Making Sense of Social Value Creation: Three Organizational Case Studies


Abstract

A number of scholars are exploring Social Entrepreneurial Organizations. The dialogue is now expanding to identify and describe how Social Value Creation (SVC) relates to Social Entrepreneurial Organizations. This article adds to the discussion by describing how agents at three different case study sites perceive how their organizations generate SVC. The three sites represent special aspects of social activity: a private elementary school; a religious mental health clinic; and a public child services center. An Interactive Qualitative Analysis (IQA) tool was modified to capture case study agents' perceptions of how their organizations created their intended social value. Use of this process produced underlying organizational themes or affinities found in the respective organization's outcomes. The analysis of these affinities generated a visual depiction of processes typically hidden to the agents of the organizations, but revealed a much clearer description of SVC and opportunities for organizational improvement. The modified IQA process described in this research revealed that social value creation may be outside of organizational goals and outcomes.

## Introduction

Simply stated, social value creation is a process that results in the creation of something of value for society; however, concepts that support this definition make ‘social value creation (SVC)’ a construct that is very difficult to operationalize and define. There are many SVC definitions available; most of these definitions equate value to financial worth. As a result social value is often identified in terms of dollars and cents (Tuma, 2008). Explaining value with financial concepts, though not wrong, limits the scope of our understanding of how and why social value is created and reduces the opportunities for examining other paradigms of value such as social expectation and need.

The actual measurement and operationalization of social value is also difficult because the creation of social value is still not completely understood (Drees, 2001). To that end this paper focuses on the creation of social value from the perspective of agents (organizational stakeholders) directly linked to organizational action. Specifically, this paper furthers the field of SVC by exploring narrative provided by those who are charged with the actual creation of an organization’s social value. It is hoped that the analysis of these events will further understanding of underlying social value creation process and illustrates how results and outcomes are achieved in social entrepreneurial organizations.

## Theoretical Underpinnings

The theoretical constructs discussed in this paper include social value creation, social entrepreneurship and systems theory. While the focus of this paper is on the actual processes used to create social value when viewed from a systems theory perspective, it is important to recognize and consider the differences in the individuals and the organizations that contribute to social value (Massetti, 2008; Dietz, Porter, 2009a).

A number of scholars are exploring Social Entrepreneurial Organizations (Haskell, Haskell & Kwong, 2009; Goldstein, Hazy, Silberstang, 2008; Martin, Osberg, 2007). The dialogue is now expanding to identify and describe how Social Value Creation (SVC) relates to Social Entrepreneurial Organizations (Hazy, Sviatoslav & Torras, 2009; Peredo, McLean, 2006; Drees, 2001). As the field of social entrepreneurship continues to develop, terms used to describe the various types of organizations tied to social value creation also continue to evolve. Massetti (2008, 2009) suggests that social entrepreneurship definitions have a propensity to be too narrow and uni-dimensional. Her diagrammatic construct (Figure 1) describes social entrepreneurship in terms of mission focus (an organization's purpose, concerns and/or requirements) – social or market based and need and use of profit. The Social Entrepreneurship Matrix that follows goes beyond the aspect of organizational profit to describe both the institutions' motivation and impact.

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Insert Figure 1. *Massetti's Social Entrepreneurship Matrix* about here.

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Massetti's matrix provides a contextual map to locate the essential drivers for organizations that create social value. The Social Enterprise Matrix depicts the organizational orientation in terms of producing economic value as well as social value. Quadrant I represents the Traditional Not-for-Profit Organizations which respond to social needs. These organizations are usually not taxed and produce enough income to cover expenses. Quadrant II represents Tipping Point organizations, and these organizations respond to market needs but are not driven by the need to make a profit. Quadrant III represents Transient Organizations which are responsive to market and social needs and maintain a mission to make a profit. Quadrant IV represents for profit, Traditional Businesses that provide market-driven goods/services. Although

Massetti's matrix of social entrepreneurship has not been rigorously reviewed and may be incomplete (Dietz, Porter, 2009a), it is still compelling and acts an organizing framework for understanding SVC.

Massetti's matrix provides a lens for definitions and descriptions of organizations that create social value and categorizes social value with financial and non-financial concepts. In addition, the framework is more apt to present a systemic view of social value creation and the processes used to create social value.

The body of research that examines SVC as a financial endeavor is larger than the less developed body of work that looks at social value in terms that are not financially oriented (Hazy, Moskalev & Mariano, 2009). This paper looks closely at the later school of thought, which is more nebulous, and as a result harder to define and describe, than the financial approach.

While it is "inherently difficult" to measure social value creation (Drees, 2001), social entrepreneurial organizations often set the creation of social value as social change that has a higher priority over creating economic value (Mair & Martí, 2006). When economic value is a secondary goal of social value then the creation of economic value reinforces social value rather than subsumes or conflicts with its creation (Torras, 2009).

An initial step needed towards a systematic analysis and evaluation of social value creation may be to observe patterns in organizational networks that target social value creation (Hazy, Moskalev, Torras, 2009; Mair, Schoen, 2007).  Members of these social entrepreneurial organizations (agents) are apt to recognize patterns of opportunities and risks in their respective organizations by sharing information across prevailing networks (Goldstein, Hazy, Siblerstang, 2009). Also, viewing social entrepreneurial organizations as complex adaptive human systems changes how SVC construction is described; however, to achieve this requires a better understanding of the paradigms in use in SVC and how the paradigms meld with assessment processes.

Social value creation can be examined from a number of perspectives; however, the paradigm that seems most reasonable in convening the organizational functioning associated with the creation process would be systems theory (Dietz, Mink, 2005; Dooley, 2002; Owen, Dietz, 2009; Senge, 1994). Systems theory provides a framework that is not constrained by linear models or models that focus on specific constructs or ideas and looks at human organizations as complex adaptive systems (Dietz, Porter, 2009b). The systems theory framework used in this paper examines the case study agents perceptions of organizational interactions (connectedness) in terms of the validation of information (internal responsiveness), and how that information resulted in the creation or production of social value (external responsiveness), within an organizational context of history and cultural norms (Mink, et al, 1993).

