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SOCIAL IMPACT SUPPLY CHAIN MANAGEMENT: A THEORETICAL ESSAY

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Master's dissertation presented to the Instituto Coppead de Administração, Universidade Federal do Rio de Janeiro, as part of the mandatory requirements in order to obtain the degree of Master in Business Administration (M.Sc.).

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ABSTRACT

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Supply chain research faces now the challenge to properly include social issues when it comes to sustainability. Current research and practice led to the same unsustainable results, as traditional companies continue harmful social practices for society, whilst NGOs and non-profit face challenges of financial stability due to the reliance on donors. Nevertheless, there still are some companies lying in the continuum between traditional and non-profit: social enterprises. These mission-oriented ventures that both compete in the market and address complex social problems. Under this context, this conceptual paper seeks to advance further on the concept of social impact supply chain management, by providing a systematic way of investigating social enterprises' supply chain management to generate social benefit while maintaining financial viability in the long term. Towards this goal, the present study provides a historical perspective on how literature evolved through time to encompass the social dimension in business and supply chain activities. Since social enterprises respond to multiple conflicting logics, as the economic and the social-welfare ones, the lens of institutional theory was applied for the development of a conceptual framework to guide analysis in the field. Lastly, this work provides a research agenda for the future towards a better understanding of this phenomenon.

Keywords: Supply Chain Management, Social Sustainability, Social Impact, Social Responsibility, Institutional Theory

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1 INTRODUCTION

1.1 Context and Relevance

“Today it is clear that the terms of the contract between society and business are, in fact, changing in substantial and important ways. Business is being asked to assume broader responsibilities to society than ever before and to serve a wider range of human values. Business enterprises, in effect, are being asked to contribute more to the quality of American life than just supplying of goods and services. Inasmuch as business exists to serve society, its future will depend on the quality of management’s response to the changing expectations of the public”. (Committee for Economic Development, 1971 p.16)

It is a consensus that one of the significant challenges, if not THE major problem of contemporary society, is regarding the concept of sustainable development. The Brundtland Commission’s (1987) report “Our Future” defines as sustainable the development that “meets the needs of the present without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development, 1987). At least since Rachel Carson’s book *Silent Spring* in 1962, the general public is aware of evidence that humanity through large-scale actions is debilitating nature impairing our existence as a society. Carson’s (1962) own words “our heedless and destructive acts enter into the vast cycles of the earth and in time return to bring hazard to ourselves.” These warnings were sustained by Adler (2015), who states that humanity is currently using the earth’s resources at a much faster pace than they can be replenished. In a matter of years, not decades, irreversible cycles may compromise the lives of billions of people around the world.

Furthermore, despite our efforts on this matter, Montabon et al. (2016) point out that the vast majority of research and practice are still leading to the same unsustainable results. Even worse, a common and widespread belief, the revolution of rising expectations, implies that each succeeding generation ought to have a standard of living higher than that of its predecessor (Carroll et al., 2018). The rising expectations are outpacing the responsiveness of institutions such as businesses, thus creating a constant gap between society’s expectations of social conditions and the current social reality, generating dissatisfaction and social problems.

Not just is society's present way of development undermining Earth's life-support systems capacity, but also the future generations are expecting to exacerbate our current unbalances.

The business of the 21st century is now required to face challenges beyond the economic viability and also become accountable for the 'sustainability agenda.'

"The sustainability agenda, long understood as an attempt to harmonize the traditional financial bottom line with emerging thinking about the environmental bottom line, is turning out to be much more complicated than some early business enthusiasts imagined. Increasingly, we think in terms of a "triple bottom line," focusing on economic prosperity, environmental quality and – the element which business has tended to overlook – social justice" (Elkington, 1998a p.2)

Bowen (1958) was aware of the upcoming societal issues and advised businessmen to assume these 'twin responsibilities,' of "improving the operation of the total economy" (p. 28), as well as helping "solve the economic and social problems" (p. 28). Otherwise, there would be a "rise to demands for further public intervention in the economic affairs" (p. 28). Nevertheless, in the following decades after Bowen's work, a particular ideology has increasingly penetrated most of the disciplines in which management theories are rooted, which "curbed managers' ability to play out a more positive role in society" (Goshal, 2005 p.78), consequently, those 'twin responsibilities' were often neglected. Corporations only responded reactively when faced with environmental issues, waiting for crises to occur, and then trying to mitigate their evil effects (Berry & Rondinelli, 1998). What followed at this point was what Bowen predicted: a reaction of civil society and governments raising constraints in business affairs, not only by the emergence of governmental regulation, as the National Environmental Policy Act (1970) in the US, but also by the birth of environmental Non-Governmental Organizations (NGOs). The Greenpeace (1971) and the international concerns of the UN Conference on the Human Environment held in Stockholm (1972) were the first initiatives aimed at containing business harm to the environment. Regulation on environmental protection grew faster in the following decade as a response to the recurring disasters, such as the Bhopal gas tragedy in India (1984), the Chernobyl nuclear disaster (1986), and the Exxon Valdez oil spill (1989).

In many cases, corporations limited their efforts to mere compliance with laws and requirements (Giovannoni & Fabietti, 2013). Until the mid-90s local authorities and NGOs were probably the most active players trying to implement sustainable development, but more recently, the focus has shifted towards business as a major actor (Dyllick et al., 2002;

Giovannoni & Fabietti, 2013). In the 21st century, business, much more than governments or non-governmental organizations, needs to be in the driving seat for this global cultural revolution (Elkington, 1998a). It is unquestionably the critical role of business in this transition towards a sustainable society since it is impossible to leverage a high enough tax for governments to undo the harm of large-scale unsustainable business.

The path towards sustainability is tortuous, however. Since, “however much a single company may be able to do on the eco-efficiency front, in the end, sustainability will depend on the progress of entire concentrations of industry, complete value chains, and whole economies” (Elkington, 1998b p.48). As such, supply chain management (SCM) has the potential to be a locus field of integrating sustainable decisions (Mohrman & Worley, 2010). Unfortunately, however, global supply chains are still noted to play a significant part in this degradation, since they are one of the principal means through which manufactured capital displaces natural capital (Matthews et al., 2016). In this sense, SCM can be considered not just a cause, but also a part of the cure to unsustainable business. Furthermore, if sustainability is all about long-term survival, most supply chains in existence today would not be able to survive unless they change practices and business models to address their negative social and environmental impacts (Pagell & Shevchenko, 2014). Therefore, SSCM research is fundamental to help advance theory and practice in the creation of truly sustainable supply chains.

Hall (2000) was one of the early observances of sustainable aspects in the supply chain literature when a process of “environmental innovations diffused from a customer firm to a supplier firm” was perceived. The ‘environmental innovation’ mentioned being either a product, process, technology, or technique developed to reduce environmental impacts. Since then, Sustainable SCM (SSCM) research has grown considerably (Beske-Janssen et al., 2015; Touboulic & Walker, 2015).

Touboulic and Walker (2015), in a systematic literature review over the subject, observed before the 2000s, supply chain research over sustainability was not explicitly defined as so, only after the 2000 definitions start to become more precise and multifaceted. One commonly accepted definition is Seuring and Müller’s (2008), defining SSCM as not just the management of flows but also the cooperation among companies while taking goals from all three dimensions of sustainable development, taking into account requirements from

customer and stakeholder. Such perspective aligned with Elkington's (1998a) concept of the triple bottom line (TBL) model.

Despite meaningful progress transforming SSCM research from 'fringe' to mainstream (Pagell & Shevchenko, 2014), there still seem to be discrepancies between SSCM theory to date and other kind sustainability research. One of the discrepancies pointed out by Matthews et al. (2016) was that SSCM focused too much on win-win outcomes, while economics literature already assumed that sustainability eventually would require painful trade-offs. Therefore, truly sustainable supply chains would involve both changes that have win-win outcomes and changes that would force inevitable trade-offs was that SSCM focused too much on win-win outcomes, given the complex nature of sustainability (Hahn et al., 2010). In this sense, although research until nowadays made progress in the directions supply chains becoming more sustainable, it still did not adequately address the *truly* sustainable supply chain issue (Pagell & Shevchenko, 2014). The truly sustainable supply chain would "at worst do no net harm to natural or social systems while still producing a profit over an extended period of time" (Pagell & Wu, 2009 p. 38). Such misunderstanding of what SSCM *truly* means led to the prevalence of the win-win outcome mindset where "sustainability issues are ultimately judged through the lens of profit maximization rather than being treated as ends in themselves" (Hahn et al., 2010 p. 219). As a result, it is creating prevalence of the financial side over other dimensions (Pagell & Shevchenko, 2014; Matthews et al., 2016; Montabon et al., 2016), leaving the social dimension as the most neglected one. Touboulic and Walker (2015), in a systematic literature review, "there is certainly a gap around social and human dimension of sustainability" (p. 34), being the social dimension one of the under-explored aspects of SSCM. There is a convergence among SSCM researchers to recognize that the social aspect of sustainability has been oversight in comparison with economic and environmental sustainability (Dillard et al., 2008; Pullman & Dillard, 2010; Wu & Pagell, 2010; Walker et al., 2014; Touboulic & Walker, 2015; Lee & Tang, 2017; Pullman et al., 2018).

