The Complexity of a Dual Mission

A qualitative study of how social entrepreneurs in Swedish social enterprises metacognitively manage the social and economic objectives in their decision-making

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Abstract

Social enterprises are ventures created by social entrepreneurs and play a central role in sustainable development. They are defined by their dual mission of making a social impact and being financially sustainable. Through a qualitative study, this thesis aims to deepen the understanding of this mission balance by investigating the social entrepreneur's decision-making. It focuses on the metacognitive process, which is the awareness one has over the decision and mentally available strategies to choose from, using the Metacognitive Model of the Entrepreneurial Mindset. The findings from the cross-sectional study based on 11 interviews with social entrepreneurs demonstrate that the dual mission is complex. Three areas of concern regarding the dual mission could be identified to largely influence the metacognitive process when taking decisions associated with high risk or uncertainty. These are investors, employees, and customers. Although having different motivations and general beliefs of the dual mission initially, they are metacognitively aware of these stakeholders and have the same strategy to deal with them – maximize the aggregated net gain, meaning that the positive consequences should outweigh the negative on all stakeholders combined. This thesis does not only increase the understanding of the dual mission, but it can also help social entrepreneurs run successful social enterprises, contributing to a sustainable future.

Keywords: social entrepreneur, social enterprise, dual mission, metacognition, decision-making

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Definitions

Table I. Definitions

Concept	Definition
Social entrepreneur	Social entrepreneurs are the creators of social enterprises (Littlewood & Holt, 2018)
Social enterprise	Social enterprises are ventures with the mission to solve the most pressing global problems, such as social and environmental challenges (Littlewood & Holt, 2018), and are defined by their dual mission of simultaneously achieving social and economic objectives (Saebi et al., 2019)
Dual mission	To have two objectives simultaneously in an enterprise, in a social enterprise, these are the social and economic objectives (Saebi et al., 2019)
Social objective	A company's desire to create social impact by providing a solution to a societal problem (Spear, 2006)
Economic objective	A company's desire to reach financial sustainability by generating stable revenue streams to create economic profit (Spear, 2006)
Metacognition	Metacognition is defined as the process of choosing a strategy from mentally available options based on the individual's perception of the situation, which in turn depends on the environment, motivation as well as experience, and knowledge regarding the specific topic (Haynie et al., 2010)

Table of Contents

1. Introduction

1.1. Background

Social enterprises are recognized to play a central role in sustainable development (Picciotti, 2017). By commercializing goods or services, they aim to create a better world by maximizing the benefits to society and the environment (Gonçalves et al., 2016). Consequently, two strong forces can be seen to drive social enterprises, they (1) have the desire to create social impact by providing a solution to a societal problem and (2) to do so in a financially sustainable way by generating economic profit (Spear, 2006). Hence, they are predominantly defined by their dual mission of simultaneously achieving social and economic goals (Saebi et al., 2019). The field of the dual mission possesses two opposing viewpoints (Siebold et al., 2019). While some argue that the combination of two objectives is an advantage (Battilana & Dorado, 2010; Pache & Santos, 2013), others believe that it creates tensions which could lead to a sacrifice of one of the two objectives (Austin et al., 2006; Stevens, Moray, Bruneel, et al., 2015). If the dual mission is not balanced, it could have catastrophic effects, risking mission drift and business failure (Cornforth, 2014).

A central part of this balance is the decision-making of the social entrepreneur, as it directly affects the social and economic value creation (González-Cruz & Devece, 2018). Thus, the social entrepreneurs must engage in both objectives when making decisions for the social enterprise to thrive (I. A. Davies et al., 2019). When examining the dual mission management on an individual level, scholars have mainly had an objective perspective, analyzing predominantly observable facts (Bargsted et al., 2013; Dwivedi & Weerawardena, 2018; Koe Hwee Nga & Shamuganathan, 2010). This is surprising as the behavior and actions are linked to the subjective inner reality of the social entrepreneur (Pavlovich & Corner, 2014; Schaefer et al., 2022). Metacognition is a central part of the inner reality (Schaefer et al., 2022) and is defined as the process of choosing a strategy from mentally available options based on the individual's perception of the situation, which in turn depends on the environment, motivation as well as experience, and knowledge regarding the specific topic (Haynie et al., 2010). Hence, the authors find the limited research applying metacognition to social entrepreneurs' decision-making problematic since it could shed new light on how social entrepreneurs handle the aim of simultaneously creating social and economic value. Therefore, this study aims to examine the decision-

making process made by social entrepreneurs in social enterprises, regarding its dual mission, using a metacognitive lens. With this perspective, the understanding of the dual mission can be deepened, filling both a gap in academia and helping future social entrepreneurs succeed with their social enterprises.

1.2. Prior Research and Research Gap

The area of dual mission has experienced increased attention within management literature during the last decade (Siebold et al., 2019). While research on dual mission management on an individual level mainly has had an objective perspective, analyzing predominantly observable facts such as entrepreneurial traits (Bargsted et al., 2013; Dwivedi & Weerawardena, 2018; Koe Hwee Nga & Shamuganathan, 2010), little research has taken a subjective perspective of the social entrepreneur (Pavlovich & Corner, 2014; Schaefer et al., 2022). The lack of research in this field is notable since it is the subjective inner reality of the social entrepreneurs from which actions originate (Pavlovich & Corner, 2014). Furthermore, psychology research shows strong support for the connection between inner reality and individual decisions (Brown & Ryan, 2003; Reynolds, 2006). Within the field of inner reality, scholars have investigated the cognitive process of social entrepreneurs and how these mental processes affect their management of the business (Puspadewi et al., 2019). The metacognitive dimension is a higher-order cognitive process where the development and selection of cognitive strategy, the actual decision, is made (Haynie et al., 2010). This is especially interesting for dual mission management as metacognition can facilitate decision-making when tensions are present (Corner & Pavlovich, 2016). Thus, to gain a comprehensive understanding of the decision-making related to the dual mission, one can argue that it is not enough to examine only the cognitive process but also the individual's knowledge and perception of this process, as this will affect how they form decisions. Hence, adding a metacognitive layer could contribute to the existing research on how social entrepreneurs manage the dual mission concerning specific decisions.

To the author's attention, little or close to non-existing research has applied metacognition to social entrepreneurs' decision-making. This is surprising as metacognition is argued to have significant explanatory value regarding the individual's decision-making (Brown & Ryan, 2003; Reynolds, 2006). Therefore, it is interesting to investigate how the

combination of metacognition and decision-making can generate new insights regarding dual mission management within social enterprises.

1.3. Purpose and Research Question

This study aims to examine the decision-making process made by social entrepreneurs in social enterprises, regarding its dual mission, from a metacognitive perspective. The Metacognitive Model of the Entrepreneurial Mindset is used as it combines entrepreneurial decision-making with metacognition (Haynie et al., 2010) and is complemented by existing literature on the dual mission. The research purpose can be summarized in the following research question:

How do social entrepreneurs in social enterprises metacognitively manage the balance of social and economic objectives in their decision-making?

1.4. Intended Contributions

By qualitatively investigating social entrepreneurs' metacognitive decision-making, this study intends to contribute additional knowledge on how social entrepreneurs understand, manage, and make decisions related to their dual mission. Succeeding with both the economic and social goal is crucial for the survival of social enterprises (Cornforth, 2014). Given the importance of social enterprises for sustainable development, this study additionally aims to provide novel insights into how social entrepreneurs manage and make decisions to survive and succeed with both objectives. This knowledge will be central in the coming years, both for social enterprises and businesses in general, since all enterprises are experiencing an increasing normative and regulatory pressure to incorporate a social objective (Vashchenko, 2017). Thus, the study is both theoretically relevant and contributes with practical knowledge for enterprises to manage a dual mission.

1.5. Primary Focus and Delimitations

This study will focus on social entrepreneurs who have founded a social enterprise and have an executive-level position, as they need to make strategic decisions to be relevant for the aim of the study. Founders of non-profit organizations and companies within the public sector have been excluded as the dual mission balance is different or non-existing. Furthermore, the study will be limited to social entrepreneurs who have founded a social

enterprise in Sweden. The country is experiencing a significant increase in social enterprises, and the government is proactively working on creating a stimulating environment for them to prosper (Government Offices of Sweden, Ministry of Trade and Innovation, 2018). This makes the target group relevant and interesting to analyze as it can provide implications for the future development of businesses worldwide.