Complex adaptive human systems have three important qualities: they are purposive—they are created to attain a specific purpose or outcome within a given context; they are connected—the agents of the system must work together in some coordinated fashion; and they have internal interaction— and there is constant interaction between the agents around information specific to the organizations (Owen, Dietz, in press). The facilitation of these interactions is the responsibility of the agents. Agents are the active component of the system and can be defined as any person that can manipulate resources that are within the system (i.e. information, material, virtual environments, finances, etc.). Agents define the context of the system—the culture, rule sets, hierarchy, and most importantly, what information is fit for purpose within the system. Agents also establish the parameters/boundaries within which work occurs. In the context of complex adaptive human systems work can be seen as, "… the process of interactions (called *collaboration*) between two or more agents to produce … 'something' in an effort to reduce dissonance or difference. In addition, it is also the process of bringing together the knowledge, skills, values, tools, and other required resources (Dietz, 2009)."

The 'something' that is created by organizational agents is the focus of the organization – sometimes called an attractor. The agents of the organization use self transcending construction (Goldstein, 2003) to situate themselves around the attractor and manipulate resources in response to satisfying the attractor, within the understood constraints (the rule-sets) in place within the organization's context. In a socially focused entrepreneurial organization the attractor may be something like educate high-school drop outs, or feed the hungry, or house the homeless, etc.

In other words, we propose that understanding the creation of social value is to a great extent based on understanding how a specific organization defines the attractor they are resolving. Resolution of these attractors is a result of how agents have defined their context, the resources available to agents, how those resources are going to be manipulated and how the result of the actions of the agents are viewed by both the agents themselves and their stakeholders.

## Case Methodology

This study uses two qualitative processes, interviewing and a modified interactive qualitative analysis (Northcutt, McCoy, 2004), as tools to maximize organizational understanding and resources. There are a variety of ways to collect information from organizations, and interviews are used extensively, especially when the focus of the data collection is less understood or in some way hard to measure (i.e. more subjective or ambiguous), such as social value creation (Jones, 2004). In addition, the use of interviews assumes that the members of the organization interviewed have an innate understanding of the research focus because of some familiarity or closeness to the phenomena (i.e. they are a part of the system in question) (Owen, Northcutt, Dietz, in press).

For this research we used semi-structured interviews with nine to fifteen members from each of the target organizations. Interview teams were organized from students enrolled in a graduate course in systemic theory. The teams were composed of four to six members, with one member of each team acting as a liaison to the organization being explored. The interviews were between 40 and 60 minutes each and were conducted with the organization or at local coffee shops/cafes. The interviews were summarized by each of the interviewers and the results were analyzed by the entire interview team.

The results of each set of interviews were coded into affinities (categories of meaning) using the previously mentioned systems framework as a filtering/constraining device. Typically the affinities developed through an analysis of qualitative information, in and of themselves provided illumination into hidden aspects of an organization and provided decision makers with opportunities to make changes within their organization. For example if a theme emerged from the data that suggested a lack of understanding of procedures used by the organization, then it would 'make sense' for representatives of the organization to address that as a unique solvable issue.

The problem with this approach is that the affinities generated through analysis of qualitative information are linked to each other in interesting ways, and these linkages between affinities modify the meanings of all other affinities. So, in our earlier example, if the lack of understanding an organizational process was related to inefficient supervision, then training focused on organizational procedures may not be effective in mitigating the problem. In fact, this intervention may only treat a symptom of a larger underlying problem and may result in unintended consequences.

A more sophisticated understanding of the relationship between affinities may be reached by determining how affinities interact with each other. One process of organizing the affinities into some form of relationship which reflects the original meaning ascribed by the participants is through interactive qualitative analysis (IQA). IQA has its origins in the Total Quality Management (TQM) literature which identified processes designed to capture knowledge from organizational members to solve problems and improve organizational functioning. IQA is a grounded theory system that examines organizational affinities as perceived/developed by the members of an organization, as well as the perceived causal relationships between the affinities (High, 2009).

The IQA process results in a systems influence diagram (SID) which visually depicts the linkage and direction of influence between the affinities. The SID demonstrates the affinities that are perceived as driving the outcomes of the organization and are similar to mind maps. In addition, the SID provides a map for identifying leverage points the organization can use to change and/or improve the interactions identified through the process or even model new organizational processes. The IQA results, as presented in the SID, allows members of the organization to graphically see what the organization values in terms of organizational outcomes. Often the SID depicts interactions and relationships that are quite novel and far from the expectations of stakeholders.

Figure 2 is an example of a SID diagram that describes teacher’s perspective of the strategic plan for implementing reform at their school. This SID has three components: Drivers; Intermediary factors; and Outcomes. Not all SIDs are as linear as the example in Figure 2;

however, when the focus of the IQA process is to understand a specific outcome, such as SVC, then the expectation is that the result will have some linearity (drivers lead outcomes). Depending on the complexity of the three components of the SID may be further subdivided. For example the drivers may be divided into primary drivers and secondary drivers; etc. The organization of the affinities in relationship to each other (i.e. how the affinities cluster) will dictate the role of the clusters within the SID (this will become evident reading the cases following).

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Insert Figure 2. *The Systems Influence Diagram (SID): perspectives of teachers for the strategic plan for implementing reform at their school* about here

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Entrepreneurial studies focused on social issues or concerns of marginalized groups that do not look deeper at the group to identify critical variables will miss affecting the goal variables (Dorner, 1989) and a SID provides a visual depiction of the relationships between driving, intermediate and outcome variables. Viewing an organization's production with a systemic frame and analyzing agent views and descriptions provides heuristic power derived from the interactions between the organization and its environment (Cillers, 2007; McKay, Mink, 1992).