As mentioned, NGOs and governmental institutions took front as societal actors setting standards and certification programs, as well as designing and implementing regulation to obtain favorable socioenvironmental outcomes (Delmas & Young, 2009). Nevertheless, nonprofit organizations depend on external sources of funding, such as public money or charity, since they lack financial stability (Pullman et al., 2018). For Elkington

(1998b), NGOs are now in an increasingly dominant position. Some of them are even preparing to partner with businesses and through markets. In Parallel, for-profit businesses are now pressured to take social objectives more seriously not only from main stakeholders but also from social media. On the other hand, even if a firm may come up with a product with significant social impact, that firm and its supply chain partners tend to prioritize shareholders interest putting up extreme price levels (Pullman et al., 2018).

In this sense, non-profit organizations lack the financial stability for being the answer for long-term sustainability endeavors, and pure for-profit organizations struggle with the conflict created by shareholder's interests and an independent social agenda. In this respect, to better address this issue, social enterprises emerged as a possible answer, due to its hybrid nature, of pursuing a social goal enabled by economic activity (Pullman et al., 2018). While for-profit businesses rely mostly on market activities and mission-oriented nonprofits and NGOs rely mostly on contributions, social enterprises can pursue socially-oriented goals whilst maintaining economic viability (Battilana & Lee, 2014).

Little research has examined how other types of entities, including social enterprises, act as focal actors in supply chains to achieve a social goal while being economically viable (Pullman et al., 2018). In this regard, Pagell and Shevchenko (2014) suggest that researchers should be opened to study this kind of social purpose organization, especially in less developed parts of the world, because these under-studied organizations might become of inspiration for how to do things differently. Therefore, there is an opportunity for further research to understand social dimension issues in SC better and how for-profit organizations, NGOs, and social enterprises are managing their supply chains as focal points to address social sustainability.

1.2 Objective

Despite the consensus that analyzing social enterprises can provide valuable insight on how traditional for-profit businesses can address current unsustainability, current research still does not have a well-established understanding of what to analyze and how to approach the field. Because of that, as a consequence, research nowadays needs proper integration of

already developed theoretical works, as well as comparability for results in different empirical studies.

Therefore, the objective of the present work is to provide a systematic way of approaching the field of SC when looking at hybrid organizations that pursue both a commercial and a social welfare logic – also presenting opportunities for future research in order to understand social enterprise phenomena better. Given that, two main research questions were proposed:

RQ 1: *How did SCM literature evolved through the years when looking at the social duties of businesses?*

RQ 2: *What are the dimensions SCM research should consider when investigating organizations managing their supply chains to generate social benefit whilst maintaining or improving financial viability in the long-term?*

1.3 Normative Assumptions

As an underlined assumption, the author reserves the right to take a normative point of view, understanding that sustainable practices are both desirable and feasible. Since Rio +20, the UN agreed on the need for Sustainable Development Goals (SDGs), emphasizing the importance of both social and environmental concerns and the need for a more comprehensive definition of the role of business for sustainable development (Giovannoni & Fabietti, 2013). Rockström et al. (2009) identified nine planetary boundaries that humanity could not safely transgress. Recent empirical evidence suggests that some of them have already been breached, which raises concerns for the practical impacts on society, even jeopardizing the social development gains in the last decades (Matthews et al., 2016). Therefore, unsustainable businesses, that appropriate financial value, while leaving negative externalities, damaging both the environment and social fabric should be contained. So, it would be possible to give birth to a new sustainable paradigm with an ecologically dominant logic (Montabon et al., 2016).

In this scenario, it is crucial to assume that business engaging in small compensatory actions, as corporate social responsibility initiatives (Carroll, 1979) with just a fraction of their generated income is not nearly enough to revert this worrying scenario. Under the triple bottom line perspective (Elkington, 1998), such socially responsible initiatives are just traditional business, generating economic value, with compensatory actions partially compensating the harm generated in the other dimensions by sharing a fraction of the economic value created. Even worse, these current dominant assumptions are leading to the same unsustainable practices (Montabon et al., 2016), and giving reasons for firms to develop sophisticated greenwashing practices. While there is an effort to publicize their “sustainability” efforts from a small reduction of harm, firms keep privileging the economic value and keeping their unsustainable business models (Crane et al., 2014). Research needs to agree that reducing harm is not equivalent to generating value. For a business to be truly sustainable, it should “at worst do no net harm to natural or social systems while still producing a profit over an extended period of time; a truly sustainable supply chain could, customers willing, continue to do business forever” (Pagell & Wu, 2009, p.38).

In addition to that, tensions in both intertemporal and spatial dimensions, which are often-neglected, need to be considered. Griggs et al. (2013) are clear that it is necessary to safeguard Earth’s life-support system while mentioning the “welfare of current and future generations depend” (p. 306). This temporal element is essential in sustainable development because it emphasizes the intergenerational equity aspects of social and environmental issues (Hahn et al., 2014). There is an apparent mismatch of incentives because corporate decision making has a much shorter time horizon consideration than the long-term implications of their practical actions; the same is true for policy-making and regulatory aspects. Hahn et al. (2010) point out the relevance of conflicts between intragenerational and intergenerational equity, for example, the fair use of resources for the wellbeing of present generations versus the preservation of resources to ensure the wellbeing of future generations. The spatial element captures the intragenerational tension when it concerns to equitable development opportunities between developed and underdeveloped regions (Hahn et al. 2015). The authors observe that the very same firms operate sites differently in developed and developing countries with different environmental or social standards. In this sense, multinational firms face the question of whether to act under home country standards, host country standards, or by a universal standard. This is evidence why those tensions touch upon the concept of

“environmental justice,” as firms often set polluting facilities in low-income, minority, or other disadvantaged neighborhoods (Pellow et al. 2001, apud Hahn et al. 2014).

Those three aspects, the inadequacy of compensatory practices, the intergenerational trade-offs, and the spatial conflicts are the ones that convince the author of the present work that policy-makers intervention with regulation would not be timely nor sufficient enough, and a proactive approach from enterprises towards sustainable development is a must.

In this sense, institutional theory emerged as a valid option to investigate this environment, for mainly two reasons. First, because such theory understands each firm as a fraction of a more significant institutional environment, allowing interactions between it and organizations themselves. Those relationships are frequently observed in sustainability research due to continuous relations between firms and the changing legislation over environmental and labor issues, as well as changing expectations and behavior for society. The second reason is that the most recent research developed in the SISCAM context, as Pullman et al. (2018) and Langoni et al. (2019) already use institutional theory as the proper lens to investigate this phenomenon. Thus, being reasonable to adopt the same theoretical lens.

1.4 Institutional Theory

Since the institutional theory is rather broad, a specific set of concepts and authors was chosen, and it is first necessary to introduce such concepts before applying such theory for this particular context.

According to Powell (2007), the main level of analysis in institutional research is the organizational field or societal sector; the initial argument emphasizes the salience of symbolic systems, cultural scripts, and mental models in shaping institutional effects. To the author, an organizational field is a “community of disparate organizations, including producers, consumers, overseers, and advisors, that engage in common activities, subject to similar reputational and regulatory pressures” (p. 3). This community is formed by the complex combination of human actions, social contexts, and institutions (March & Olsen,

1984), and thus, the role of institutional theory is to observe how these interactive processes of action and the formation of a meaning to social life. In this sense, institutional theory understands organizational change as driven by “legitimacy”[1] or the need to conform to expectations of critical stakeholders in the external environment (Ashworth, Boyne & Delbridge, 2007), that explains why such theory emphasizes social and cultural elements that attempt to understand similarity and stability rather than what makes organizations different. Towards this goal, the identification of institutional effects that leads to social stability is vital, to that one must understand the reproductive processes that function as patterns for sequences of activities, that in turn end up achieving normative and cognitive fixity and become taken for granted (Meyer et al., 1997).

Institutional theory is multifaceted (Scott, 1987), though, different perspectives tend to emphasize different aspects of social systems, the presence of two main streams of research, the “old” and the “new” institutionalism, is an indication of such plurality (Fleck, 2007). Both of them claiming that institutionalization produces stability and persistence of structural forms and behaviors

The classic (i.e., traditional) institutionalism is a theoretical paradigm that focuses on roles, structures, norms, and processes inside the organization. For example, Selznick (1957) points out that the persistence of structural forms in organizations comes from three main sources: imprinting, characteristics retained from the organization’s past, value infusion by leaders, and the tendency of conformity for work. To the author, those informal structures that emerge from the action of people end up building a system that is “indispensable” for the precise control and delegation structure of the organization.

The new (or neo) institutionalism, on the other hand, switches the focus to the interaction of the organization with other stakeholders in the external environment, trying to understand the constant and intense pressures from outside the boundaries of the firm reaching inside organizational structures in the pursuit of legitimacy.

To DiMaggio (1991), those two streams of thought identify different sources of constraints. Traditional institutionalism focuses on the political trade-offs and alliances inside the firms. Suggesting that the behavior and actions of people within an organization are frequently shaped and influenced by informal institutions such as patterns coalitions and other elements and incentives, such as promotions and rewards. The new institutionalism stresses

the relationship between the stability of structural forms and the pursue of legitimacy by organizations, that by trying to fit into a common understanding of the institutional constituents, end up replicating such forms.

For the specific context of SISCN and the objectives of the current work, the new institutionalism stream of thought seems more adequate to be used, as supply chains necessarily encompasses actors beyond the boundaries of the firm, and the relationships and power balance between the focal firm and its stakeholders is critical to understand supply chain structures and practices.

For the new institutionalism stream, Meyer and Rowan (1977) emphasize the importance of myths and ceremonies created by organizations to maintain legitimacy and power in their environment, pointing out that organizations are driven to incorporate the practices and procedures leading to structures that reflect the culture, values, and beliefs of the organizations. Those organization's values and beliefs, in turn, are highly "defined by prevailing rationalized concepts of organizational work institutionalized in society" (p. 343).