2. Literature Review

2.1. Introduction to Social Enterprises

Social enterprises are ventures created by social entrepreneurs with the mission to solve the most pressing global problems, such as social and environmental challenges (Littlewood & Holt, 2018). It is argued that by offering entrepreneurial solutions addressing these challenges, social enterprises are a hope for the future of our society (George et al., 2016; Wry & Haugh, 2018). Like traditional enterprises, social enterprises generate revenue from commercial activity, e.g., trading goods and services (Wallace, 1999). Even though traditional enterprises are increasingly incorporating initiatives such as Corporate Social Responsibility (CSR), it is not to be confused with social enterprises. Researchers distinguish social enterprises from traditional enterprises adopting CSR, as these initiatives are driven by the firm's economic objective and increasing shareholder value (Fukuda & Ouchida, 2020). In contrast, social enterprises are primarily driven by making a social impact (Saebi et al., 2019). In that sense, social enterprises are proactive in their approach to social impact, while companies adopting CSR are reactive (Saebi et al., 2019). Thus, two missions are seen to define social enterprises, (1) the strong desire to create a social impact by providing a solution to a societal problem and (2) to do so in a financially sustainable way by generating economic profit (Spear, 2006). Consequently, social enterprises are predominantly defined by their dual mission of simultaneously achieving social and economic objectives (Saebi et al., 2019).

2.2. Managing the Dual Mission

Scholars widely agree that balancing social and economic values is a management concern for social enterprises (Haigh & Hoffman, 2014). Within the field of dual mission, there are two predominant and opposing viewpoints. Some researchers see the combination of two objectives as a benefit and an opportunity to create a competitive advantage (Battilana & Dorado, 2010; Pache & Santos, 2013). It is argued that the social and economic missions are integrated to the extent that it is impossible to separate them, leading to a cycle of profit and reinvestment in the social mission (Battilana & Lee, 2014). This would imply that managing the dual mission is not a matter of choice between objectives but rather that the intertwinement of objectives facilitates a unified decision-making process. On the other side, other researchers believe that social and economic values detract from each other

(Austin et al., 2006; Stevens, Moray, Bruneel, et al., 2015). Tensions between the objectives, stemming from organizational issues such as scarce resources or financial limitations, can sacrifice social values (Stevens, Moray, Bruneel, et al., 2015). This can give rise to a mission drift where the enterprises' social impact is threatened (Stevens, Moray, Bruneel, et al., 2015). The coexistence of dual missions and the alleged contradictions between them can create tensions when deciding which values and motivations to prioritize (Miller et al., 2012; Zahra et al., 2009), which objectives to focus on (Battilana & Dorado, 2010; Tracey & Phillips, 2007), and which strategies to apply (Pache & Santos, 2013; Tracey & Phillips, 2007).

The findings presented above show that the academic field is two-sided and that there is a lack of research that takes a neutral stance, which is essential to get an accurate picture of dual mission management. Thus, the authors raise a potential concern as this existing research often is embedded with underlying assumptions regarding whether the combination of social and economic missions is positive or negative. This is problematic since implicit biases can affect how to collect and interpret data (Stapleton, 2019). Instead of choosing sides, it could be beneficial to evaluate specific strategic decisions and reveal if it is associated with tradeoffs, synergies, or neither.

2.3. Conceptualizing Social Entrepreneurs' Decision-Making Process

The dual mission of social enterprises constitutes inherent fragility as it involves both the traditional threats of commercial businesses and additional considerations regarding the social objective (Reid & Griffith, 2006). Thus, the social mission introduces another layer to consider in the decision-making process. This process can generally be defined as firstly recognizing the current state and evaluating immediate options, and secondly taking action based on one's needs and re-evaluating that action based on outcome (Doya, 2008). Scholars have investigated external and internal factors affecting social entrepreneurs' decision-making process. Widely studied external factors are institutional pressures (Rossignoli et al., 2018) and collaboration and partnership influences (Barnabas et al., 2020). The entrepreneurs' characteristics, such as emotions, empathy, and motivations, are commonly researched internal factors (Asante et al., 2020; Chandra & Aliandrina, 2018; Wolfe & Shepherd, 2015). While this has gotten scholars' attention, the literature is limited on how social entrepreneurs' subjective inner realities affect the decision-making process

12

in social enterprises (Schaefer et al., 2022). This is remarkable as psychology research shows that the inner reality, such as thoughts, feelings, and self-awareness, strongly affects the individual's decision (Brown & Ryan, 2003; Reynolds, 2006).

Given this strong connection between inner reality and the individual's decision, one can argue that the well-studied factors above only indirectly affect the decision-making process of the social entrepreneur. More precisely, the perceived inner reality of these factors, including institutional conditions and individual characteristics, shapes the decision-making. Thus, insights into the individual's inner reality can contribute to existing research and give a new perspective on their decision-making.

2.4. Social Entrepreneurs' Metacognition

The metacognitive process is a crucial part of the inner reality that shapes decisions (Haynie & Shepherd, 2009; Schaefer et al., 2022). This process can be described as a higher-order cognitive process where the development and selection of cognitive strategy, the actual decision, is made (Haynie et al., 2010). More precisely, it is the process of choosing a strategy from mentally available alternatives based on the individual's perception of the situation (Haynie et al., 2010). This perception depends on the environment, motivation, experience, and knowledge regarding the specific topic (Haynie et al., 2010). Metacognition can facilitate decision-making when tensions are present (Corner & Pavlovich, 2016; Puspadewi et al., 2019), which makes it applicable to the management of the dual mission as it brings additional challenges to the social enterprise. Furthermore, metacognition can help overcome obstacles during critical times by encouraging innovation (Yaari et al., 2021), which is central within social enterprises (Ormiston & Seymour, 2011).

The research that applies metacognition to social enterprises is a small field. Scholars have mainly focused on depicting this inner reality of the social entrepreneur and how metacognition affects value creation (Schaefer et al., 2022). To the authors' knowledge, it has not been specifically connected to decision-making or the dual mission. Most closely related is the study by Schaefer et al. (2021) that examined how metacognition affects the entrepreneurial value creation process regarding the social mission. However, it focuses on the interaction between individual, enterprise, and societal levels rather than the social entrepreneur's decision-making, which is the aim of this study.

3. Theoretical Framework

3.1. Theory Usage

Given the aim of this study, examining how social entrepreneurs in their social enterprise metacognitively manage the dual mission in their decision-making, the Metacognitive Model of the Entrepreneurial Mindset can be motivated to be a suitable starting point, as it encompasses metacognition and entrepreneurial decision making. However, it is not specified for social entrepreneurs and the dual mission of social enterprises. Hence, the model will be complemented with existing literature on the dual mission.

3.2. Metacognitive Model of the Entrepreneurial Mindset

The Metacognitive Model of the Entrepreneurial Mindset was developed by Haynie and colleagues (2010). The model aims to increase the understanding of the entrepreneurial mindset, which is the ability to make sense, act, and find balance during uncertain conditions (Ireland et al., 2003). Given the continuously changing and uncertain environment entrepreneurs are situated in, they need to find ways to overcome the complexity of their environment, identify opportunities or consider alternatives to make the right decisions (Haynie et al., 2010). This is done through a metacognitive process, which the model divides into six steps: (1) external environment and motivation, (2) metacognitive awareness, (3) metacognitive knowledge and metacognitive experience, (4) metacognitive strategy, (5) cognitive response, and (6) metacognitive monitoring (Haynie et al., 2010).

(1) External Environment and Motivation

The external environment and the motivation jointly affect how the entrepreneur makes decisions (Earley et al., 1989; Schwarz, 1998; Staw & Boettger, 1990). There is a constant interaction between the external environment and motivation where the two components influence each other, as shown in figure 3.2. Research shows that a specific motivation will trigger certain interpretations, such as beliefs about the environment and opportunities available (McMullen & Shepherd, 2006). Furthermore, the context in which the entrepreneur is situated will develop certain motivations (H. Davies & Walters, 2004).

14

(2) Metacognitive Awareness

The activation of metacognitive awareness is the entrepreneur's degree of awareness about thinking of the task (Haynie et al., 2010). The metacognitive awareness increases when the task is uncertain or involves significant risk. Depending on how high the metacognitive awareness of the task is, the degree of metacognitive resources used to make a decision will vary (Haynie et al., 2010).

