement*, it becomes further evident that 11 out of 12 Chilean B Corp entrepreneurs strive for either a hybrid value creation or a very socially driven value creation. Nonetheless, it should be pointed out that priorities on economic, social, and environmental value creation differ significantly among the study participants.

While prior studies focus mainly on self-reported motivations related to the participation in the B movement itself, they lack insight into a coherent set of values and motivations. There has been a tendency in research on B Corps towards depicting B Corp entrepreneurs in a heroic manner with a focus on motivations to generate profit exclusively for the purpose of social value creation and a vision to change the world (e.g. Harriman, 2015; Stubbs, 2014; Coral, 2016). The differing characteristics among the sample along the value dimensions give rise to the assumption that there are different motivational types of B Corp entrepreneurs in Chile. Unlike indicated in literature (Harriman, 2015; Stubbs, 2014), not all B Corp entrepreneurs perceive profit as an exclusive means to sustain the business in order for it to increase social impact, but also value profit in terms of demonstration for personal success, personal financial stability, and the facilitation of personal passions. A significant contribution to this discussion is the exposition of distinct motivational profiles of Chilean B Corp entrepreneurs that differ in their orientation towards perceptions regarding success and achievement, as well as towards their desire to

devote themselves to the welfare of others. The profiles illustrate the motivational diversity among Chilean B Corp entrepreneurs and have the potential to shake up dominant assumptions about one ideal type of B Corp entrepreneur. To date, despite their theoretical advantages to make large quantities of data more tangible (Kluge, 2000), the analysis and formation of motivational profiles of entrepreneurs has been limited (Mody, Day, Sydnor, & Jaffe, 2016).

Second, the authors found that the basic values according to Schwartz' value theory (1992, 2012) provide a potent theoretical framework for the identification of the B Corp entrepreneurs' personal values and motivations. By articulating qualitative research findings on value dimensions derived from Schwartz' theory, the present study seeks to present a new alternative to the theory's application that goes beyond common accounts of its limits to quantitative use in motivational research (e.g. McCabe, 2012). Classifying concepts and categories emerging from qualitative data under Schwartz' values provides various advantages. On the one hand, it ensures a clear theoretical delineation of terminologies of motivations derived from their basic values. This was lacking in formerly conducted motivational research on B Corp entrepreneurship and SE. Related thereto, it serves as a screening pattern which provides guidance in the proper interrelation among emerging concepts. On the other hand, it represents a holistic motivational continuum that ensures the completeness of the examination of potential self- and other-oriented motivations. Scholars have stated the need for a value spectrum that goes beyond the overly simplistic classification of profit and altruistic motives (Mody et al., 2016). The holistic motivational continuum of Schwartz allows for the research findings to be multidimensional and thereby contribute significantly to the commonly applied two-dimensional profit-social continuum (Boyd, Henning, Reyna, Wang, & Welch, 2009).

Third, the findings of the present study reflect the hybrid nature of B Corps as being simultaneously mission- and profit-driven. Therefore, B Corp entrepreneurs' motivational goals are related to both the self and the others. The results demonstrate that the B Corp entrepreneurs in this study score high with regard to self-enhancement values, particularly power and achievement, and self-transcending values, such as universalism and benevolence. However, according to Schwartz (1992, 2012) and Schwartz et al. (2012), the pursuit of competing values located at opposite ends of the self-enhancement and self-transcendence continuum may cause conflicts on the individual and social level, since outcomes associated

with pursuing one set of values violate competing value sets. Schwartz (2009) argues that benevolence and conformity promote cooperative and prosocial behavior, whereas power and achievement oppose prosocial behavior. In this sense, pursuing all values to the same extent should be impossible and inevitably leads to psychological dissonance or corrective actions from the social environment.