Conformity to outside expectations and rules also impact organizational efficiency, as organizations tend to develop strategies to reduce the conflict between the institutional rules and internal operations. Furthermore, myths of best practices also emerge based on the supposition that they are rationally more effective. In some cases, those benchmarks may not be seen by an individual inside the organization as the most efficient one and may suffer resistance related to this implementation. In this sense, Meyer and Rowan (1977) observe that "organizations that incorporate societally legitimated rationalized elements in their formal structure maximize the legitimacy and increase their resources and survival capabilities" (p. 355). In the authors' point of view, organizational dependence on external institutions reduces uncertainty by establishing legitimacy. Therefore, when an organizational structure is mostly derived from those institutional myths, it evokes more confidence both internally and externally, leading to remarkable similarities between organizations.

Those observations from Meyer and Rowan (1977) lie in the heart of DiMaggio and Powell's (1983) theory over institutional isomorphism. To the authors, there were three main processes of institutional reproduction: coercive, mimetic, and normative. Coercive factors involve political forces and influences for organization legitimacy, coming from other stakeholders or regulatory oversight by the state, leading to control over the latitude of action

of organizations. Mimetic forces appear as a way of dealing with uncertainty, by copying behaviors associated with known “best practices” generating habitual, taken-for-granted responses. Finally, normative factors that come from the influence of education and the process of professionalization, describing the process in which member of an organization shape their actions according to a desire to maintain autonomy over work procedures and legitimization of their work.

To further develop the concept of isomorphism, it is crucial to understand the underlined sources of those pressures better. From coercive pressures’ point of view, government mandates and regulation, an established system of contract laws, the annual standard budget cycle, financial reporting requirements, appear as the primary sources. From normative pressures’ standpoint, formal education, training, and professional development, certification processes, and the relations coming from professional networks are the mechanisms in which those pressures take place. Lastly, for the mimetic pressures, DiMaggio and Powell (1983) explain that organizations tend to imitate each other regarding to structure “when goals are ambiguous, or the environment creates symbolic uncertainty” (p. 151), those isomorphic responses, come, thus, from a deeply rooted anxiety, when actors are not sure what the outcomes of different processes would be (Ashworth, Boyne & Delbridge, 2007).

To sum up, organizations are comprised of this diverse set of institutional elements, some rule-like, others normative, others borrowed from standards setters (Powell, 2007), being shaped by different combinations varying among one another over time. The institutional approach characterizes itself as a rejection of rationality as an explanation for organizational structure, moving towards an emphasis on legitimacy as an explanation for the success and survival of organizations (Thornton, 2004).

More recently, other authors shifted from understanding ‘how’ this isomorphic behavior happens (coercive, mimetic, and normative) to observe ‘why’ does it occur, understanding what underlined ‘logic’ is defining the content and meaning of institutions — focusing specifically on the effects of differentiated institutional logics on individuals and organizations in a variety of markets, industries and organizational forms (Thornton & Ocasio, 2008). Those logics, in their turn, shape behaviors of organizational actors, and the actors themselves also have some agency over institutional logics.

Thornton's (2004) proposition of understanding the motivations behind actions despite being new, is rooted in two principal authors from the past century. Luc Boltanski and Laurent Thévenot in the book *On Justification: Economies of Worth* ([1986] 2006) envisioned six different "worlds" to represent the polities, each one represented by an author, and further developed those worlds into the logics and worth by which people justify their actions: the inspired world (St. Augustine), based on the principle of grace; the domestic world (Bossuet), based on esteem and reputation; the world of fame (Hobbes), based on popularity and hierarchy; the civic world (Rousseau), based on the common good; the industrial world (Saint-Simon), based on technical and efficiency paradigms; and the market world (Smith), based on competitiveness.

More specifically, the idea of logics in institutional theory first appeared in Friedland and Alford (1991), who recognized institutional orders: capitalist market, bureaucratic state, democracy, nuclear family, and the Christian religion. Each one of those orders with a central logic that guides its organizing principles and provides social actors motive and identity. To the authors, the institutional environment, then, emerged as patterns of activity in material practices and symbolic systems, due to interrelationships between individuals, organizations, and society.

For the present work, Thornton's (2004) definition of institutional logic as a set of principles that prescribe "how to interpret organizational reality, what constitutes appropriate behavior, and how to succeed" (p. 70) is the definition accepted. Therefore, institutional logics aims to understand individual and organizational behavior, that are "located in a social and institutional context, and this institutional context both regularizes behavior and provides opportunity for agency and change" (Thornton & Ocasio, 2008 p. 102). The link between institutions and actions provides a bridge between structural macro perspectives, with more micro, process approaches (Thornton & Ocasio, 2008), which, in turn, is rather desirable to analyze the context of the present work.

The lens that Thornton (2004) proposes characterizes the logics in six sectors: markets, corporations, professions, states, families, and religions, more recently Thornton, Ocasio and Lounsbury (2012) added the community as the seventh logic. Under those foundations, Thornton and Ocasio (2008) propose a set of five underlined principles to conduct the application of institutional logics theoretical lens:

- The embedded agency, which interprets decisions as a result of the combination between individual agency and institutional structure, presupposing, thus, partial autonomy of individuals;
- Society as an inter-institutional system, understanding the contradictions between the logics between different institutional orders, enabling the presence of heterogeneity in organizational fields due to those contending logics;
- The material and cultural foundations of institutions, assuming that each of the institutional orders in society has both material and cultural characteristics, leading to institutional development and change as a result of the interplay between those forces;
- Institutional at multiple levels that proposes that institutional logics may develop at a variety of different levels, for instance, individuals, markets, organizations, industries or even inter-organizational networks, in this regard, it becomes paramount to determine at which level of analysis institutionalization occurs;
- Historical contingency, this assumption states that the different institutional orders differ on development and importance overtimes, which implies that studies' findings are valid in specific historical periods, but maybe not in others.

The authors propose a set of mechanisms to be analyzed to define how institutional logics shape individual and organizational action as, for instance, through collective identities and identification, contests for status and power, classification and categorization, and share of attention. They also reflect upon how those institutional logics change over time, due to the endeavors of institutional entrepreneurs, the overlap between distinct organizational structures and individual roles, the temporal sequence of unique events that transform the meaning of cultural symbols and socio-economic structures, as well as the presence of competing logics as antecedents and consequences of institutional logics modifications.

A particular set of focus was proposed Greenwood et al. (2011), which noted that when organizations confront incompatible prescriptions from multiple institutional logics, institutional complexity arises. Greenwood et al. (2011) agree that logics provide guidelines on how to interpret and act, and organizations comply with them in order to gain endorsement from relevant referent audiences. The real problem, however, arises when organizations face

multiple logics that may (or seem to) be mutually incompatible, leading to inappropriate prescriptions and, thus, generating challenges and tensions in the organization. Furthermore, the own nature of institutional complexity is fundamentally shaped by processes within organizational fields, and, therefore, is not fixed over time. The authors also point out that whilst mature fields present stable “settled” priorities between logics; emerging fields are characterized by intense friction between logics. Over the long term, however, new organizations enter the field bringing new ways of thought, social circumstances shift, leading institutional complexity to change, and re-form, creating a new landscape to which organizations have to respond.

In this regard, when considered different organizations, institutional complexity is experienced differently and, thus, is responded in different ways and intensities. These responses are one of the critical aspects to be understood because they impact organizations’ social legitimacy. Responses to conflicting demands inevitably prioritize some interests at the expense of others and shape the organizational future (Greenwood et al., 2011). The authors’ model recognizes that there is an inherent institutional pluralism in the environment, institutional complexity is, then, derived from it. Nevertheless, as aforementioned, depending on the field structure, organizations are impacted in different ways and tend to respond differently. Because of that, to understand the relationship between institutional complexity and organizational responses, given a particular variety of organizational owned attributes, matters for more practical reasons, because better understanding would lead to better regulation from policymakers and better decisions by managers.

1.5 Theoretical Lens

The lens chosen to be looked through in this context is Institutional Theory, especially the new institutionalism stream of thought, regarding organizational isomorphism, institutional logics, and institutional complexity. In Touboulis and Walker’s (2015) systematic literature review analyzing the use of theory in SSCM from 2010 until 2013, the institutional theory was used in less than 20% of the papers analyzed, while RBV and Stakeholder Theory

were much more used. Nevertheless, when it comes to Social enterprise literature, Battilana & Lee's (2014) seminal article about hybrid organizations is developed under the Institutional Theory lens. Many other articles regarding this context, as Mason (2012), Wijen (2014), Lee (2014), Besharov & Smith (2015), Battilana et al. (2015) apply this theory. More recently, Pullman et al. (2018) theorizing about SISCMS also resorted to institutional complexity to further develop the synthesis over SCM of hybrid organizations. Therefore, just looking at past research about this particular context, Institutional Theory sounds an appropriate lens.

The chosen theoretical toolkit is useful in this context for several reasons, first of all, social enterprises combine aspects of business and charity forms, while the for-profit form refers to traditional commercial view aiming returns to shareholders, the non-profit form necessarily lead to more interaction with the external environment, towards target beneficiary or even society itself (Greenwood et al., 2011). Institutional theory deals reasonably well with those interactions between the firms and their external institutional environment, not just regarding the regulatory aspects, but also related to cultural and cognitive aspects in society (Scott, 2001). This theory also emphasizes the necessity of organizations and their members to legitimize themselves either to society or to their peers (Meyer and Rowan, 1977, DiMaggio and Powell's, 1983, Scott, 2001, Thornton, 2004), to do that the presence of shared beliefs, as myths, and standard practices as ceremonies play a crucial role. This kind of perspective becomes really useful, since social enterprises propose different kind of value creation, not just economic, but also social, and need to legitimize themselves not just to owners, debt-holders, partners and workforce, but also to the whole society and the vulnerable population targeted as beneficiary.