(3) Metacognitive Knowledge and Metacognitive Experience

The metacognitive resources are metacognitive knowledge and metacognitive experience (Haynie et al., 2010). Metacognitive knowledge is the entrepreneur's conscious and cognitive understanding of people, tasks, and strategies (Haynie et al., 2010). Metacognitive experience can be seen as the experiences of the entrepreneur. More precisely, previous memories, intuitions, and emotions are used to understand the current task (Haynie et al., 2010).

(4) Metacognitive Strategy

The metacognitive strategy formulation creates mental strategies for the entrepreneur to use when evaluating how to deal with the task (Haynie et al., 2010). The selection of available strategies is derived from what is perceived to be the most optimal cognitive response, which is based on the motivation, environment, and metacognitive awareness of the task (Fiske & Taylor, 1991).

(5) Cognitive Response

The cognitive response is the actual decision made, which has been developed in the previous process of metacognitive awareness and strategies (Haynie et al., 2010).

(6) Metacognitive Monitoring

The last step is about the entrepreneur's reflection on why specific strategies were priorities over others, evaluation, and seeking feedback to continually adapt one's metacognitive resources and strategy to match the ever-changing environment (Haynie et al., 2010).

Although the model components are presented as a step-by-step process, it is iterative and may not always begin with the first step (Haynie et al., 2010). Figure 3.1 illustrates the different components of the model and the relationship between them.

Figure 3.1 Metacognitive Model of the Entrepreneurial Mindset (Haynie et al., 2010)

3.3. Model Applied to Social Entrepreneurs and Their Dual Mission

The Metacognitive Model of the Entrepreneurial Mindset describes the metacognitive process. As the model is developed for traditional entrepreneurs, it needs to be complemented with dual mission literature to be applicable to social entrepreneurs. The adjusted process is divided into two parts, the social entrepreneur, and a specific decision. This clarifies the distinction between the components that affect the individual in general and those specific to a decision. The first part consists of the interaction between the external environment and motivation, and the general belief of the dual mission. The general belief is added as the literature demonstrates divided views of how the dual mission is associated with advantages or tensions (Siebold et al., 2019). This could shed light on if and how the initial view affects the rest of the metacognitive process. The second part consists of components related to the specific decision, including metacognitive experience and knowledge, cognitive response, and metacognitive monitoring. Compared to the

16

original model, the level of risk and uncertainty is highlighted as a component to customize the process for the social entrepreneur. As stated in the literature, social enterprises experience additional risk and uncertainty compared to traditional businesses (Reid & Griffith, 2006), motivating that this aspect could be interesting to investigate for the social entrepreneur's metacognitive process. Additionally, metacognitive awareness and metacognitive strategy are further specified to connect to the dual mission. Thus, in the developed model, the metacognitive awareness concentrates only on the dual mission. The metacognitive strategy is focused on keeping the two objectives in balance as it is a management concern for social enterprises (Haigh & Hoffman, 2014). An overview of the modified model is presented in figure 3.2, where the adjusted elements are shaded.

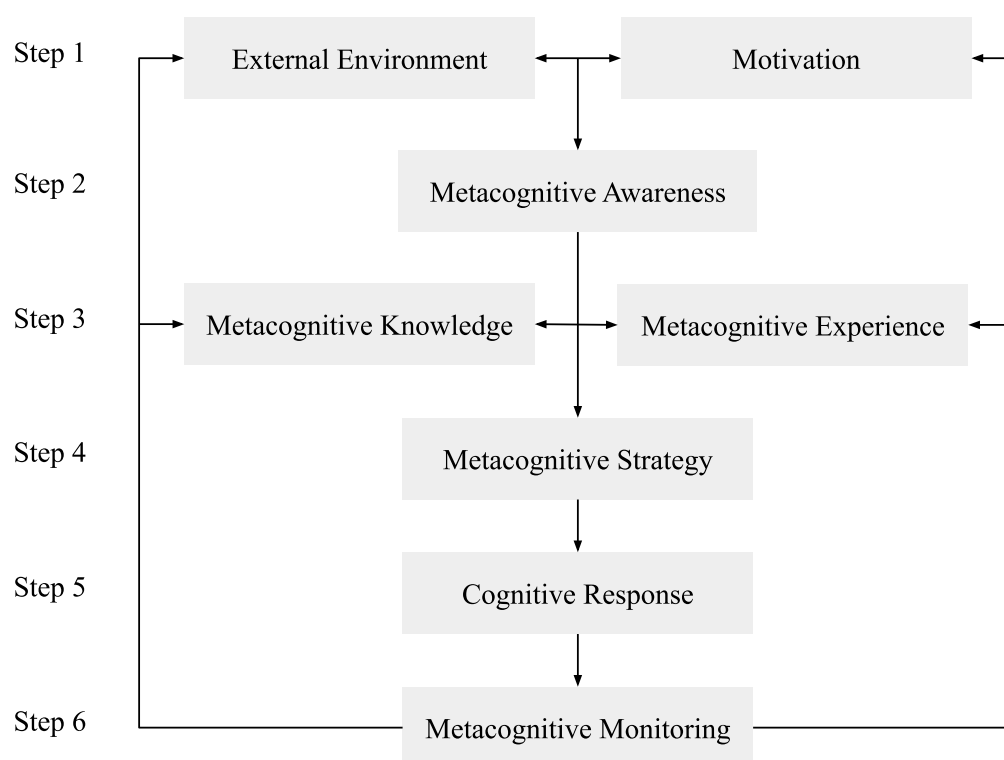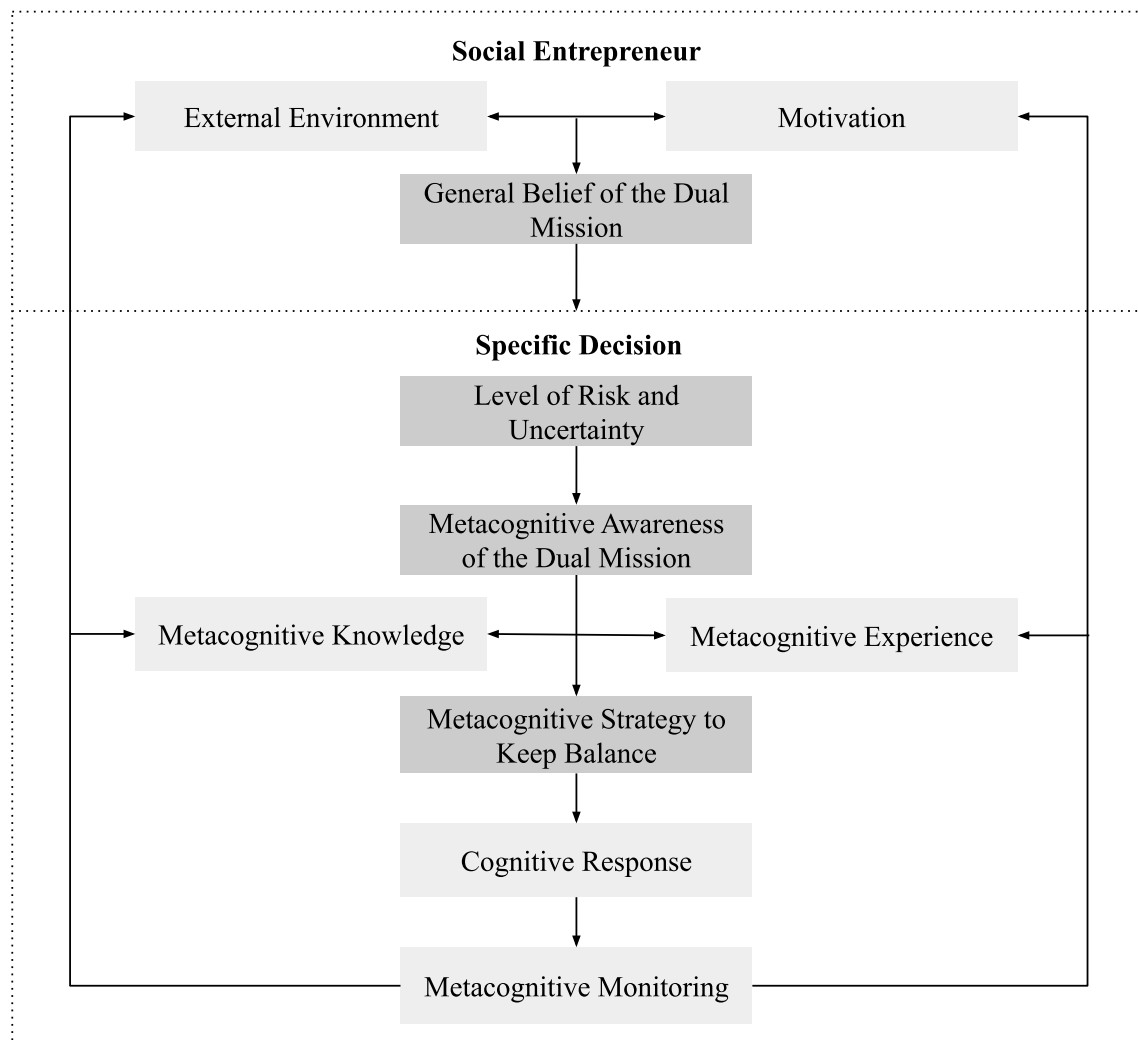*Figure 3.2 Metacognitive Model of the Entrepreneurial Mindset Applied to Social Entrepreneurs and Their Dual Mission (Enblad & Wickman, 2022)*