## Case Organizations

Three different organizations were explored in this research: a private elementary school, a non-profit mental health clinic, and a public child services center. Detailed descriptions of each of the cases follow and a brief discussion of the data collected and how data was arranged into SIDs.

*Private Elementary School (PES).* This school is a Montessori styled school that has been in existence since the late 1970's. The school is small with a limited number of teachers and students. Interviews were conducted with teachers, administrators, parents, vendors and other community organizations that have interactions with the school. PES served approximately 175 students that range in age from three to twelve. Grades served by PES are: Primary (ages 3-6), "K" transition (6), Elementary 1 (7-9), and Elementary 2 (10-12). All students are from families that are financially affluent. The two founders of the school serve as School Administrator and School Head. There is one more administrative staff member, seven full-time instructors, and twelve teacher assistants. PES was chosen for this study because of the unique structure and interaction of the entities involved in the school. PES is facing many challenges – financial, community, teacher, and student. These challenges are all weighing upon the shoulder of each system group involved in working with the school.

A total of nine agent interviews were conducted with administration, staff members, and parents of current students. As described above the data were transcribed and analyzed to develop affinities which are shown in the table below along with the results of the affinity weighting exercise:

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Insert Table 1. *IQA Affinity exercise weightings for PES* about here.

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Each affinity is paired with each of the other affinities and for each pair the question is asked, "If we communicate then we will have administrative support." The yes/no responses are tallied and the result is either communication drives administrative support (Out >), or administrative support drives communication (In <), or communication and administrative support are not influencing each other (<>). Typically, the members of the organization or the study participants would individually address each relationship and their results would be averaged to produce the ‘Out’ or ‘In’ response. The set of relationships above were developed by the data collectors and the collectors built the above matrix of affinity relationships. This process was continued until all pairs of affinities were addressed. This process was continued with each affinity pairing.

The next step was to take all of the if/then data and place it into an affinity table illustrating the “in” or “out” directions of each affinity pair (see Table 1). Numbers 1-9 on the left side and running across the top represent the 9 affinities in number form. Note: arrows that show both “in” and “out” in the same box negate each other. The delta between the “outs” and the “ins” were the numbers that were important in building the matrix.

The delta numbers were next arranged in a descending order from positive to negative. The positive numbers were the drivers. The negative numbers were the outcomes. There were natural breaks in the number patterns that illustrate where the primary and intermediate affect lay. The affinities are illustrated in the SID below.

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Insert Figure 3. *System Influences Diagram: Small Private Elementary School* about here.

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The private elementary school SID presents an interesting depiction of the relationship between the affinities that are considered important by the members of the organization as interpreted by the interview team. The first aspect that stands out in this SID is the structure of the diagram. There are three segments to the SID. The first segment reflects the drivers which were sub-divided into primary and secondary categories. Driver affinities were mapped as relatively linear or as unique supporting groups of affinities or even as self-reinforcing loops (this is demonstrated in the PDR case following). The second segment is intermediate factors. The affinities within intermediate factors general organize themselves in clusters of related activities and, as with drivers, can form loops or a set of resisting/supporting affinities. Intermediate factors represent the actual ‘work’ of the organization and often depict areas of tension or frustration between agents or groups of agents within the organization. The final segment of the diagram is the outcomes. As with the drivers, the outcomes may be sub-divided into primary and secondary categories, and as with drivers, outcomes can be linear, quasi-linear or form loops.

Typically, an educational organization would espouse/view its primary outcomes in terms of student accomplishments (graduation, acceptance into other institutions, etc.), but in this case PES agents seemed to be more focused on challenges on working together and maintaining their professional status as teachers or even being regarded as working in a teaching organization. The SID surprisingly indicated that students were not connected to outcomes, and that the organization is driven through informal means as opposed to more structured processes.

The SID is interpreted through examination of the relationship between the affinities within the model. The primary driver for PES is money, which drives communication in the organization and is also seen as a primary aspect of leadership. In other words, the PES organizational leadership sees both themselves and the other agents in the organization as successful when they are able to bring in funding, but worries about money and has frequent discussions with staff about not having the income streams necessary to provide educational services. Between the drivers and the outcomes are intermediate factors, which seem to be working against each other: relationships, administrative support, parental involvement, and student challenges. Many times intermediate factors form loops in which the affinities work with each other either in a positive or negative way (virtuous or vicious cycles). In this case the affinities seem to be working against each other to form a vicious cycle, which ultimately work against the organizations goals. In fact the intermediate factors were pushing back against the drivers resulting in outcomes focused on faculty as opposed to students or student success.

The leverage points to increase SVC for this organization are in the primary drivers and the intermediate factors. The lack of consistent funding streams and accountability for those funding streams seems to be at the root of the confusion in the intermediate factors is causing the organizations leadership to seem inefficient. Leverage applied to address the current PES organizational leadership norms could reduce the push back of the intermediate factors and even shift student success to an outcome.

*Mental Health Clinic (MHC).* The mental health clinic is part of a medical system operated by the Catholic Church and serves a population of severely disturbed patients. The clinic offers mental health and substance abuse treatment to patients in Central Texas. MHC's building draped with banners that read, "Restore, Heal, Grow, Focus, Hope, and Change." The MHC provides inpatient and outpatient mental health services and has done so for more than 30 years. It is the only non-profit provider of inpatient mental healthcare in the area. MHC offers treatment to adults, children, and adolescents on an inpatient or outpatient basis and utilizes approximately 80 inpatient beds. According to the Hospitals Community Report, MHS provided behavioral health services for approximately 4,100 inpatients and 18,000 outpatient visits annually. The majority of patients at MHS are in psychiatric crisis or in need of substance abuse treatment.

MHC has approximately 300 employees, which includes administrative staff, physicians, psychiatrists, social workers, psychiatric nurses, and clinical assistants. The hospital provides 24 hour medical care to its patients; clinical staff are scheduled over a three shift day. MHS has many stakeholders including mental health providers, patients, families of patients, and the community in general. MHS works with community groups and other mental health providers, such as the State Hospital and County Mental Health and Mental Retardation, in an effort to address the shortage of acute mental healthcare in the Austin area.