Another convenient trait of institutional theory is that it can accommodate data at multiple levels of analysis, for example, at the individual, organizational, and environmental (DiMaggio, 1994). As examples, Thornton & Ocasio (2008) describe several studies varying societal levels, field levels, industry levels, and even individual levels. Wijk et al. (2018) even propose a multi-level conceptual model to explore social innovation with an institutional lens, comprising micro-level, focused on the individuals of change, meso-level, referring to the organizational fields, and a macro-level, referring to the whole institutional system. This trait is particularly useful because for the context being studied the inter-level interactions are crucial to be understood, for example, societal and organizational levels interact heavily; as legitimacy demand come from the former to the latter, and social value comes from the latter

towards the former, concurrently, organizational and individual levels also have relevant interactions, as professionalization practices come from individuals to organizations, and at the same time organizations have to fulfill workforce needs.

Another exciting approach available from institutional theory is regarding organizational isomorphism (DiMaggio & Powell, 1983). Through this lens, it would be possible to analyze isomorphic pressures influencing social enterprises, that might, in theory, push social enterprises both towards non-profits forms, undermining financial sustainability, or towards for-profits, leading to the risk of mission drift. Investigating the sources of those pressures, for instance, coercive pressures coming from regulatory and contractual environments, mimetic pressures from other types of enterprises, and normative pressures from education and professionalization of the workforce, can lead to valuable insights.

Lastly, research on hybrid organizations drew theoretical contributions from the literature on organizational identity, organizational forms, and institutional logics (Battilana & Lee, 2014). Social enterprises can be categorized as hybrid organizations by combining multiple institutional logics, being those logics the taken-for-granted beliefs and practices that guide actors' behavior in fields of activity (Friedland & Alford, 1991). In this sense, the existence of multiple logics lies in the heart of social enterprises. Thus, the extent to which logics co-exist within an organization, and the extent to which they provide compatible prescriptions for action (Besharov & Smith, 2015) is a crucial aspect in understanding those kinds of businesses. Moreover, Greenwood et al. (2011), by linking institutional plurality in the environment, institutional complexity accrued from the conflicting logics and organizational responses as the prescription for action and decision making provides a starting point framework for the discussion to develop further.

2 RESEARCH DESIGN

A research project can be characterized by the conjunction of three dimensions: context, theory, and method. The context refers to the situation or phenomena being researched, the theory underlies what lenses the researcher analyzes the issue proposed, and the method explains how the field is being approached.

The present study has as a context the social impacts in the supply chain, in other words, how firms manage to build relations, policies, processes, and assure decision-making having as a goal generating social benefits, while simultaneously assuring financial viability. Towards this particular context, institutional complexity, as the theoretical foundation, arises as a good alternative, since it is able to deal with multiple logics characterized in the institutional environment, in the present case, mostly the purely commercial and the social-welfare (Pullman et al., 2018). Institutional theory deals well with the interactions and beliefs of many actors embedded in an institutional complex field, from which firms pursue legitimacy by complying with different logics.

As literature of SISC, as proposed by Pullman et al. (2018), is still recent and insipient, there are few and limited models and frameworks to guide researchers. Therefore, there is an opportunity for conceptual theory building as a method for advancing research as it is now.

The research engine chosen for the present literature search was the ScienceDirect, which covers top journals in the general management and supply chain field. Brainstorming was used to select keywords related to social impact, followed by snowballing to add more keywords to the search learned in the abstract screening of previously selected articles. The list of search keywords combined with 'supply chain management' was the following: 'social impact,' 'sustainability', 'social responsibility', 'social value', 'social benefit', 'societ*', 'social sustainability' and 'shared value'. The period considered for research was from 2000 onwards. Articles were selected based on their abstracts and their relevance.

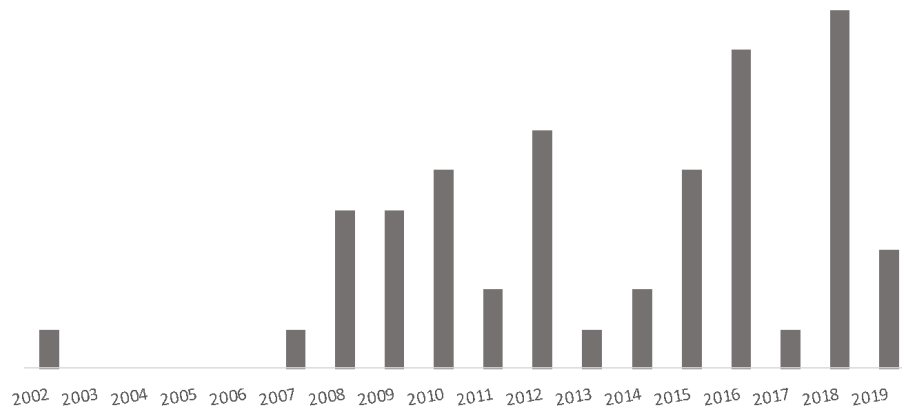


Figure 1. Articles per year of publication

The first search resulted in 52 papers in the supply chain domain, related to the keywords searched. The leading journals exploring such subjects were the Journal of Cleaner Production (JCP), the Journal of Supply Chain Management (JSCM), and the Supply Chain Management: An International Journal (SCMIJ), accounting for more than 40% of the entries, see figure below. Such results are in line with previous literature reviews over the topic, as Sodhi and Tang (2018).

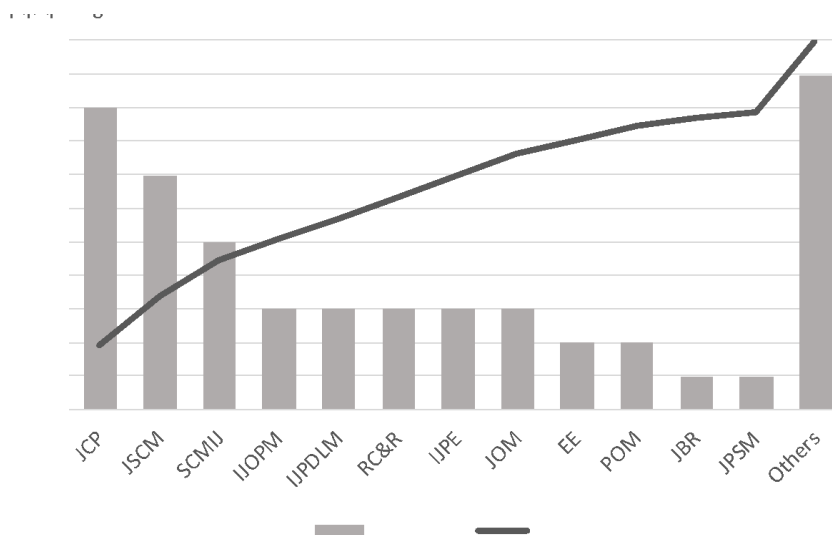


Figure 2. Number of papers per Journal

Also, preliminary research also noted that social challenges had been tackled frequently in sustainability research, altogether with environmental aspects, as observed by Touboulie et al. (2015) in a systematic literature review. Moreover, few articles in the supply chain field focused on firms that aim to generate social impact, as social enterprises, exceptions made for research over Bottom of Pyramid supply chain, and Social Impact Supply Chain, as seen in the image below.



Figure 3. Percentage of papers per main topic

Due to this absence of supply chain management literature focused on social impact, in order to generate theoretical contributions, instead of a systematic literature review approach, snowballing appeared as a more suitable technique to be applied for this specific study. The snowballing allowed the author to pick selected seminal articles over social issues, not just focused on supply chain issues, but also considering business in general. To undertake such research method, three methodological steps were undertaken as following.

First, a historical literature review over the social context, not just in the supply chain field, but also considering business in general. The objective of bringing business in general for the historical perspective is to identify the influences of such literature in the supply chain field, as well as complement social impact research that is lacking in the supply chain fields, but abundant in general business literature. This historical perspective over the social context can help envision what can possibly come next in this kind of research.

The second step was to develop a guiding framework for future research. This framework has two main objectives, to complement social impact in supply chain management literature with aspects observed in general management literature for social enterprises, as well as to organize current literature in an intuitive way to further help future research.

The third and last step was to provide suggestions for future research directions. Given the framework developed in the previous step, it is possible to point out research opportunities for less developed areas, as well as other ways of approaching the field.

By going through all of those three steps, the research question aforementioned is well-addressed.

2.1 Historical Perspective

For the historical perspective sections, the 52 articles from the supply chain field were complemented with 32 more for business in general. The objective of bringing this view of business, in general, was to provide a robust theoretical foundation for ‘social responsibility’ and ‘social sustainability’, by considering keystone articles, as Carroll (1979) for social responsibility and Elkington (1998a) for sustainability issues. Those articles were selected by snowballing the most cited foundation articles in the first research. Moreover, as aforementioned, supply chain research lacks ground for social impact research, that is why bringing literature of ‘shared value’, as Porter and Kramer (2011) and ‘social entrepreneurship’, as Battilana and Dorado (2010), can be helpful in further developing theory in this particular context. A detailed list of the article is presented on Appendix G.