3.4. Theory Summary and Contribution

The Metacognitive Model of the Entrepreneurial Mindset serves as a foundation to answer the research question of how social entrepreneurs in their social enterprise metacognitively manage the balance of social and economic objectives in their decision making. The existing literature on the dual mission was added to make the model more applicable for social entrepreneurs. By applying this adjusted model to social entrepreneurs, this study contributes to theory by providing a new perspective of how they metacognitively manage the dual mission.

3.5. Theory Criticism

Although the model was chosen and adjusted to best answer the research question, some criticism needs to be addressed. Firstly, the accuracy of the original model can be questioned. The model was developed theoretically, and to the authors' knowledge, it has not been tested practically. However, the authors of the model state that it can be used practically to examine how different entrepreneurs combine metacognitive knowledge and experience differently and form cognitive strategies (Haynie et al., 2010), making it suitable for this thesis. Secondly, as the model is developed for traditional entrepreneurs and not previously adapted to social entrepreneurs, one can question whether this application is possible. Although there are differences between social and traditional entrepreneurs (Saebi et al., 2019), they have many features in common (Austin et al., 2006), making the adoption viable. Thirdly, the modification of the model to make it more suitable for social entrepreneurs can be criticized. The authors of this thesis chose to adjust the model with existing literature on social enterprises and the dual mission. While certain aspects they found specifically important were considered, it is possible that other important factors were overlooked and excluded, which can affect the results.

4. Method

4.1. Method of Choice

4.1.1. A Qualitative and Abductive Study

The study has been developed using an abductive approach meaning that theory and data have been collected simultaneously. While the core of the theory was chosen beforehand, the data was used to tailor the theory for social entrepreneurs. This would not have been achievable with a purely deductive or inductive research method as the weight and focus of certain aspects of the theory became apparent as the first data was collected.

4.1.2. A Constructivist and Interpretivist Study

The study adopts a constructivist ontological observation view of the world as it intends to understand the management of the dual mission from a social entrepreneur's subjective metacognitive perspective. The study has been conducted with an interpretivist approach as it aims to create a deeper understanding and interpretation of the social entrepreneurs' metacognition, which lays the foundation of their decision-making. The interviewees are assumed to engage in sense-making to interpret and give meaning to their experiences. Inevitably, the research will consist of "double interpretations" as the researchers intend to interpret the interviewees' interpretations of their social context (Bell et al., 2022).

4.1.3. Research Design to Capture Metacognition

Several methods have been used in academia to capture metacognition, such as questionnaires (Pintrich & de Groot, 1990), protocols (Veenman et al., 1993), and interviews (Zimmerman & Martinez-Pons, 1990). Each method has advantages and disadvantages and should be chosen based on the research paradigm and what aspects of metacognition that are in focus. Like most interpretive studies, this thesis uses semi-structured interviews to capture metacognitive attributes, states, and state changes (Anderson et al., 2009). It can be motivated as the interviewer can dynamically respond to the interviewee and capitalize on issues mentioned that may not have been predictable (Anderson et al., 2009).

4.1.4. Cross-Sectional Research Design

As the thesis aims to study a particular phenomenon at a specific time, the research is cross-sectional. Although most cross-sectional studies employ a survey strategy, this paper is based on interviews conducted over a short period. Cross-sectional studies make it possible to compare patterns between subjects, generating a picture of how social entrepreneurs are similar or alike in managing the dual mission. As this study aims to deepen the understanding of how social entrepreneurs view and manage their dual mission, a thorough understanding of their perception and perceived environment is needed. Hence, interviews were chosen before, i.e., surveys, as they give more detailed and nuanced answers. Furthermore, a single case study was not considered as it can reduce a lot of the variation between different social enterprises and social entrepreneurs, which is important to answer our research question appropriately.

4.2. Sample

The aim was to conduct between 10 and 15 interviews depending on when saturation was reached, meaning that the theoretical parts in the model were covered enough to fully answer the research question. Based on newly published lists by established newspapers or by investment portfolios with a range of sustainable investment companies, 72 social enterprises that satisfied the criteria were selected, as seen in table 4.1. Due to several informative interviews with great coherence among the social entrepreneurs, saturation was reached after 9 interviews. This was controlled with two additional interviews, resulting in 11 interviews with social entrepreneurs from different industries. The interviewers were contacted by E-mail through the contact details on the firms' official websites (see appendix 1).

Table 4.1 Inclusion Criteria

Inclusion Criteria
Founder of a Swedish social enterprise
The company was founded between 2 and 15 years ago
The company is still running
The company has a minimum of 5 employees
The founder is still working at the company with an executive-level position

The intention when selecting individuals was to obtain varied data in terms of visible differences such as company industry, size, and geographical and educational background. Despite this aim for variance, some individuals did not respond, usually those working for the fastest growing and most media known social enterprises. An overview of the participating social enterprises and entrepreneurs is summarized below.

Table 4.2 Overview of Enterprises and Entrepreneurs

Respondent	Industry	Position
SE1	Education	CEO and Founder
SE2	Water waste	CEO and Founder
SE3	Education	COO and Founder
SE4	Education	CEO and Founder
SE5	Domestic abuse	CEO and Founder
SE6	Healthcare	CEO and Founder
SE7	Food production	CEO and Founder
SE8	Water waste	CEO and Founder
SE9	Infrastructure	CEO and Founder
SE10	Pollution	CEO and Founder
SE11	Delivery	CMO and Founder

4.3. Interview Process

4.3.1. Data Collection

Based on the developed model, some elements were more relevant for the interviews than others. More precisely, the aim was to first understand how the social entrepreneurs perceive the dual mission by exploring how the interviewees make sense of the external environment and motivation. By starting broad and then continuing by discussing more specific decision-making situations regarding the dual mission and how they are perceived and handled, a nuanced picture of how social entrepreneurs metacognitively manage the dual mission was painted. The interview mainly followed the interview guide (see appendix 2), but the semi-structured setting allowed the interviewers to ask additional questions to capture interesting nuances. Out of 11 interviews, 5 were held in person and the remaining over video link due to geographical distances or lack of time. The interviews varied between 34 and 66 minutes, with an average of 47 minutes. During the interviews, patterns and differences were identified in the empirical data.

4.3.2. Process and Analysis of Data

All interviews were recorded and transcribed in the study. The material was then processed through the lens of the theory, categorized in accordance with the components in the developed model where the social entrepreneur and specific decision can be seen as the aggregated dimensions, see table 4.3.