A total of twelve agent interviews were conducted of administration and clinical care staff by six interviewers. The resulting analysis produced six major affinities. These were: 1) community involvement; 2) current state of mental health care; 3) employee satisfaction; 4) teamwork; 5) dedication to mission; and 6) dissonance of viewpoints between direct and non-direct care employees.

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Insert Figure 4. *System Influences Diagram: Mental Health Clinic* about here.

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Figure 4 suggests some very interesting organizational dynamics at work within the clinic. Similar to the school described above there was ambiguity between the espoused/expected goals and actual outcomes described by the group. In the MHC case the expected outcomes of the program were expected to be related to patient care. During post-SID interviews the meaning of ‘community involvement’ was more clearly described and the resulting definition provided clarity to some of the ambiguity. There were two primary groups involved in the MHC – the medical practitioners and the administrative staff. The medical practitioners viewed community involvement as an opportunity to bring community volunteers into the clinic to assist with patients, while the administrative side viewed community involvement in terms of a public relations process to more firmly market the clinic in the community environment. Though this difference seems small, having not discussed the difference resulted in other misunderstandings affecting teamwork and overall employee satisfaction.

The second primary driver, the ‘current state of mental health care,’ was also poorly understood by the two groups. The practitioner group viewed their understanding of changes in mental health care as a mandate focused on practices used within the clinic, while the administrative side of the house viewed those same changes as guidelines for changes in clinical practices. Again, these differences resulted in the degradation of both employee satisfaction and teamwork. Unlike the primary driver ‘community involvement,’ this secondary driver was a point of contention between the two groups. Additionally, the lack of shared understanding of the ‘current state of mental health care’ brought into question the level of ‘dedication to the mission.’

Consequently the SID demonstrated that instead of being focused on the mission of the clinic, the agents of the system where instead focused on their differences, and seemed to have no process for resolving those differences. Olson and Eoyang (2001) discuss the need for organizations to be able to explore differences. Differences are, “the primary patterns that emerge during self-organizing processes (Olson, Eoyang, 2001, 13).” Differences can be found in power, levels of experience, quality, cost, gender, race/ethnicity, educational background, religion, and other areas; and reflect patterns of behavior within the system that may be overt or less obvious. The MHC patterns reflect to a great degree the ability of the system to understand change and to act on a shared need to change – in other words differences and how they emerged are directly related to how effectively an organization self-actualizes.

In the MHC, part of the organization's differences where open and discussed, but not resolved. This may be because other aspects of difference where hidden, such as the meaning of community involvement. Because information was hidden it was difficult for the MHC to have meaningful discussions, to achieve shared meaning and to move forward in a collective, coordinated fashion to address the mission of the clinic.

*Public domestic relations center (PDR).* The public child services center is a part of the Central Texas, County District Courts system and works primarily with the disposition of the children of families that are separated through legal action. Interviews were conducted with all level of employees in this organization. The PDR office manages specific areas of Family Law on behalf of the County District Courts. The mission statement for this group is:

> *To improve and enrich the lives and future of the children of [the] County, by promoting parental involvement through collaboration with judges, parents, employers, employees and other agencies. To minimize the frequency and impact of litigation and parental conflict on children under the jurisdiction of the … District Courts.*

The PDR is under the umbrella of a Domestic Relations Office and provides unique services to families undergoing custodial legal proceedings. A County judge mandates all of the custody cases that are processed through this department. The work title for the social workers in this organization is Guardian Ad Litem. A Guardian Ad Litem is a county employee assigned to specific custody cases in which he or she must become extremely familiar with every aspect of the case in order to provide a detailed recommendation of action to the court. Each guardian has a Master's degree in social work or a related field, and has professional experience working with children and families. A guardian's primary role is to represent a child's best interest in family law cases, even if it is not what the child or parent wishes. Therefore, each guardian must conduct a series of interviews in order to become familiar with the case and the family environment that the child experiences on a daily basis.  In order to receive such intimate information about a child's living situation, a guardian must make appointments with individuals who can provide a testament to the environment.  Individuals interviewed by a Guardian Ad Litem include, but are not limited to, the following:  the child, parental parties, close friends, extended family members, schoolteachers and neighbors. Of the fourteen Guardian Ad Litems that work for the PDR, only a small number of them have been with the organization less than two years.  Over half of the team has been employed for over five years and of these several have more than ten years with the organization.

A total of eleven agent interviews were conducted of administration and staff by five interviewers. The resulting analysis produced thirteen major affinities. These were: 1) organizational purpose; 2) loyalty; 3) individual responsibility; 4) supportive management; 5) financial constraints; 6) divisional structure; 7) client services; 8) communication; 9) support from co-workers; 10) environment; 11) life changing decisions; 12) group dynamics; and 13) obtaining goals.

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Insert Figure 5. *System Influences Diagram: Public Domestic Relations Center* about here

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The SID for the PDR is the most interesting of the three cases explored in this research. The PDR is very focused on obtaining the goals of their organization and expressed a shared understanding of the direction in which the organization is moving. The PDR agents were able to map a more complex SID and this may reflect what appear to be more focus on obtaining the goals of the organization and less focus on internal issues as demonstrated by both the PES and the MHC.

There are two parts of the PDR system influence diagram that warrant some discussion: 1) secondary drivers, and 2) intermediate factors. The secondary factors organized into a set of affinities that point toward the financial constraints of the organization. This is interesting as most public entities are in a constant process of defending their budgets; however, the agents of the organization see managing to their financial constraints a part of what drives their achieving or obtaining the organizations goal as opposed to a separate function outside of their control. This may be due in part because PRD staff are directly involved in the development of their goals for each coming year. Moreover, it appears that this group functions on a continuous exchange of information between organizational members (agents).