	<u>Supply Chain</u>	<u>Business</u> (new)
Social Responsibility	10	6
Social Sustainability	32	5
Social Impact	6	21
Multiple	4	0
<u>Total</u>	52	32

Table 1. Historical perspective articles

As aforementioned, by not being a systematic literature approach, the authors were allowed to pick selected articles aiming not just to fill potential gaps in the first literature review, but also to assure that seminal articles and its correlate discussions are present. In this sense, as noted in the table above, due to the absence of literature over social impact in supply chain management, the author chose to compensate by leveraging literature over business in general, more notably, regarding social entrepreneurship and social enterprises.

Furthermore, the author resorted to systematic literature reviews from other authors over many topics relating business and the social dimensions, not necessarily related to supply chain, for instance, corporate social responsibility as in Montiel et al. (2008), sustainability as in Touboullic et al. (2015) and social entrepreneurship as in Phillips et al. (2015). With those literature reviews, it was possible to snowball towards the seminal articles over the topics understanding the foundations for each one of those concepts that tie the social dimension to business-related activities. Acknowledging the foundations of such concepts enabled the author to build a longitudinal narrative, in the author's point of view, in how the literature evolved so far, correlating those developments with social and political events (e.g., UN conferences). This kind of narrative helps because, despite being just an interpretation from the author, understanding the trajectories of the importance of the social dimension to business makes it easier to envision what can come next, which helps to answer the research question of what dimensions should be considered when approaching the subject.

Understanding the characteristics and the evolution of business research over social issues helped to understand social models in SC better (e.g., LSR, PSR, SRB, SRSCO), noticing some of their biases, their flaws, and why they were unable to address the social issues they aimed to. Hence, the main contribution of this section is learning from the past what was previously developed, to provide a novel, holistic, and integrated way to understand organizations pursuing social impacts and financial stability.

2.2 Integrative Framework

The integrative framework was a way of organizing current knowledge over social impact in a recurrent framework model (antecedents-process-outcome), in order to provide a guide to researchers approaching the field with the objective of understanding what decisions of social enterprises affect the shape of the SC and the relationships between the focal firm and the stakeholders.

In order to do that, a shortlist of 48 relevant articles over the topics, 25 of them being theoretical and 23 of them empirical, were chosen to be analyzed more profoundly, in order to provide both inductive and deductive reasoning insights to further developed the framework. With both stimuli, it is possible to look at evidence found in many empirical studies and formulate a theory of relevant factors to be analyzed, and also to compare those conceptual constructs with previously built theory in order to reach a more holistic view. In theoretical studies, the most common method used is a literature review, followed by a conceptual theory development. For the empirical studies, both case studies and surveys are frequently used, as seen below.

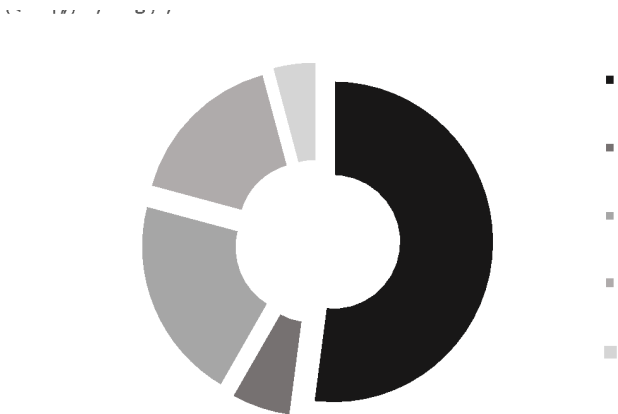


Figure 4. Papers per method employed

Since a common macro-structure of antecedents, process, and outcomes was used in the framework, the papers selected in the shortlist were then categorized in which of the steps of the stream do they contribute for conceptualization. For each one of the steps of the stream, there was a list of articles that either mentioned, developed, or theorized/modelled this particular dimension. Articles that just briefly quoted one of the dimensions of the macro-structure were marked as if they just ‘mentioned’ the topic. Papers that explained and

detailed one of the dimensions considered were marked as ‘developed’ the subject. Lastly, the works that considered the dimension in a conceptual framework (theoretical) or modeled it in the analysis (empirical) were marked as theorized/modeled. The percentual results of this categorizing effort can be seen in the figure below. There were also articles that did not even mention one of the steps, and this fact explains why neither antecedents, process, or outcomes reach 100%.

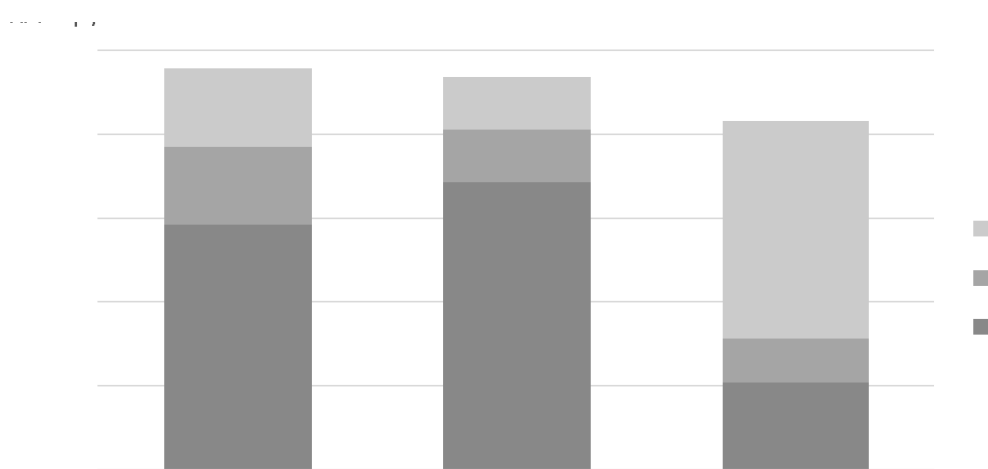


Figure 5. Percentage of papers per stream step

By doing that, it was possible to notice, as expected, that the ‘process’ step of the framework is the most frequently worked in this particular literature considered. Also, it also shows that the outcomes dimension is often neglected to be adequately modeled, in line with Beske et al. (2015) perceptions, when the social impact is discussed. This kind of analysis does not show, however, if there is convergence in the typologies used in the theoretical developments neither if there is convergence in the metrics used when the method employed is a case study or a survey.

To sum up, this framework provides mainly three contributions. The first is to organize previous literature, in a familiar framework, providing the primary constructs proposed. The second is to work as a guideline for future research on how to approach these particular problems, suggesting which are the main aspects of gathering data from, and what patterns to

look at when analyzing the gathered data. In other words, with this framework in hand, the researcher can optimize his/her own efforts. The third contribution is to work as a fundamental basis for research to be built upon by either discarding dimensions that, despite being theoretically hypothesized, were not observed/supported in the field or by being provided new dimensions and constructs to advance research further on.

2.3 Future Research Agenda

After developing the framework, the future research agenda session proposes specific topics and specific approaches for researchers to tackle this particular context through institutional theory lens.

The author observes at least three main ways of further developing the literature using the framework provided. The first way would be to comprehend the framework as a whole and conduct future studies considering all the elements and interactions proposed. The second way would be to look at specific relations between elements in the framework, for instance, understanding how a specific set of processes leads to different types of outcomes. The third way of using such a framework in evaluating the very constituents, the dimensions proposed, in different settings, firms, and industries, for instance, comparing SC structures (coupled, decoupled, or combinatory) in social enterprises.

The future research agenda proposed aims to point out what are the next steps required in order to understand better how social enterprises manage their supply chains to generate social impact while maintaining financial stability.

3 A HISTORICAL PERSPECTIVE OF THE SOCIAL DIMENSION OF SUSTAINABILITY

As mentioned before, a theoretical background under a historical perspective is the first step to provide constructs better to be carried out.

3.1 Social Dimension in Business

Over the year, business literature produced extensive research reflecting on the social aspects of the business. This work came since the 1950s with reflections over social responsibilities of business, going through the sustainable agenda, influenced by international agreements and ISOs, as well as the concept of shared-value coined by notorious strategists earlier in this century.

3.1.1 Social Responsibility and Social Performance

The publication of *Social Responsibilities of the Businessman* by Howard R. Bowen's in 1953, is considered by many authors to be the first definitive book on the Social Responsibility (SR) subject (Carroll, 1979). Bowen (1953) pointed as an obligation of businessmen to “pursue those policies, those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of society” (p. 6), as it is assumed that businessmen “as servants of society, (...) must not disregard socially accepted values or place their own values above those of society” (p. 6). In this sense, the voluntary assumption of social responsibility would be “a practical means towards ameliorating economic problems and attaining more fully the economic goals we seek” (Bowen, 1953 p. 6). For Bowen (1953), a business should be conducted with concern for the effects of business operations upon the attainment of valued social goals, in an effort to structure what kind of goals, 11 were listed.

Businessmen's responsibilities, according to Bowen (1953), were much broader and went further beyond just representing the financial interests of shareholders, went from personal security of the individual until a compromise towards national defense.

A few years after Bowen's work, in the mid-1950s, discussions of the social responsibilities of businesses were widespread, but still lacking consensus in what the concept really meant (Carroll, 1979). In an effort to reduce this ambiguity, Davis (1960) defined social responsibilities as "business businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest" (p. 70). To Davis (1960), social responsibility had two different faces. On the one hand, since businessmen are operating an economic unit of society, they had an obligation towards the community economic development, which affects the public welfare. On the other hand, businessmen have an obligation to nurture and develop human values.