This study did not focus on potential conflicts yielded by the B Corp entrepreneurs' motivational goals but aimed to answer the question of what motivates B Corp entrepreneurs to operate a B Corp. However, the apparent existence of hybrid-orientations ought to be discussed as they contradict the relationship of values that the theory hypothesizes. A first explanation may depart from the distinction between terminal and instrumental values (Rokeach, 1973). Schwartz' value and motivation theory treats all of the ten basic human values and the nine sub-values as terminal values. In this sense, they refer to desirable goals persons want to reach during their life. These goals yield preferred ways of conduct, that is, they motivate certain actions in order to attain the motivational goals specified by the values. In the case of B Corp entrepreneurs, however, the self-enhancement values of achievement and power may not constitute terminal but instrumental values in order to ensure societal and/or environmental impact. From such a perspective, B Corp entrepreneurs strive for social status and dominance (power) and focus on personal success as this enables them to achieve the social/environmental improvements that they value due to their universalism and benevolence orientation. A second explanation accepts the theory's original assumption that self-enhancement and self-transcendence values are terminal ones. However, the results of this study and previous research in SE suggest that they may not necessarily be organized on a bipolar continuum. Instead, connecting to the features of hybrid organizations, which are driven by the independent organizational dimensions of profit motivation and mission motivation (Boyd et al., 2009), also self-enhancement and self-transcendence, and for that matter self-orientation and other-orientation, could be interpreted as independent dimensions. In this case, people are not rendered as opportunistic beings, who either focus on their own advancement or on the advancement of others. Rather, human beings are defined as social beings, who have the capacity to simultaneously pursue their own interests AND interests for the sake of others. However, whatever explanation one likes to adopt, whether there are psychological, practical, and social consequences when B Corp entrepreneurs pursue competing values, like Schwartz

(1992) originally proposed, and how these consequences might look like should be the focus of subsequent studies. B Corp entrepreneurs, who operate a hybrid business, are themselves hybrid beings, and the nature and consequence of this hybridity in their value system, their motivations, yet also their personality and identity, and consequently their actions, thoughts, and feelings should be further investigated.

Fourth, we suggest that the values and motivations identified among B Corp entrepreneurs as well as the exposition of motivational profiles might complement findings in motivational research in the field of SE. Although the sample interviewed in the present research shows opposing opinions on the perception of B Corp entrepreneurs as social entrepreneurs, all the motivations identified in SE research are in alignment with the research findings representing a major part of the B Corp entrepreneur sample. Derived thereof, in their values and motivations, B Corp entrepreneurs seem to be much closer connected to social entrepreneurs than traditional entrepreneurs prone to profit-seeking. In addition to the congruent findings derived from SE literature, there are various values and motivations identified in the present study that are considered value-adding. Among the self-oriented motives, the findings provide a more detailed delineation of the motivation that drives to action by separately examining motivations according to the pursuit of intrapersonal mastery including autonomy of thought and autonomy of action and the pursuit of personal success according to social standards. Also, the values stimulation and hedonism shed light on motivational drivers that have not been in the center of attention in current literature. In the other-oriented motivation sphere, additional insights can be complemented related to the values tradition and humility. These give new theoretical insights into where to locate the identified *sense of belonging* and *obligation* towards God and society in SE on the motivational continuum. A clear delineation of benevolence values and universalism values is also considered value-adding. Insights into the motivation to preserve and care for the natural environment contribute to the so far little addressed environmental value creation within SE. The motivational profiles also serve as a potential incentive in SE research to shaken up the common depiction of social entrepreneurs as heroic, virtuous, and selfless human beings (Boluk & Ziene, 2014; Braun, 2010).

Finally, investigations of the present study are limited to one type of hybrid organization, namely, the certified B Corporation. This has the advantage of a clear delineation of the case and its respective sample. As

outlined above, in accordance with literature on social entrepreneurs (e.g. Ruskin, Seymour, & Webster, 2016; Boluk & Ziene, 2014), B Corp entrepreneurs are motivated to develop viable new business models that generate mutually enriching correlations between economic, social, and environmental value. However, unexpectedly, the majority of the B Corp entrepreneurs in our study do not consider themselves social entrepreneurs as opposed to what has been claimed in prior research (e.g. McCabe, 2012; Chen & Kelly, 2015; Coral, 2016). Given the results of the present study, it becomes evident that the main reason why they do not concordantly agree on being classified as a type of social entrepreneur is that they perceive themselves as generating a different type of social and environmental value.