The intermediate factors in Figure 5 organize into a self-reinforcing loop around how services are provided to clients. What is interesting about this loop is that a key aspect of the loop is a sense that the agents are in touch with the organizations environment (i.e., the loop is open to input from outside the organization), and the loop provides positive reinforcement for the services provided to the organizations clients. The positive feedback loop provided by the intermediate factors links the secondary outcomes for PDR by reinforcing the dynamics of the group, and providing a process and reassurance for the group to make decisions that may alter or dramatically change families.

The group’s stated primary outcome is to achieve the goals set for them by the County Managers office. Part of these goals involve measures of how clients are served, but also include some very structured quantitative outcomes such as numbers of clients served and the time a client is in the system. The intermediate factors feedback loop allows the agents of PDR to balance meeting those harder numbers with the knowledge that they are ‘doing the right thing’ for the families with which they interact.

## Conclusions

The above case study organizations produced unique and interesting findings at several levels, those findings that are specific to the organizations studied and broader more general findings. In addition there are limitations associated with this study that are important to placing these findings in context.

The cases described in this study where conducted as an experiential learning activity for graduate students. There are constraints on time that required students to use only a part of the entire IQA process, so these cases are, to some extent incomplete. In addition, IQA, like many other organizational analysis tools are only a snap-shot in time and reflect only the moment in time in which they were conducted. Organizations are dynamic, changing constantly. For IQA to be truly effective in mapping and understanding organizational change, the process should be repeated.

The IQA process and subsequent SID’s provide a mental map for understanding challenges to the organization and intervening in a meaningful way. It was clear to all involved that the SIDs and their subsequent analysis had considerable benefit especially as it related to identifying the primary and intermediate drivers. Individual organizational decision makers at the sites were able to immediately grasp the relationships between the affinities and the need for addressing interventions at the driver and intermediate affinity relationships, as opposed to trying to make change by addressing outcomes. This is significant in terms of organizational intervention and development; however, interventions of any kind in an organization may still produce unintended consequences.

Agents within an organization may know what they do, but they may not understand how what they do affects the dynamics of the organization, even in small organizations. The SID's provide a graphic depiction of how work gets done by the agents of an organization and allows agents at all levels of the organization to see how their interaction with the system contributes to the outcomes of the system.

An alternative use of the IQA process may be to model the organization to better understand what drivers and intermediate factors need to be in place to order to meet specific objectives. For example, the MHC may want to identify an outcome more in-line with their expected organizational goals. They can work backward from this outcome to identify which driving and intermediate affinities support their goal and how they think those affinities need to organize in order to achieve their 'new' outcome.

Systemically, the IQA process underscores the diversity of organizations and further suggests the need to closely read the context of an organization. From a systems theory perspective, the findings support the notion of contextual importance when looking at organizational interactions. Each case site organization examined in this research demonstrated different drivers to produce social value from their perspective and none of the organizations indicated that financial worth was an outcome of the social value they created. This suggests that for some organizations there is more focus on production/creation of social value than the actual long term financial impact of the social value.

Massetti's (2008, 2009) framework is a helpful lens in distinguishing between various types of social entrepreneurial activities and the matrix. This exploration and others suggests that a simple division between public and private fails to account for some broad variation in social entrepreneurial organizations. Massetti's framework may require a third dimension to describe the form of leadership or decision making in the organization in order to fully describe SVC (Dietz, Porter, 2009).

Placing the cases reviewed in this paper into Massetti's framework also yields some other understanding of social value and entrepreneurship (Figure 6). When the three cases are located on Massetti's matrix, the MHC and the PDR cases fall neatly into Quadrant I – no profit required and social mission; while the PES falls into Quadrant IV – profit required and market focus (traditional business). The case that was the most focused on funding was PES; however, they were focused on money as a driver and not as an outcome. It would seem reasonable to assume that in any profit driven organization one of the expected outcomes would be some sort of 'profit' affinity. This suggests that not all 'traditional businesses' fit into this Matrix in traditional ways. This descriptive study again supports the need for further distinction to be made between the functioning of different social entrepreneurial organizations and how these differences further define these unique organizations.

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Insert Figure 6. *Case Sites in Massetti's (2009) Social Entrepreneur Matrix* about here

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## Future Considerations

Understanding how social value is created and the expected or actual 'value' of work created in social entrepreneurial organizations is a very complex problem. There is a need for further agent level queries where researches can explore actions that create or do not create social value so as to better grasp how SVC occurs in organizations.  Furthermore, exploring the value creation results may assist in crafting a non-financial SVC definition. The modified IQA process described in this research revealed that social value creation may be outside of organizational goals and outcomes. Additional case studies using a systems framework coupled with the modified IQA process could advance unique description to identify hidden drivers and connections that could assist or deter organizational agents in creating social value. Additional investigations using novel approaches, such as the Interactive Qualitative Analysis processes, may illuminate other universal constructs that underlie the SVC phenomena.