Table 4.3 Overview of the Empirical Data

Aggregated Dimensions	Second-Order Themes
Social Entrepreneur	External Environment
	Motivation
	General Belief of the Dual Mission
Specific Decision	Level of Risk and Uncertainty
	Metacognitive Awareness of the Dual Mission
	Metacognitive Strategy to Keep Balance
	Metacognitive Knowledge and Experience
	Cognitive Response
	Metacognitive Monitoring

4.4. Ethical Considerations and Implications

To increase the dependability and authenticity of the study, specific measures were taken when it comes to the collection of data. The names of the social entrepreneurs and their enterprises were not collected for two reasons: to increase the interviewees' integrity and receive truthful answers. However, the company industry was collected as it was valuable for the study and general enough not to reveal the interviewees' identities. The entrepreneurs were informed about the aim of the study and that their answers were anonymous before data was collected. Out of 11 interviews, 10 were held in Swedish, and hence, the quotes from the interviews have been translated to English carefully to not distort the message.

4.5. Method Criticism

Method criticism can be raised in several parts of the study and will be evaluated by the categorization developed by Saunders et al. (2019): dependability, credibility, transferability, and authenticity. As this thesis is a cross-sectional study focusing on individuals in a specific environment and time, the results cannot be directly transferred to different contexts. However, the authors attempted to increase the transferability by involving several industries. In addition, the credibility decreases with a cross-sectional

design as it investigates connections and covariances rather than causality (Bell, 2019). Furthermore, the fact that 10 interviews were conducted in Swedish and translated to English reduces the credibility as the data is processed through the interviewers and might be distorted. However, one can argue that interviewing the interviewees in their natural environment and hence in their most natural language increases credibility, motivating the decision (Bell, 2019). When it comes to dependability, the authors thoroughly documented every part of the research, such as notes and transcribed interviews. In addition, a supervisor group audited the material regularly, increasing the study's dependability. Viewing the authenticity criteria, meaning that fairness is achieved by representing all views in the research, raising awareness, and generating learning, the authors have been careful to achieve this. During the literature review, it became clear that most scholars within dual mission management initially take one side when it comes to the positive or negative consequences of having a dual mission. In this study, the authors have not taken a standpoint but instead investigated how social entrepreneurs perceive it themselves and how this affects the metacognitive management of two objectives.

5. Empirics

5.1. Empirics Overview

In this section, the study's empirical data will be presented, and it will be divided according to the developed theoretical model. It consists of two main sections, the social entrepreneur and the specific decision.

5.2. Social Entrepreneur

This section focuses on the individual's external environment and motivation for running a social enterprise. Furthermore, it presents the social entrepreneur's general belief of the dual mission. Understanding both differences and similarities can explain variations and patterns regarding how social entrepreneurs metacognitively manage the dual mission in a specific decision.

5.2.1. External Environment

The social entrepreneurs reported that the external environment has affected both the decision to start a social enterprise and the actual running of the business. Respondents described an institutional push towards sustainable business behavior. Although many saw this as purely positive, some respondents acknowledged that it creates additional uncertainty.

"We are located in Sweden, we ride on the macro trends, you get a push in the back for doing what you are doing" **SE7**

"We try to secure that our company is alive tomorrow as well, that we are one step ahead of the law. Investors see that as an extreme strength, but it is also a challenge as it creates additional uncertainty." **SE11**

Furthermore, the interviewees explained that changing norms and trends contribute to an increased focus in society on businesses with a clear societal impact. Consequently, respondents widely agreed that this has had a positive effect on social enterprises and their stakeholders, such as customers and media but also investors and hence the ability to raise capital.

"You do not need to be a social enterprise, but it makes it easier, it is an advantage. Today there is investment capital that 100% goes to sustainable companies." **SE7**

5.2.2. Motivation

A common motivator of running a social enterprise is the social impact itself. One respondent explained that they might not have chosen the best business case profit-wise but that the main driver was creating a significant impact in the world. Generally, the idea of contributing to making life better for people is a primary driver for social entrepreneurs.

"The opportunity cost is high when running a company. When I'm on my deathbed at 90, then screw the money. I would like to have done something great and leave a positive mark." **SE10**

"My greatest motivation in this is not that we will make a lot of money, but that we actually help people every day, people who thank us and are grateful for our work." **SE8**

Although many are motivated by the social impact created, others are mainly or only driven by an urge to build companies.

"I am driven by building cool companies, and to build cool companies today, you need to, per definition, be sustainable." **SE7**

Furthermore, variation was found between the entrepreneurs who were motivated by creating a social impact. While some had a very personal relation to a specific societal issue, many were passionate about creating a positive change in general and not especially attached to the particular area in which their enterprise operates.

"I might as well have started a company that focuses on something else, like healthcare and helping people grow older." **SE9**

"The generation brought up today faces a world with many problems. It's clear that we all need to collaborate to solve them. That motivates me." **SE11**

5.2.3. General Belief of the Dual Mission

Initially, there seem to be two camps regarding the general view of having a dual mission. While one group of social entrepreneurs was convinced that having these two objectives is an advantage compared to only having one, others believed it to be the opposite and somewhat problematic.

"I think it's quite advantageous these days [having a dual mission], especially within the EU, where everything is great about having something sustainable and circular. So yeah, it's a big advantage to be in this domain." **SE2**

"I actually believe that it in one way is more difficult [to run a social impact company compared to a traditional commercial company] because you have to navigate at two fronts." **SE6**

However, as the interviews progressed and specific business issues were discussed, all interviewees drifted away from their initial beliefs, and they all identified both synergies and tensions relating to their dual mission. This is exemplified in the following citations from one respondent during the same interview.

"You should not have to balance it [the social and economic objective]. There are no contradictions between them today." **SE8**

"That is a contradiction [charging a lower price reaching greater volumes and thus greater impact]. If you do not earn enough money as a company, you will have difficulty surviving." **SE8**

5.3. Specific Decision

As the previous section shows, the social entrepreneurs identified both synergies and tradeoffs when more specific business issues were discussed. This section focuses on those specific decisions where the social entrepreneur's metacognitive process is activated.

5.3.1. Level of Risk and Uncertainty

It is observed that high-level strategic decisions made by social entrepreneurs incorporate both the social objective and the economic objective. These decisions are often associated with high risk and uncertainty due to the novelty of their businesses and the lack of peers to learn from, making them more aware of each decision.

"It is present in everything we do [the social and the economic goals]. Of course, in our everyday operational decisions but more importantly, the more strategic ones that will have a significant effect" **SE1**

"Choosing which path to take is extremely hard when positioned in a new and very dynamic market." **SE6**

"It is easier to be a traditional entrepreneur, there are clear-cut paths to take." **SE9**

5.3.2. Metacognitive Awareness of Dual Mission in Relation to Decision

During the interviews, the respondents could freely reflect on their decision-making connected to the dual mission. In almost every interview, three main decision areas could be identified where the interviewees showed high metacognitive awareness. In other words, they showed awareness of how they viewed and hypothetically would handle the following areas: investors, employees, and customers.

At the first point of contact with these stakeholders, the respondents described it as an advantage to have a dual mission. It is explained that investors are increasingly interested in investing in impact companies, employees strive to work for a greater cause, and customer demands sustainable solutions.

"I am convinced that it [having a social mission] creates added value when choosing which products to buy." **SE2**

"There are enormous advantages, I would say, short term it gives employees sense of belonging if they feel that they can stand for what the company stands for, that it is aligned with their values." **SE11**

However, over time, several obstacles connecting to each stakeholder area are identified. One recurring example is investors' demand for economic performance, which can lead to less attention to the social objective and thus reduce employees' motivation, creating internal conflicts.

"We have raised venture capital, and of course, they buy the vision, but they are also here to get a return on their money, which means that we need to have that focus as well. This could be backfiring. What happens with the vision if we talk about cash flows, and not the least the motivation among employees?" SE4

"In the beginning, we were a small team and focused a lot on our vision of doing something bigger. Now, when we have succeeded, it means that we are a logistics company that needs to focus on delivering results as well. The old employees are still in the original mindset while the new ones are excited about this new optimization journey, so it can be an extreme clash between them." SE11

Several respondents also mentioned how customers are interested in sustainability but lack knowledge about the specific societal issue and how to best address it. This might lead to customers demanding requirements that, in fact, are not the most optimal to create the most significant social impact. However, the companies feel obligated to meet this demand for their business survival.

"If customers say that they want something, you make it happen, but it is not always what they want and what we give them that creates the most impact." SE3

5.3.3. Metacognitive Knowledge and Metacognitive Experience

Respondents identified different stakeholders and the need to adjust their communication depending on the recipient. This applies to investors, employees, and customers.