The businesses that give themselves the name social entrepreneurship have the objective to directly solve social problems and ours is more indirect. In fact, you have to be a little astute to see the social impact you ask for because in the end it is a large loop way. (...) I would not give myself that name, although I truly believe that I have a social and environmental impact. (BE3)

Hence, although many scholars would probably categorize B Corp entrepreneurs and social entrepreneurs similarly, the reality as expressed by the entrepreneurs themselves appears to be more complex. In this sense, the study provides first insight into the fine-grained understanding of some of the actors in the broad field of social business, an understanding that may counter simplified scholarly systematics. Therefore, we believe that additional research in the field of B Corp entrepreneurship is necessary to grasp the understanding of potential differences of the rationale of the foundation and maintenance of B Corporations as opposed to social and traditional entrepreneurship.

PRACTICAL IMPLICATIONS: FOSTERING THE B CORP COMMUNITY

Apart from its theoretical contribution, the present study to the values and motivations of B Corp entrepreneurs has important practical implications for a variety of stakeholders in the Chilean ecosystem.

B Corp entrepreneurs themselves benefit from sharpening their understanding of what drives them to develop their unique business models. It becomes evident that the decisions taken are deeply driven by personal

motives consisting of self- and other-oriented ones. For the individual B Corp entrepreneurs themselves, “the realization that one’s personal values profoundly affect the kind of opportunities [they] will pursue may be quite important to the way the entrepreneur forms [their] venture” (Mody et al., 2016, p. 1108). In this regard, B Corp entrepreneurs can overcome potential dilemma in decision-making when it comes to prioritization of the type of value creation (Yunus, 2010).

At the *B Corp community* level, a better understanding of what drives the overall community could strengthen the community feeling and bring B Corp entrepreneurs closer together. Given the centrality of the sense of belonging and support in B Corp entrepreneurial motivation, this practical implication relates to a key factor for the survival of the B movement.

Value compatibility may also be essential with other *stakeholders* associated with the venture. Due to the fact that the generation of social and environmental value is an integral part of business, B Corps operate in contextually complex systems. Consequently, the value alignment of B Corps and their context may be decisive for its sustainability (Conger, 2012).

At a wider societal level, *potential new B Corp entrepreneurs* could be supported in their venture creation by using current B Corps as their role models. Insights into what drives current B Corp entrepreneurs are consequently necessary for potential adherents to grasp the movement’s ideology and compatibility with their own. These can be comprised of socially conscious entrepreneurs who seek a like-minded community as well as traditional entrepreneurs who decide to change their business purpose and practices. Also, *multinational corporations* might reach out for new ways of doing business and use best practices and social innovations of B Corp entrepreneurs as an inspiration.

For *Sistema B* and *B Lab*, it is necessary to acknowledge and understand the values and motivations that drive their adherents to be part of the B movement. Considering the central importance of value alignment of this social movement (B Lab, 2017; Harriman, 2015), deeper market-focused insights into B Corp entrepreneurial motivations and needs may guide their actions. On the one hand, it may provide guidance for the continuous assessment and adaptation of their assessment tools like the BIA and for the development of programs that support their members adequately. On the other hand, successful strategies for expansion depend on the understanding of motives. This is important for *Sistema B* that strives for the expansion of B Corps in Chile and other Latin American countries but

also for B Lab that works towards the goal of global expansion. The findings may also indicate in which sectors to look for potential new B Corp entrepreneurs by understanding the different motivational profiles. Simultaneously, Sistema B and B Lab should recognize that B Corp entrepreneurs seem to position themselves as a unique type of entrepreneur and may not appreciate being identified as social or traditional entrepreneurs. To induce systemic change, Sistema B does not only aim at strengthening B Corps directly but also bring together the different strategic key players of social and economic change including public policy, opinion leaders, an academy, and the market. Building strong relationships among these actors in the economy also depends on their value alignment. With deeper insights into what these are, strong bonds for collaboration can be incentivized.

Close collaboration with the *government and policymakers* is of high importance in Latin America to develop the legal framework needed for B Corps that recognizes their corporate form and legally protects their social mission (Soto, 2015). As outlined previously in this book, the numerous support programs of the Chilean government show its willingness to address shortcomings of the economy and invest in innovation. Through a more comprehensive understanding of what drives Chilean entrepreneurs willing to adopt the requirements of a certified B Corp, the government might be incentivized to increase its support for the Chilean B Corp movement. This could particularly be true for their recognition and awareness of motives like social justice.