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Graphs and Tables

Figure 1. *Massetti's (2009) Social Entrepreneur Matrix*

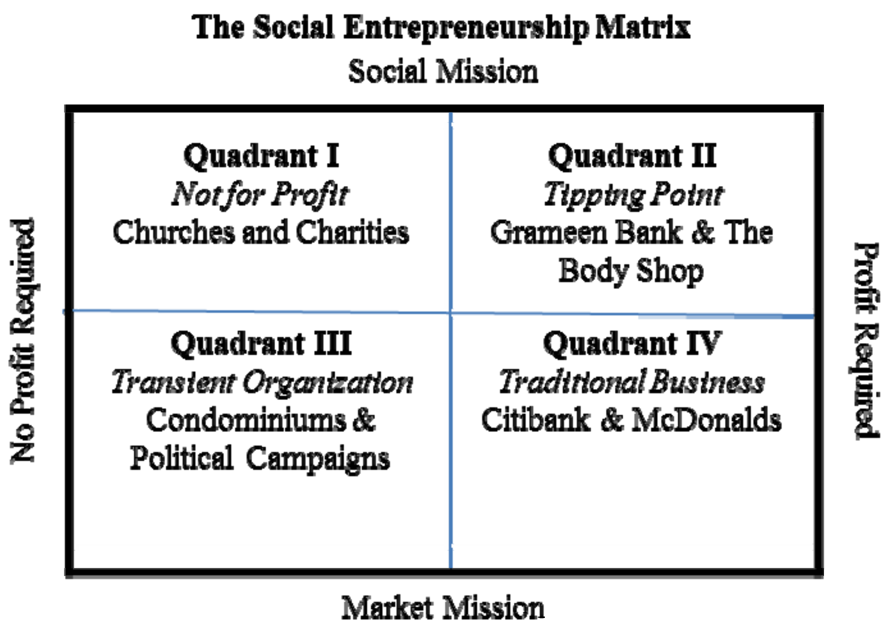
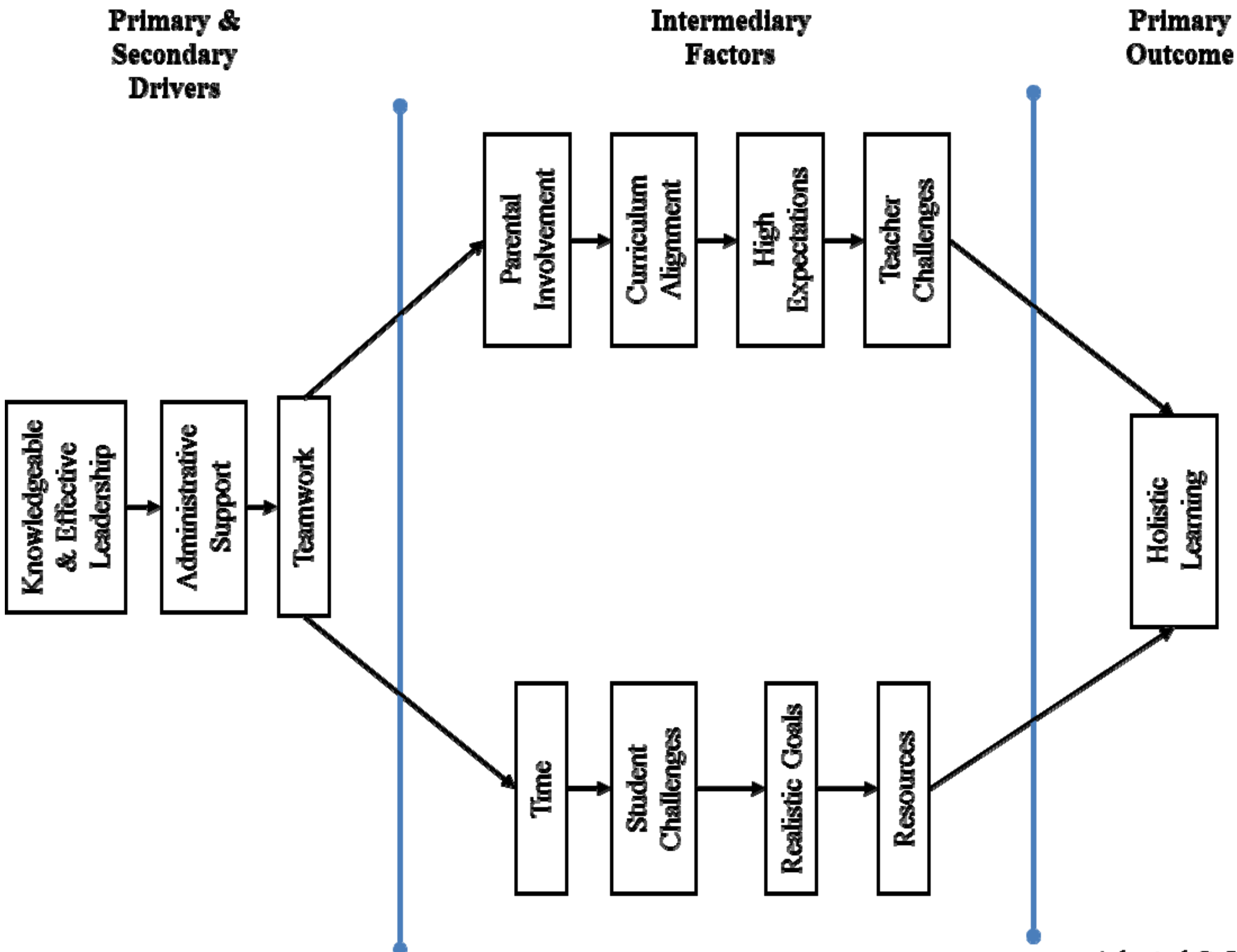


Figure 2. The Systems Influence Diagram (SID): perspectives of teachers for the strategic plan for implementing reform at their school




Adapted C. High, 2009

Table 1. IQA Affinity exercise weightings for PES

| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Out > | In < | Delta |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Communication | 1 | | < | < | > | > | > | > | > | < | 5 | 3 | 2 |
| Administrative Support | 2 | > | | < | > | > | > | > | > | < | 2 | 6 | -4 |
| Money | 3 | > | > | | > | <> | > | > | <> | > | 6 | 0 | 6 |
| Relationships | 4 | < | < | < | | > | > | > | <> | < | 3 | 4 | -1 |
| Parental Involvement | 5 | < | < | < | < | | <> | <> | > | < | 1 | 5 | -4 |
| Teacher Challenges | 6 | < | < | < | < | < | | < | < | < | 0 | 8 | -8 |
| Team Work | 7 | < | < | < | < | <> | < | | < | < | 0 | 7 | -7 |
| Student Challenges | 8 | < | < | <> | > | < | > | > | | < | 3 | 4 | -1 |
| Effective Leadership | 9 | > | > | < | > | > | > | > | > | | 7 | 1 | 6 |