According to Frederick (1960), this view confronted with the mainstream philosophy and economic order in that time, laissez-faire, as the current schools of thought based on it failed in providing a substantive of the social responsibilities of the businessman. Frederick (1960) stated that an adequate theory of business would draw value from socially competent production and distribution, as well as the development on a broad social scale. To the author, businessmen should manage operations aiming to fulfill the expectations of the public using the means of production to enhance total socio-economic welfare. Thus, social responsibility in the final analysis would imply a public posture toward society's economic and human resources, "as a willingness to see that those resources are used for broad social ends and not simply for the narrowly circumscribed interests of private persons and firms" (p. 60). What is more, Frederick (1960) warned of the importance to recognize that socially responsible business behavior is not produced automatically, but rather as a "result from a deliberate and conscious effort of those institutional functionaries who have been given this task by society" (p. 61).

Henderson (1968) raised awareness not only of business responsibilities over the already existing issues in society but also over the new arising problems due to business operations. According to the author, there is a growing public awareness that business has created many of the central problems through its own private decision making: "some of those problems are all too visible in such forms as environmental pollution and the endless march of

the automobile swallowing up millions of acres of public land for highways and exploding cities into hundreds of straggling suburbs” (p. 80). Others despite being less obvious “can be seen in the cities and poverty-stricken rural areas where decisions to move plants and hiring and promotions practices have hit the undereducated and untrained, as well as racial minorities” (p.60).

In the late 60s, the concept of Social Responsibility reached not just businessmen as citizens themselves but also companies as economic actors of the society (Carroll, 1999). In the book *Corporate Social Responsibilities*, Walton (1967), addressed aspects of social responsibilities regarding not only the businessperson but also the business firms in modern society. Morrell Heald’s published the book *The Social Responsibilities of Business: Company and Community* in 1970, well-aligned with previous definitions, but also providing discussions of the theory and practice of Corporate Social Responsibility (CSR).

The debate over social responsibilities also faced controversy, though. Milton Friedman (1970), a prominent classical economist, wrote an article claiming that business did not have social responsibilities at all and that social issues should be resolved by the unfettered workings of the free-market system. In the author’s word, there was only one social responsibility of business, "to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game (...) in open and free competition without deception or fraud." (p. 63). Therefore, the sole ‘responsibility’ of a businessman was to maximize the profits of its owners or shareholders.

Keith Davis (1973) responded to Friedman’s (1971) criticism stating that being socially responsible is aligned with the firm’s long-term self-interest since a better society would produce a better environment for business (a sophisticated form of long-term profit maximization). Companies would also benefit by (a) enhancing its public image, of being aligned with society’s wishes; (b) preventing governmental regulation, by owning the issues government would play a reduced role; (c) bringing profit opportunities through the increase in active in social areas, (d) following the Iron Law of Responsibilities, which states that “in the long run, those who do not use power in a manner which society considers responsible will tend to lose it” (Davis & Blomstrom, 1971); and (e) preventing social problems to occur which is better than curing them, since a company always preoccupied in putting out social fire would have no time to accomplish its economic goal.

Davis (1973) defines social responsibility as a “firm’s consideration of, and response to, issues beyond narrow economic, technical, and legal requirements” (p. 312), and reinforced the obligation of the firms to evaluate in its decision-making process the effects of its decisions on the external social systems, aiming to accomplish social benefits along with the traditional economic gain.

Many other authors tried to refine Davis’ definition of the concept, as Purcell (1974), Gavin and Maynard (1975) and Hay & Gray (1974), the latter defined it as the “[r]esponsibilities that extend beyond the traditional economic realm of profit maximization or merely balancing the competing demands of the sundry contributors and pressure groups” (p. 137).

One of the most recognized studies over social responsibility was Carroll’s (1979) that tried to encompass the entire range of obligations business has to society, creating a framework that embodies the economic, legal, ethical, and discretionary categories of business performance. According to the author, these four basic expectations reflect a view of social responsibility present in early definitions but also categorized it in a more exhaustive manner.

Carroll’s (1979) model is one of the most influential in the field, it hierarchized these responsibilities in categories, placing the economic responsibilities as the most important, because “[b]efore anything else, the business institution is the basic economic unit in our society. As such, it has a responsibility to produce goods and services that society wants and to sell them at a profit. All other business roles are predicated on this fundamental assumption” (p. 500). The legal responsibilities category accounts for society’s expectation of “business to fulfill its economic mission within the framework of legal requirements” (p. 500). The ethical responsibilities were tied to the notion that “society has expectations of business over and above legal requirements” (p. 500). The discretionary responsibilities, later called ‘philanthropic’ by Carroll (1991), represented purely voluntary roles and decisions guided only by a business's desire to engage in social roles not mandated, not required by law, and not even generally expected of businesses. This framework was also a decisive effort in bringing the concept from just responsibilities towards a performance that can be assessed through the concept of Corporate Social Performance (CSP).

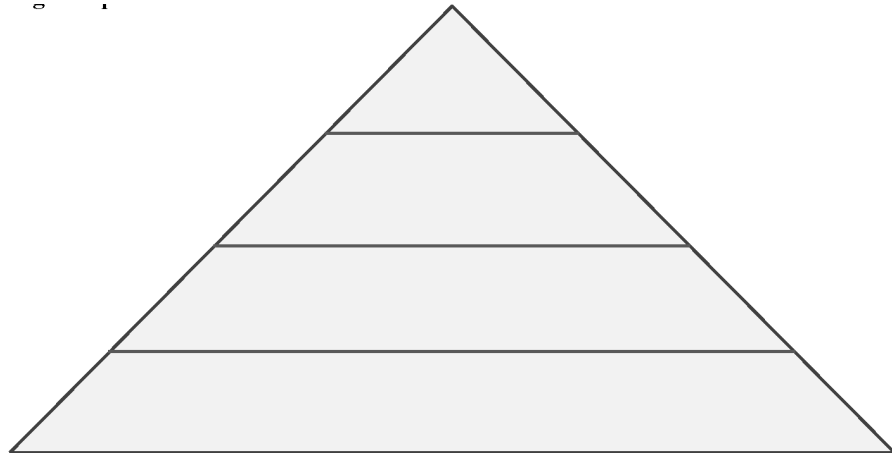


Figure 6. Social Responsibility Categories (Carroll, 1996)

The following literature in the field was primarily based on Carroll's (1979) model and can be divided mainly into two different kinds. The first one is presenting adaptations, different narratives, perspectives, but still using Carroll's (1979) core constructs as a base for further development, as this kind of studies Wartick and Cochran (1985), Boal and Peery (1985), Clarkson (1988) and Wood (1991) can be mentioned. Wartick and Cochran's (1985) model evolved CSP concept dividing it into three main pillars: of principles (philosophical orientation), processes (institutional orientation) and policies (organization orientation); being the first pillar similar to Carroll's concept (1979), and the other two complements in how the company can respond to societal conditions and determine social policies.

Figure 7. Corporate social performance model (Wartick and Cochran, 1985)

Wood's model (1991) was based in the triad "principles, processes, and outcomes," that in conjunction with each other would allow identification of complex results such as "good outcomes from bad motives, bad outcomes from good motives, good motives but poor translation via processes, good process use but bad motives, and so on" (p. 693).

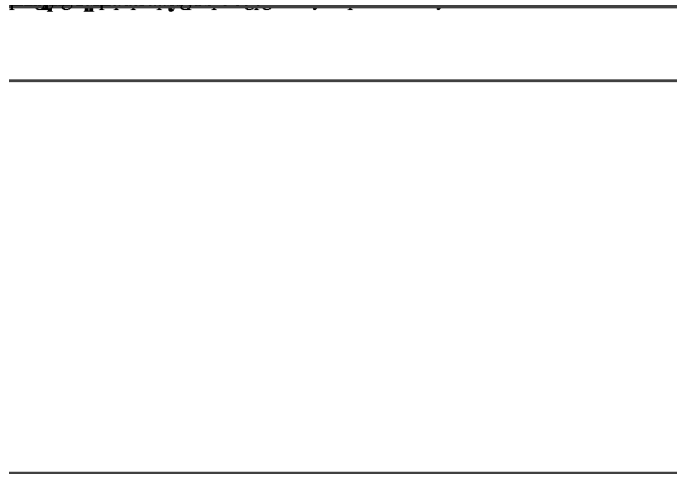


Figure 8. Corporate social performance model (Wood, 1991)

The second kind of CSP research after Carroll (1979) is based on what are the potential positive outcomes of firms that decide on pursuing CSR practices. Several studies correlated Corporate Financial Performance (CFP) and Corporate Social Performance (CSP), questioning if socially responsible business decisions could be justified by the long-run economic gains of the firm. In one of this kind of study, Waddock and Graves (1994) found not only that "CSP is found to be positively associated with prior financial performance" (p. 303), supporting the theory previous slack resource availability could be a pre-condition for CSR practices, but also that "CSP is also found to be positively associated with future financial performance" (p. 303). Orlitzky et al. (2003) provided an extensive meta-analysis, with more than 50 studies, of CSP and CFP over literature, concluding that corporate virtue in the form of social responsibility and is likely to pay off.

In conclusion, as foundation social responsibility literature draws support from different theories, Garriga and Melé (2004) classify these theories as (a) instrumental theories with the corporation solely as an instrument for wealth creation, with social activity serving

only to that aim; (b) political theories about the responsible use power of corporations in society and the politics, as corporate citizenship approach; (c) integrative theories on how business fulfill social demands based on the notion that business depends upon society for its existence; and (d) ethical theories based on the ethical responsibilities of corporations to society.