"You need to tweak your message depending on who you talk to. One investor only cares about the impact, so you push your long-term vision. But for an equity fund, you

*might have one slide about the impact, and on the rest, you show your margins and growth rate." **SE10***

*"It depends on who the customer is, what kind of experience and knowledge he or she possesses. It is a lot about educating customers and selling to them at the same time." **SE11***

The social entrepreneurs also reflected on previous experiences connecting to the dual mission and how they have adjusted over time. Many respondents explained how they mainly focused on the social mission when starting the company and how they later realized that it was not financially sustainable and the cruciality of having a stable business model.

*"I was initially naive and thought that we would be able to hand out free products, a very romantic view of the world. But then, two years into the company, I realized, shit, we also need to survive and focus on the commercial aspect." **SE10***

5.3.4. Metacognitive Strategy to Keep Balance

When the respondents freely reflected on their decision-making connected to the dual mission, they showed awareness of how they strategically would handle the aforementioned areas: investors, employees, and customers.

Many respondents highlighted the importance of choosing the right investors that understand that one needs to balance both objectives. They also reported that they allow for a certain short-term focus on the economic objective and explained that increasing economic performance today and hence scaling will create a larger magnitude of social impact in the future.

*"I think the choice of investors, in the beginning, is essential. However, not all of us get to choose. We, for example, have a mix of investors. It is important to understand that they sometimes invest other peoples' money and are responsible for back returns." **SE2***

Respondents highlighted the importance of good and clear communication to handle the potential reduction in motivation and internal conflicts among employees. For example, making sure that everyone understands that a short-term economic focus is necessary for long-term social wins and not a loss of company vision.

*"I think it is important to get everyone on board with what we are doing long-term, so they understand why we are doing what we are doing short term." **SE3***

When it comes to the customer area, respondents described how they focus on increasing the level of knowledge regarding what is most optimal to create the most significant social impact. However, they acknowledge that they might have to adjust to customer demand if this is not achieved.

*"We are working with educating people in sustainability. For example, plastic has a bad reputation, but there is good reusable plastic. We try to take responsibility and educate to increase the level of knowledge among customers. However, the commercial aspect is still there. If we fail, we must meet their demands." **SE4***

*"We want to increase knowledge and drive changes in customer behavior, create a momentum that puts pressure the society to act towards a sustainable future" **SE5***

5.3.5. Cognitive Response

The respondents reported examples of cognitive responses in line with the empirical material from the previous steps of the metacognitive process. As in previous sections, it most often covered investors, customers, and employees.

*"When I tried to fit our social vision in the old traditional frames talking to investors, it did not work. I then decided to participate in all the existing completions and pitch myself exactly as I wanted. That was how we got our first investor." **SE9***

*"We knew that we needed to create knowledge and awareness about the problem. What we did was to attend a fashion week in Europe and made our products and our aim visible to the most influential people." **SE10***

"We decided to have company meetings more often during this period to ensure that all employees understood the reasons for the short-term economic focus. We also worked on explaining how our economic KPIs connect to our main [social] mission." **SE4**

5.3.6. Metacognitive Monitoring

The respondents showed signs of metacognitive monitoring. They all addressed that the entrepreneurial task, especially the social entrepreneurial task, is constantly changing, and trial and error are usually the way forward.

"How do you know if you have made the wrong decision? That's a tricky question. I guess you know afterward that you failed with what you wanted. You realize that you don't sell anything. Then you need to sit down and ask, why are we not selling well? However, one should be careful to see things in hindsight as the circumstances constantly change in this work." **SE8**

"I have known from the beginning where we are headed. Of course, you can make the wrong decision on the way, and then you need to re-do and do it right. Often, I do not make the decisions myself. I have people around me who know things and give me the right information when I am unsure." **SE9**

6. Analysis

6.1. Analysis Overview

This section analyzes the empirical material using the developed theoretical model. Like previous sections, the analysis is divided into two sections, the social entrepreneur and the specific decision.

6.2. Analysis of the Social Entrepreneur

6.2.1. The Interaction Between Motivation and External Environment

The model describes a close relationship between the social entrepreneur's motives and context (Haynie et al., 2010). The empirical material concludes that the social entrepreneurs have different motivations for running a social enterprise, a general social motivation, a specific social motivation, and a purely entrepreneurial motivation. Based on these differences in motivation, theory suggests that it will influence how the environment is perceived and interpreted (Haynie et al., 2010). One could, for example, expect that a social entrepreneur with a specific social motivation would identify other contextual factors such as changes within the specific social mission area than a social entrepreneur with a purely entrepreneurial motivation (McMullen & Shepherd, 2006). However, the respondents described a strikingly similar perception of the external environment. They all identified an institutional push and changing norms and trends that have positively impacted their decision to run a social enterprise.

Furthermore, the model states that perception of the environment influences motivation (H. Davies & Walters, 2004). Hence, a similar perception of the external environment should result in similar motivation. One way to understand this paradox is that social entrepreneurs are situated in a similar external environment that nurtures these different motivations. Although different at first sight, these motivations may lead to the same demands on the social entrepreneur, and hence they all identify the same changes in the environment. The perception of the environment seems to be more connected to the fact that they are social entrepreneurs than the actual motivation.

Sub Conclusion: The environment nurtures different motivations for running a social enterprise that all require the same demands on the social entrepreneur resulting in a similar perception of the environment.

6.2.2. The Paradox of the Initial Belief

The respondents show differences in the initial belief of the dual mission. Following the literature, two camps were identified (Siebold et al., 2019). One camp is convinced that it is purely an advantage and that one should not even have to balance the two objectives as they are constantly aligned, in line with the scholars describing how they are integrated and create advantages (Battilana & Dorado, 2010; Pache & Santos, 2013). The other camp is confident that the social objective brings additional obstacles making it more challenging to run a social enterprise than a traditional business, similar to the scholars describing how the dual mission creates tensions (Austin et al., 2006; Stevens, Moray, Bruneel, et al., 2015). Paradoxically, as the interviews progressed and specific business issues were discussed, the interviewees drifted away from their initial beliefs and identified synergies and tensions relating to their dual mission. The developed theoretical model can be used to understand this paradox. The empirical material shows that several interviewees brought up certain decisions. A common feature of these decisions is the association with high risk or uncertainty, which could explain the activation of the metacognitive awareness regarding the specific issues (Haynie et al., 2010). When this activation occurs, the social entrepreneur uses metacognitive knowledge and experience, revealing how the dual mission is associated with both synergies and tradeoffs.

Sub Conclusion: The social entrepreneurs have strong and different initial beliefs of the dual mission, but when focusing on specific business issues associated with high risk or uncertainty, they become metacognitively aware and identify both synergies and tradeoffs.

6.3. Analysis of Specific Decision

6.3.1. Managing Stakeholders with Different Interests

Most social entrepreneurs recognize investors and access to capital as an area requiring particular attention. They highlight that their social mission positively affects contact with investors initially. Thus, in the short term, the dual mission is perceived as creating advantageous synergies for the company by attracting sources of capital. Consequently, the metacognitive strategy will focus on leveraging the social objective. After the initial investment is completed, the obstacles begin to rise. Investors want to see a return on their investment. Given that capital is most often essential for the company to survive, the social entrepreneurs feel the pressure to address the economic objective. In turn, they are likely to end up in a mission drift where the social objective becomes secondary (Stevens, Moray, & Bruneel, 2015). Based on this metacognitive awareness of the different needs, both short and long term, they create a metacognitive strategy to minimize the off course. This revolves around selecting the right kind of investors and is used iteratively when new capital is needed.

The employees are the second stakeholder group where the metacognitive awareness is activated. Like investors, the employees are initially attracted to the social mission. The weight of the social objective among employees is not seen to decrease over time, as opposed to the case with investors, resulting in a conflict. The social entrepreneurs show a strong metacognitive experience and knowledge of managing conflicting opinions within the company, as well as metacognitive monitoring regarding how to best manage people (Haynie et al., 2010). This is most often a result of the increased economic focus on pleasing the investors. The consequences are frustrated employees and potentially lowered motivation. As aforementioned, the importance of capital makes the investors crucial stakeholders that will need to be handled gently. However, employees are viewed as the core of the company's operations and must also be considered. Thus, two metacognitive strategies are created to align the different stakeholders and keep the dual mission in balance.