Figure 3. System Influences Diagram: Small Private Elementary School

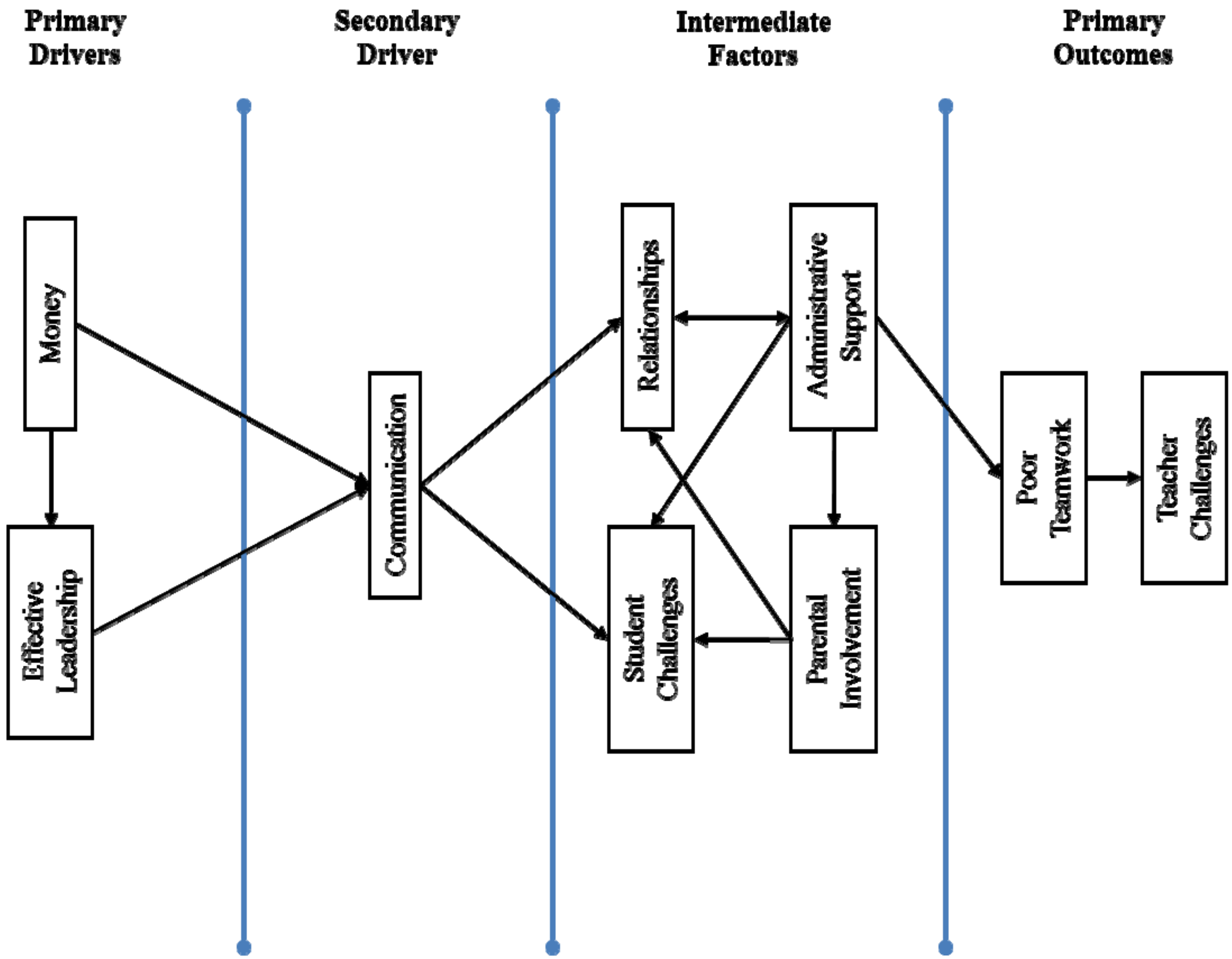


Figure 4. System Influences Diagram: Mental Health Clinic

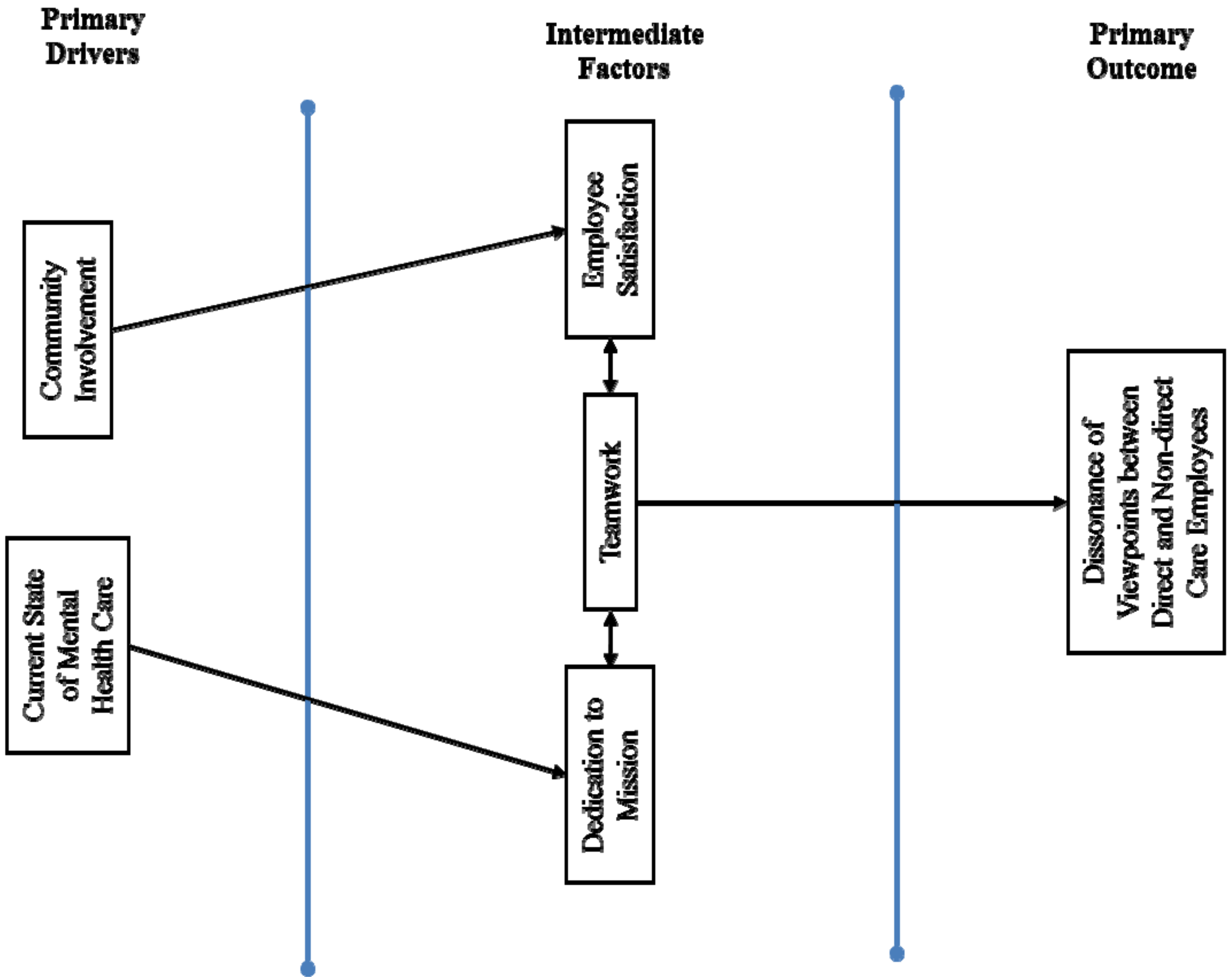