FUTURE RESEARCH

The theoretical implications of the present study offer a number of interesting avenues for future research: First, the research framework consisting of qualitative rankings on value dimensions based on Schwartz' original value theory (Schwartz, 1992, 2012) and a subsequent cross-comparison of these forming motivational profiles can be used to inspire multiple approaches for future research. This could include complementing the data through a wider sample of Chilean and other B Corp entrepreneurs and newly joined adherents. The value dimensions could be provided with further information emerged from interviews based on the research findings of this study, particularly in the areas where no motivational expression could be revealed. Moreover, new clusters could be created to group B Corp entrepreneurs related to different value dimensions. At a regional

level, studies could explore how B Corp entrepreneurial motivations and clusters differ across countries or across B Lab representations like Sistema B in Latin America. Second, follow-up studies could provide information about how B Corp entrepreneurial motivations change and evolve over time. This could demonstrate how B Corp age, length of participation in the B movement, and other potential factors influence motivations. Third, the importance of some value dimensions over others for the achievement of a long-term sustainability of B Corps might also be of interest, which would give new insights into which motivations to nourish and support in the future. Fourth, quantitative studies could be developed to allow testing and refining of the research findings related to the rankings on the value dimensions and the formation of the motivational profiles. A cross-cultural comparison of motivational profiles might further be of interest and give valuable insights for the transnational B movement. Fifth, given the similarity in theoretical concepts of social and B Corp entrepreneurs but contradictory data-induced self-perception of B Corp entrepreneurs as a separate type of entrepreneur, future research could directly compare motivations of different types of social and hybrid entrepreneurs to explore commonalities and differences among these. Finally, it seems necessary that future research explored motivational compatibilities of B Corp entrepreneurs with adherents of other potentially like-minded movements to unify the forces of alternative business conducts. A potential compatibility has, for instance, been suggested between the B Corp movement and the Economy for the Common Good movement (Sanabria Garro, 2016).

TOWARDS CONCLUSIONS

Building on the motivational research from entrepreneurship and psychology, the present study sets out to identify the personal values and motivations of B Corp entrepreneurs to found and maintain Chilean B Corps. The exploratory case study at hand gives a rich picture of the coexistence of self- and other-oriented motivations of Chilean B Corp entrepreneurs.

Motives that drive the entrepreneurs to found and maintain their B Corps can be found along the whole spectrum of Schwartz' value and motivation theory. The strongest motivators among the self-oriented ones are the following: They have a strong need to attain self-chosen goals as most of these represent deeply rooted convictions about the role of citizens and businesses in this world. As Chilean B Corp entrepreneurs have strong personal passions, they strive towards autonomy to include these in their daily

routine, blurring the boundaries between professional and private dreams. Derived from their deeply rooted belief system, they are moreover motivated to influence others to act according to their expectations. Personal security also plays an important role for their decision to found a B Corp including taking care of their own health and their children. The strongest motivator among the other-oriented ones is their search for meaning, which they find through creating welfare for others based on their desire to live in social justice, mainly triggered by close connections to underprivileged social groups, a sense of obligation to give back to society, and a need for relief of personal frustration experienced in former jobs. In a profit-social motivational continuum, four motivational types can be identified that differ in their prioritization of economic and social value creation and that vary in their definitions of success and personal achievements. It can hence be concluded that the coherent motivational continuum for the foundation and maintenance of Chilean B Corps is complex and diverse leaving room for further exploration in this field in future research.

Their motivations are closely aligned with those identified in literature regarding social entrepreneurs. Nonetheless, B Corp entrepreneurs often position themselves as a unique type of entrepreneur and reject to be classified as social ones. Furthermore, the motivational diversity identified particularly along the profit and social-orientation raises the question of whether B Corp entrepreneurs are more strongly scattered in the profit-social continuum than social entrepreneurs. The motivational profiles grouping distinct combinations of these provide first indications that can be explored further in future research.

Finding and supporting alternatives for *business as usual* becomes more and more important to tackle humanity's most pressing needs. A holistic understanding of those who drive these alternatives is necessary to tap their full potential. The steadily growing B movement including its highly motivated B Corp community has the potential to form a substantial part of the urgently needed social and economic change in this world.

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