3.1.2 The social perspective within Sustainability definitions

The Brundtland Commission's report's, *Our Common Future* (WCED, 1987), the definition of sustainability is the one of the most often quoted in the literature (Dyllick et al., 2002, Carter & Rogers, 2008, Giovannoni & Fabietti, 2013, Montabon et al., 2016). It defines sustainability as: "development that meets the needs of the present without compromising the ability of future generations to meet their needs." (p. 8). This notion derives from the perception that society's development model must be thought beyond the time-lapse of the current generation, and warns that there is evidence that human activities are interfering in Earth's life-support systems in a way that it may eventually be irreversible and compromise human life on Earth.

Human interference in nature is noticed at least since the publication of the book *Silent Spring* (1962), from the biologist Rachel Carson, which exposes the hazards of the pesticide Diclorodifeniltricloroetano (DDT) on natural ecosystems. The author describes how these substances entered the food chain and accumulated in fatty tissues of animals and human beings, causing genetic damage and infertility, thus and threatening not just wildlife, but humanity. Carson's book raised awareness among the public, researchers, and policymakers about environmental degradation, and it has helped to pave the way for the ecological movement coming in the following years. After that, according to Kidd (1992), a number of books addressing issues over sustainability from an environmental point of view were published. The growing concern on global environmental problems pushed the United Nations (UN) to address these problems as a "barrier to development" (Giovannoni & Fabietti, 2013) and culminated in the United Nations Conference on the Human and Environment in Stockholm in 1972.

In that same year, before the UN Conference, an influential report by MIT researchers to the Club of Rome called the Limits to Growth (1972) was published. This report presented a sophisticated model analyzing the consequences of economic development, investigating five major trends of global concern: (a) accelerating industrialization, (b) rapid population growth, (c) widespread malnutrition, (d) depletion of nonrenewable resources and (e) deteriorating environment. The overall conclusion of the report is that:

“If the present growth trends in world population, industrialization, pollution, food production, and resource depletion continue unchanged, the limits to growth on this planet will be reached sometime within the next one hundred years. The most probable result will be a rather sudden and uncontrollable decline in both population and industrial capacity” (Meadows et al., 1972, p. 23).

With such alarming results, the report claimed that humanity had the responsibility to “alter these growth trends and to establish a condition of ecological and economic stability that is sustainable far into the future” (p. 24). Later in that year, the UN Conference in Stockholm report (1972) recognized that “to achieve this environmental goal will demand the acceptance of responsibility by citizens and communities and by enterprises and institutions at every level, all sharing equitably in common efforts” (p. 3). The conference resulted in 26 principles addressing sustainability concerns, among them one in particular worth highlighting, the Principle 1 that states:

“Man has the fundamental right to freedom, equality and adequate conditions of life, in an environment of a quality that permits a life of dignity and well-being, and he bears a solemn responsibility to protect and improve the environment for present and future generations. In this respect, policies promoting or perpetuating apartheid, racial segregation, discrimination, colonial and other forms of oppression and foreign domination stand condemned and must be eliminated.” (UN, 1972 p. 4)

This Principle, besides being the first, also focuses on concerns in both environmental issues, of protecting nature for future generations, as well as societal issues, of the dignity of life and equality. What is more, this understanding not only rooted the following definitions of sustainability but also acted as a vehicle for the creation of a number of environmental protection agencies and the UN Environmental Programme, UNEP, (Giovannoni & Fabietti, 2013). In the following decade, UNEP, together with the International Union for Conservation of Nature (IUCN) and World Wildlife Fund (WWF) set up the World Conservation Strategy (WCS) advancing further on the eco-development concept, which culminated in the World Commission on Environment and Development (WCED) definition mentioned above.

The “Sustainable development” concept was revisited and further elaborated during many UN Conferences on the subject:

(a) Rio Earth Summit (1992), the UN Conference on Environment and Development (UNCED), which produced a global action plan for sustainable development, the Agenda 21, providing advice and good practices for the achievement of sustainable development;

(b) Millennium Summit (2000), which defined the eight Millennium Development Goals (MDGs);

(c) Johannesburg (2002), World Summit on Sustainable Development (WSSD) and

(d) the most recent again in Rio de Janeiro (2012), Rio+20, which aimed to renew political commitment for sustainable development and agreement on the need for Sustainable Development Goals (SDGs), by also emphasizing the need for a more comprehensive definition of the role of business for sustainable development (Giovannoni & Fabietti, 2013).

According to Dyllick et al. (2002), it was only after the 1992 Earth Summit in Rio that widespread acceptance of politicians, NGOs and business leaders that not only economic growth is a significant concern, but also social equity and the carrying capacity of natural systems sustainability. Elkington (1998a) approach to sustainability in the book *Cannibals with Forks: The Triple Bottom Line of 21st Century Business* was quite aligned with that point of view, that business should attempt to harmonize the traditional financial bottom line with emerging thinking about the creation and of value in other forms of capital, as the natural capital and the social capital. The author spread the concept of Triple Bottom Line (TBL)¹, which would be the focus of business in generating both economic prosperity (economic capital), environmental quality (natural capital), and social justice (social capital).

¹ The concept of bottom line in finance refers to a company's net income, the value created after all expenses have been deducted from revenues. The allusion to "bottom" describes the relative location of the net income figure on a company's income statement.

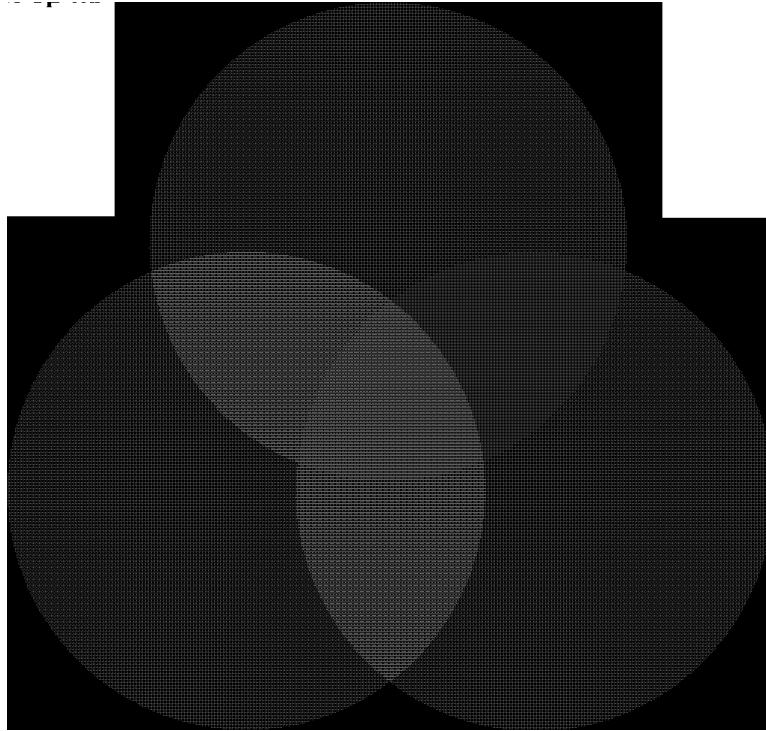


Figure 9. Triple Bottom Line model (Elkington, 1998a)

To the author, economic capital can be understood in the traditional economy defined as the value of the assets minus the value of the liabilities. It appears in mainly three forms: financial capital (finance), as physical capital (structure), and intellectual capital (organizational knowledge) in the organization. In this area, firms should ask themselves if they are competitive in costs if customer demand is sustainable if the innovation rate is enough to sustain competitiveness, if profit margins are sustainable and how the firm can ensure to keep human capital in the organization (Elkington, 1998a).

The concept of natural wealth is quite more complicated, if one thinks about the natural wealth in a forest, for example, “it is not simply a question of counting the trees and trying to put a price-tag on the lumber they represent,” as “the underlying natural wealth which supports the forest ecosystem” should be accounted as well (Elkington 1998a, p. 79). To the author, natural capital can be thought of as “critical natural capital,” essential or life and ecosystem integrity, and the “renewable, replaceable or substitutable natural capital,” that can be replenished by human efforts. In this area, firms should ask themselves about what forms of natural capital are being affected by operations and if the firm’s interaction with

these forms of natural capital is likely to be sustainable or if the “balance of nature” would be significantly affected.

Regarding the social capital, Elkington (1998a) contest the critics’ view that sustainability is only related to resource efficiency, and states that the progress in the social bottom line is determinant to the overall success or failure towards the sustainability transition. In other words, sustainability does have connections to social, ethical, or cultural issues, and if society fails “to address wider political, social, and ethical issues, the backlash will inevitably undermine progress in the environmental area” (Elkington, 1998a p. 84). To the author, social capital comprises human capital, in the form of public health, skills and, education, but also embraces more comprehensive measures of a society’s health and wealth-creation potential. Elkington (1998a) uses Fukuyama’s words to define social capital as “a capability that arises from the prevalence of trust in a society or in certain parts of it,” measuring the “the ability of people to work together for common purposes in groups and organizations.” This ability is crucial to the sustainability transition, as it can be developed (or eroded) at every level in society, from the familiar circle to significant institutions. This form of capital relies on “the acquisition and maintenance of such virtues as loyalty, honesty, and dependability” (Elkington 1998a, p. 85). In this area, firms should ask themselves what the severe forms of social capital are, what is the role of business in sustaining this kind of capital and what are the trends in terms of the creation, maintenance, or erosion of these forms of capital.

Ever since, Elkington’s TBL concept has dominated sustainability research, being even used sometimes as a synonym for the term, even when only two forms of capital are being examined (usually the environmental and economic ones), which contraries the very integrative essence of the concept (Montabon et al., 2016). The authors attribute this to Beck’s (1992) concept of organized irresponsibility since society lacks “institutions that can ensure that all three aspects of the TBL are given equal treatment” (p. 14) to the economic, natural and societal areas, which results in the primacy of profits and financial results. The issues seen in research can also be seen in practice, where firms present disconnected “sustainability” efforts, while in fact keeping their primary focus on generating economic value (Montabon et al., 2016).