Figure 5. System Influences Diagram: Public Domestic Relations Center

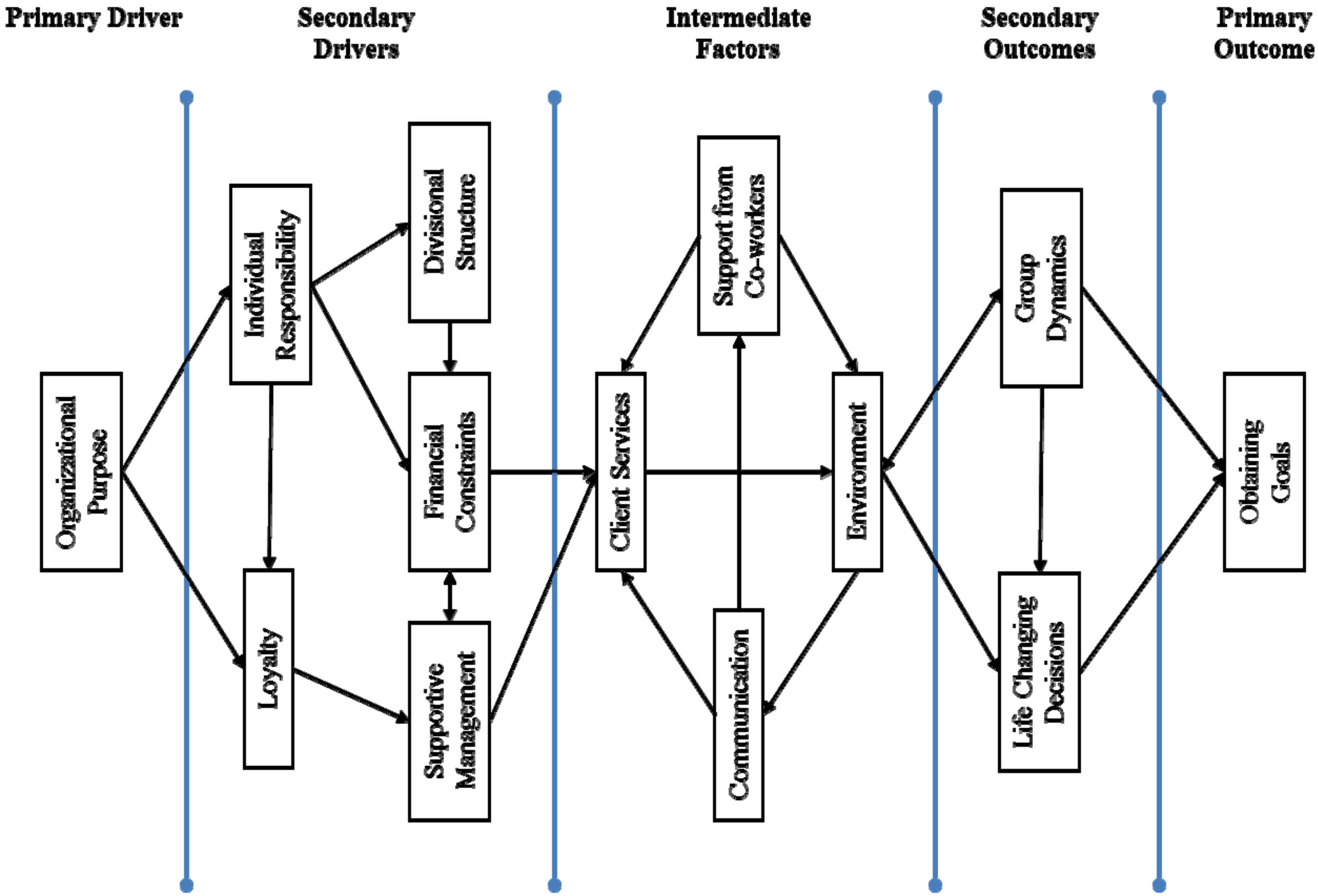


Figure 6. Case Sites in Massetti's (2009) Social Entrepreneur Matrix