Metacognitive Investor Strategy: Select Investors That Understand Both Objectives

Social enterprises need to select their investors carefully. It is essential that investors understand both objectives and accept the need to occasionally focus on aspects that will not directly create a financial benefit.

Metacognitive Employee Strategy: Adjust Internal Communication

To maintain high motivation while focusing on financial measures, adjusting the internal communication to match the receiver is crucial. Demonstrating that a mission drift today will ensure a more significant societal impact in the future is a common strategy to highlight the need for economic focus.

While the social objective creates customer demand as they want to consume products and use services that are in line with their values, a lack of knowledge about the specific societal issue may lead to demands which are, in fact, not sustainable. Consequently, the social enterprise must account for this as they are dependent on the customers. Simply following this inaccurate demand will not only make the company deviate from its social mission, but like the investor issue, it could create internal conflicts regarding how to best meet the customer demand. This could be seen as the underlying reason for the third metacognitive strategy, which was identified among multiple social entrepreneurs.

Metacognitive Customer Strategy: Increase Level of Knowledge

Increasing the level of knowledge among customers is considered important to create a demand that the company desire to meet. One could interpret this as an attempt to bring employees and customers to the same level in terms of supply and demand and thus prevent potential issues between these stakeholder groups.

Sub Conclusion: Three metacognitive strategies to handle the dual mission could be identified. The first concerns the choice of investors and the importance that they understand both objectives. The second highlights the need to adjust internal communication with employees so that they understand the connection between short- and long-term focus. The final strategy is based on the need to educate customers to

create alignment between customers' demands and employees' views of what is most sustainable.

6.3.2. Metacognitive Process of the Stakeholders Combined

Due to the contradicting views on the two objectives among the identified stakeholders, social entrepreneurs need to constantly navigate their decisions to reach maximal net gain, meaning that the aggregated positive consequences outweigh the negative consequences for all stakeholders. Initially, the stakeholders are aligned where the social objective is a large driver for the investors to invest as well as employer motivation and customer demand. Over time, the most crucial stakeholder, investors, require a return on their investment, forcing the social enterprise to focus on its economic objective. This creates conflicts among employees and reduces motivation. Furthermore, a conflict emerges between what the customers demand and what the employees think is best for the social mission.

Since social entrepreneurs continuously monitor and evaluate past decisions, they have gained metacognitive knowledge and experience (Haynie et al., 2010) about how the stakeholders react and act and how this affects the social enterprise. This metacognitive awareness of the stakeholders and their interplay is present when social entrepreneurs make decisions regarding the dual mission. To mitigate the conflicts and hence the risk of disrupting the balance, three metacognitive strategies are developed, illustrated in figure 6.1.

Sub Conclusion: The main concern when balancing the dual mission is identified as the management of stakeholders and is largely due to the contrasting views of the two objectives. Consequently, the decision-making consists of a constant process of balancing the people involved to maximize the aggregated net gain meaning that the positive outweighs the negative consequences for all stakeholders. This occurs through an iterative metacognitive process activated by every decision perceived to have high risk or uncertainty.

Metacognitive Awareness of the Dual Mission

Investors   Employees   Customers

| Social objective large driver initially | Aligned | Social objective large driver initially | Aligned | Social objective large driver initially |

| Economic objective large driver subsequently | Conflict | Social objective large driver subsequently | Conflict | Inaccurate demand subsequently |

Metacognitive Strategy to Keep Balance

Maximize aggregated net gain by

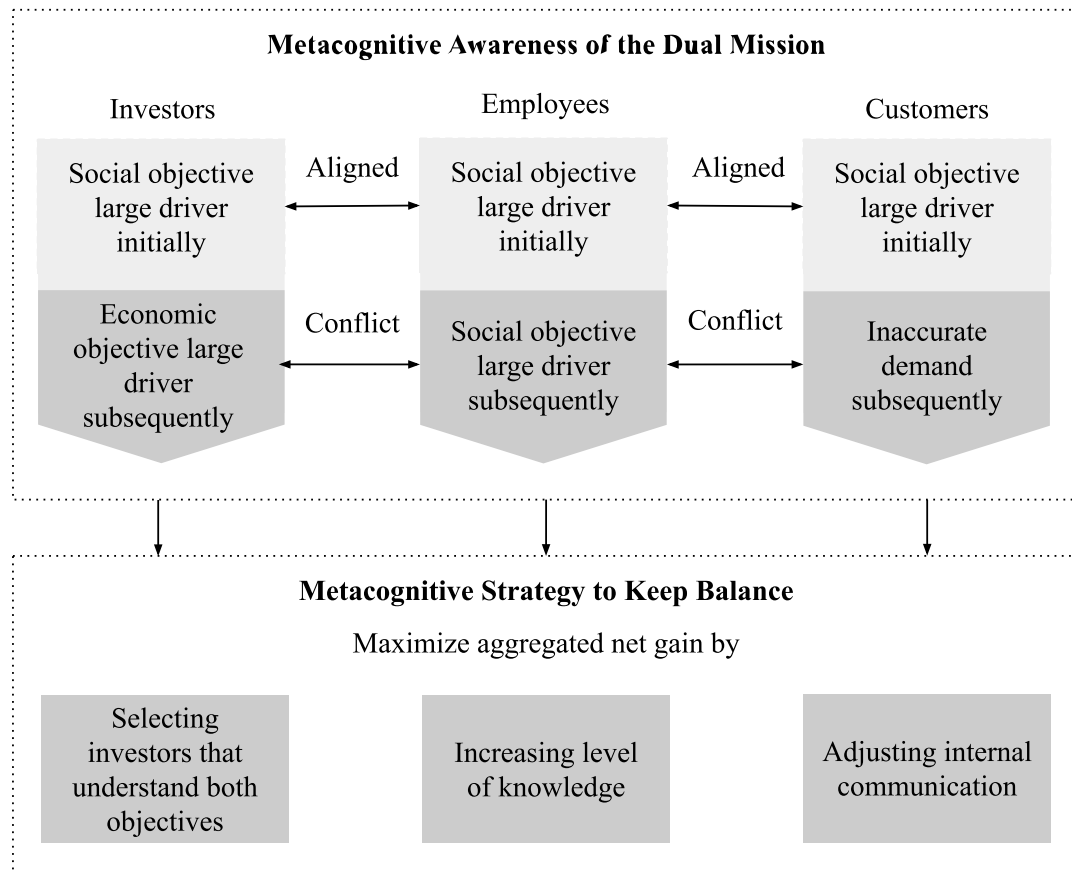| Selecting investors that understand both objectives | | Increasing level of knowledge | | Adjusting internal communication |

Figure 6.1 Metacognitive Process of Stakeholders Combined (Enblad & Wickman, 2022)

7. Discussion

7.1. Answer to the Research Question

Through a qualitative study, this thesis has investigated how social enterprises metacognitively manage their social and economic objectives in their decision-making. The empirical material has been analyzed through the developed theoretical model to get a deeper understanding of the dual mission and hence answer the research question:

How do social entrepreneurs in social enterprises metacognitively manage the balance of social and economic objectives in their decision-making?

In the analysis, sub conclusions were derived that lay the foundation for answering the research question. Firstly, the social entrepreneur was examined, and it was identified that the environment affects and nurtures different motivations for running a social enterprise that all require the same demands on the social entrepreneur resulting in a similar perception of the environment, such as institutional push and changing norms and trends, positively affecting their decision to run a social enterprise. Furthermore, it was concluded that the social entrepreneurs have strong and different initial beliefs of the dual mission, but when focusing on specific business issues associated with high risk or uncertainty, they become metacognitively aware and identify both synergies and tradeoffs.

Secondly, when analyzing specific decisions, it was identified that the main concern when balancing the dual mission is the management of stakeholders due to the contrasting views of the two objectives. Consequently, the decision-making consists of a constant process of balancing the people involved to maximize the aggregated net gain meaning that the positive consequences outweigh the negative consequences on all stakeholders combined. This occurs through an iterative metacognitive process activated by every decision perceived to have high risk or uncertainty. Three metacognitive strategies to handle the dual mission could be identified. The first concerns the choice of investors and the importance that they understand the dual mission. The second highlights the need for internal communication with employees so that they understand the connection between short- and long-term focus. The final strategy is to increase customers' knowledge to align their demands and employees' views of what is most sustainable.

7.2. Contributions to Existing Literature

The literature review found that the academic field of the dual mission had two opposing viewpoints. Some argue that social enterprises have a competitive advantage by having two objectives (Battilana & Dorado, 2010; Pache & Santos, 2013), while others see them as a source of disharmony due to the tensions it creates (Austin et al., 2006; Stevens, Moray, Bruneel, et al., 2015). This thesis has aimed to give a more nuanced view. Before the social entrepreneurs' metacognitive process is activated, they show a division similar to the literature. However, by diving deeper into specific decisions, it was found that the social entrepreneurs move away from the initial belief and recognize similar synergies and tradeoffs.

Furthermore, this thesis contributes to the small but growing research that applies metacognition to social entrepreneurs. Previous research has mainly focused on depicting the inner reality (Duncan-Horner et al., 2021; Schaefer et al., 2022). This thesis connects a crucial part of the inner reality, metacognition, with decision-making in the social enterprises regarding the dual mission. Schaefer et al. (2021) examined how a social entrepreneur's metacognition affects the entrepreneurial process of value creation regarding the social mission (Schaefer et al., 2021). Similar to this study, they identify the stakeholders as the main concern in the social enterprise but focus more on how the individual level interacts with the enterprise and societal level. The findings of this thesis add another layer as it focuses more specifically on the metacognitive process in relation to decision making and how to deal with this stakeholder concern more concretely.

7.3. Implications for Practitioners

If social enterprises fail to balance their dual mission, it could have catastrophic effects on the organization, risking mission drift and business failure (Cornforth, 2014). Thus, it could be argued that it is crucial for social entrepreneurs, the runners of the social enterprises, to understand how to achieve this balance. This thesis does not only increase the general understanding but breaks it down into how to handle decisions related to the two objectives, making it less abstract and more concrete for practitioners. More precisely, insights regarding how to balance the key stakeholders, investors, customers, and employees both initially, when synergies are created, and subsequently when conflicts arise were provided. Additionally, it is becoming increasingly important for traditional companies to integrate a

social objective into their business. Hence one could speculate that similar knowledge about managing two objectives will be crucial for all companies in the future.

7.4. Discussion of Limitations

The study contains limitations that should be addressed. As the study is conducted using a constructivist and interpretivist approach, the empirical material is based on what the authors interpret and their ability to present the material. Furthermore, to the authors' knowledge, no previous studies have applied the Metacognitive Model of the Entrepreneurial Mindset to social entrepreneurs. Hence, it can be discussed whether it is application is possible. Additionally, the sample selection can be criticized. Although the authors aimed to contact social entrepreneurs randomly, complete randomization was not achieved. Furthermore, there can be a selection bias amongst the interviewed social entrepreneurs, potentially affecting the results.

7.5. Recommendations for Future Research

This study focused on social entrepreneurs running social enterprises in Sweden. As shown in the thesis, the metacognitive approach is highly context-dependent, motivating that it would be interesting to conduct a similar study in other countries. Furthermore, it could be interesting to investigate how the metacognitive process varies between traditional and social entrepreneurs as potential differences or similarities can deepen the understanding of their decision-making. Additionally, the authors recommend that future scholars quantitatively investigate the connection between metacognitive awareness of the dual mission and social and economic performance. Such studies could strengthen the bridge between the inner metacognitive process of the social entrepreneurs and the actual practical outcome.

7.6. Conclusion

With the dual mission of creating social impact by solving a societal problem while being financially sustainable, social enterprises are considered to play a central role in sustainable development. This study has provided insights into how social entrepreneurs metacognitively manage the two objectives in their decision-making and shown that the dual mission is more complex than one might initially predict. Three areas of concern regarding the dual mission could be identified to largely influence the metacognitive

process when taking decisions associated with high risk or uncertainty. These are investors, employees, and customers. Although having different motivations and general beliefs of the dual mission initially, they are metacognitively aware of these stakeholders and have the same strategy to deal with them – maximize the aggregated net gain, meaning that the positive consequences should outweigh the negative on all stakeholders combined. This thesis does not only deepen the understanding of the dual mission in relation to decision-making, but it can also guide social entrepreneurs to succeed with their social enterprises, contributing to a sustainable future.

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Appendix

Appendix 1. E-Mail to Prospective Participants (Translated into English)

Dear [first name],

My name is [first and last name], and I am studying in my final year of the Bachelor Program in Business and Economics at Stockholm School of Economics. Currently. Me and [first and last name] are conducting a Bachelor thesis in management about social impact companies. More specifically, we aim to understand how to handle two goals – to grow economically and make a social impact in society.

Given your success with [company], we would like to ask for the possibility of interviewing you? We aim to conduct the interview between the weeks [week interval]. The estimated time for the interview is between 40-60 minutes. Although we prefer to meet with you physically, it is also possible to conduct the interview digitally, depending on your preferences. You will remain completely anonymous, and all data collection will follow GDPR guidelines.

We hope that the study will generate insights both into the academic discussion and practical knowledge for future entrepreneurs to succeed with their social impact companies.

We would be truly grateful if you participated in our study. Feel free to contact us if you have any questions or concerns. We look forward to hearing from you.

Best Regards,
[first and last name]

Appendix 2. Interview Guide (Translated into English)

Introduction

1. Your participation in this study is voluntary.
2. In our study, which is a Bachelor thesis in Management at Stockholm School of Economics, you as a participant and your company will be anonymous.
3. You may interrupt and/or leave the interview at any time and without disclosing the cause to us.
4. To transcribe the interview afterward, we would like to ask for your permission to record the interview.
5. Do you have any questions before we begin?

About the Individual

1. Please tell us a bit about yourself.
2. What were your ambitions when founding [Company]?
3. What kind of decisions do you take? Everyday tasks but also higher level?
   a. What influences your decisions?
4. What do you consider the most challenging for your business and your industry in general?

Social Entrepreneur

1. How would you define an entrepreneur?
2. How would you define a social entrepreneur?
3. Would you define yourself as a social entrepreneur? Why/why not?
4. Do you believe it's more difficult to be a social entrepreneur than a traditional entrepreneur?

Sustainability

1. What's your take on the current debate about sustainability in media, society, etc.?
2. Do you think the current debate has affected your industry? In which way?
3. How would you describe the act on sustainability by [Company]? How would you describe [Company] social objective?
4. How do you define success relating to your social mission?
5. How important is the social objective for you personally?
6. Do you experience sustainability pressure in your industry?

    a. Has the pressure increased over the years? Why/why not?

7. Do you think a lot about sustainability in your everyday work and decision-making?

    a. Do you consider it to be challenging? Why/why not?

8. Do you believe your social objectives are aligned with other stakeholders? Why/why not?

    a. If not, how do you handle these different alignments?

9. Do you see any benefits of having a social mission?

10. Do you see any disadvantage of having a social mission?

Financials

1. How do you define success relating to your financial objectives?

2. How are these aligned with your overall vision?

3. How important are the financial objectives for you personally?

4. Do you consider your financial goals to align with your social objective?

5. Have you ever encountered difficulties when trying to reach your financial objectives?

Decision Making

1. Can you tell us about a critical time for the company and how you handled it?

2. What have you learned from working at the company since you started?

3. Have you ever felt that your social and economic objective creates synergies?

4. Have you ever felt that you need to prioritize your social or financial objective?

    a. How do you decide what to prioritize?

    b. What or whom do you think influences your decisions in this matter?

Appendix 3. Table of Interview Details

No.	Respondent	Time	Date	Location
1	SE1	00:50:42	2022-03-08	Video conference
2	SE2	00:34:00	2022-03-09	Video conference
3	SE3	01:00:21	2022-03-16	Café
4	SE4	00:47:08	2022-03-16	Firm office
5	SE5	00:40:24	2022-03-17	Café
6	SE6	00:49:32	2022-03-17	Video conference
7	SE7	00:41:04	2022-03-21	Video conference
8	SE8	01:06:27	2022-03-24	Firm office
9	SE9	00:42:00	2022-03-28	Video conference
10	SE10	00:38:44	2022-04-07	Video conference
11	SE11	00:43:30	2022-05-03	Firm office

Minimum: 00:34:00

Maximum: 01:06:27

Average: 00:46:42

Median: 00:43:30