Elkington (2018) himself recognized the misinterpretation of the concept by both research and practice. To the author, the TBL was captured and diluted by accountants and consultants reducing the concept to an accounting tool or a report, when the original idea was more ambitious, to encourage businesses to track and manage economic, social, and environmental value-added, in order to provoke deeper thinking about capitalism and its future. Moreover, Elkington (2018) recognizes that despite corporate leaders have been working tirelessly to ensure that their profit targets are achieved, the same is rarely right of their people and planet target. In this regard, Pagell and Shevchenko (2014), stated that “[f]uture research will have to explicitly recognize the claims of stakeholders without an economic stake in the chain, treat these claims as equally valid to economic claims, and start to focus on ways to deal with situations where synergies cannot be created” (p.47).

In this sense, a further development is brought by Griggs et al. (2013), who reframed the three independent pillars of sustainable development into a nested concept, to the authors there is a clear hierarchization among the dimensions proposed as “[t]he global economy services society, which lies within Earth’s life-support system” (p. 306), in other words, the maintenance of environmental conditions are the most crucial priority, have to be preserved in order to enable prosperous human development. Furthermore, Griggs et al. (2013) redefine sustainability as the “development that meets the needs of the present while safeguarding Earth’s life-support system, on which the welfare of current and future generations depends,” and settle as the main goals: thriving lives and livelihoods, sustainable food security, sustainable water security, universal clean energy, healthy and productive ecosystems and governance for sustainable society.

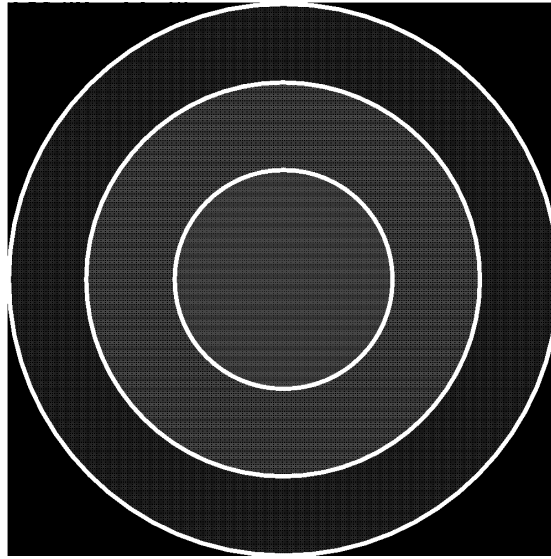


Figure 10. Ecologically Dominant logic (Montabon et al. 2016), based on Griggs et al. (2013)

This point of view was incorporated by Montabon et al. (2016) in the development of an Ecologically Dominant logic acknowledging that society must move beyond slowing unsustainability to becoming sustainable, in a way that when trade-offs are encountered the priority is to protect the environment, then society and only then to consider profits. Hence, the environment is the central constraint of the Ecologically Dominant logic, as a functioning ecosystem is necessary for mankind's survival since all environmental issues have social and economic consequences. Then, the social aspect appears as a second constraint, placing the protection of social systems and increasing quality of life as the real goals, thus implying the duty of promoting fundamental human rights as social systems for employment, health and, housing. Under this logic, the economic system is subservient to the social system, since a functioning economic system should contribute to a higher quality of life, but it is not the only means of improving society, and that economic gains that eventually harm society are unquestionably unsustainable. The Ecologically Dominant logic is also clear that whole supply chain impacts should be accounted, not only from a single focal firm perspective.

3.1.3 Social Value and Social Impact

The concept of Shared-Value (SV) tailored by Porter and Kramer (2006) appeared as another possible approach in regard to the relationship between business and society.

According to the authors, Creating Shared Value (CSV) can be defined as the “policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates” (Porter and Kramer, 2011 p. 66). Porter and Kramer (2006) point out a context in which companies are being perceived to be prospering at the expense of the broader community, and a potential cause of major social, environmental and economic problems. The article outlines that “the prevailing approaches to CSR are so disconnected from strategy as to obscure many great opportunities for companies to benefit society” (p. 2), and despite the growth of this kind of initiative, business legitimacy has fallen. In this scenario, a business should pursue ‘shared values’ to enable society to advance more rapidly and allows companies to grow faster by strategically investing in areas where both business and society gains, being the next major transformation in management thinking the incorporating societal issues into strategy and operations.

In Porter and Kramer’s (2011) point of view, business and civil society have focused much on the friction between them and not enough on the points of intersection, in a way that it is always possible to conciliate business interests and society’s interest, and the businessmen should pursue win-win outcomes for both sides. In Porter’s own words to *Scientific American*, “[t]he conflict between environmental protection and economic competitiveness is a false dichotomy. It stems from a narrow view of the sources of prosperity and a static view of competition”. There are many ways in which addressing societal concerns can yield productivity benefits to a firm, for instance, when a firm invests in a wellness program: society value is generated, because employees and their families become healthier, as well as economic value since the firm minimizes employee absences and lost productivity (Porter & Kramer, 2011).

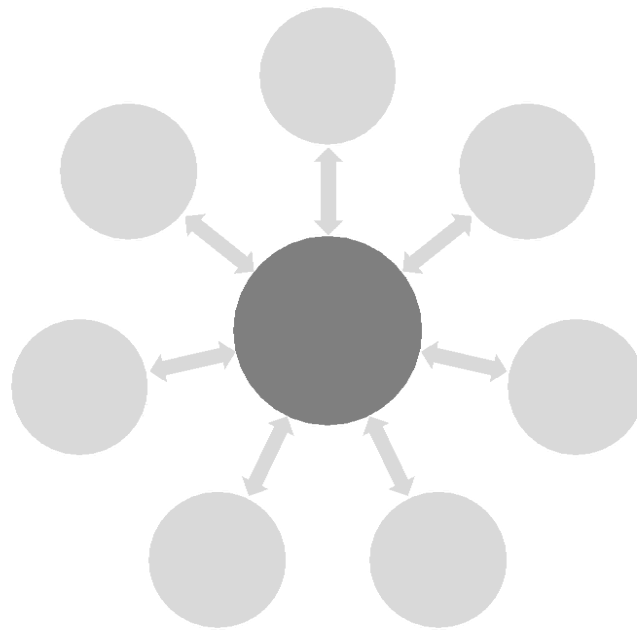


Figure 11. Potential sources of shared value (Porter and Kramer, 2011)

To the authors, the mutual dependence of corporations and society implies that both business decisions and social policies must follow the principle of shared value, benefiting both sides, according to their point of view “if either a business or a society pursue policies that benefit interests at the expense of the other, it will find itself on a dangerous path. Since “temporary gain to one will undermine the long-term prosperity of both” (Porter & Kramer, 2006 p. 5).

This point of view is reinforced by Bockstette and Stamp (2011), which states that CSV can be understood as investments in the long-term business competitiveness that simultaneously address social and environmental objectives, which comprises both the creation of business value (competitiveness) and the creation of social value. To Porter and Kramer (2011), by better connecting companies’ success with societal improvement, “it opens up many ways to serve new needs, gain efficiency, create differentiation, and expand markets” (p. 7).

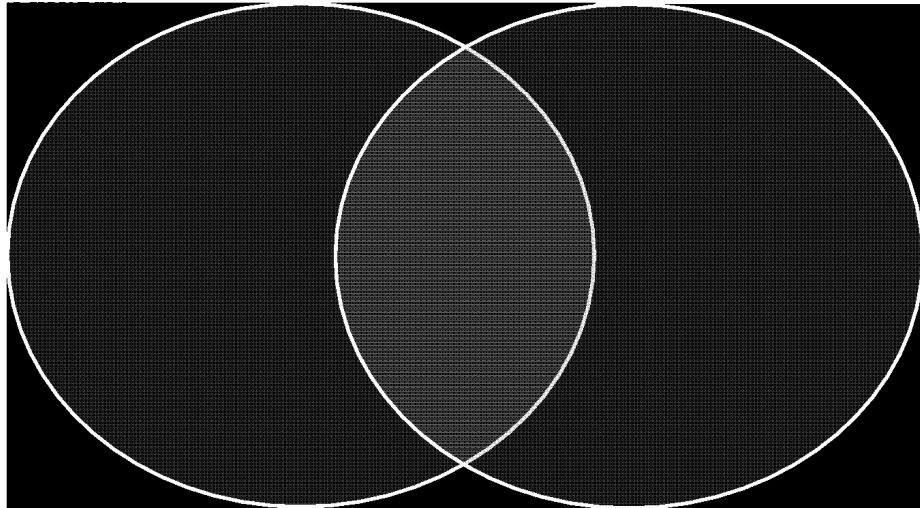


Figure 12. Shared Value framework (Bockstette & Stamp, 2011)

Win-win opportunities can be found in three distinct possible ways: by (a) reconceiving products and markets, (b) redefining productivity in the value chain, and (c) building supportive industry clusters at the company's locations (Porter & Kramer, 2011). To them, each of these is part of the virtuous circle of shared value; improving value in one area gives rise to opportunities in the others.

More recently, Crane et al. (2014), pointed out the strengths and weaknesses of the CSV view proposed by Porter and Kramer (2011). According to Crane et al. (2014), despite elevating the social dimension to a strategic level, proposing a clear role for the government and reinforcing the idea of conscious capitalism, CSV neglects the inherent tensions between social and economic goals, as well as, being “naïve” regarding incentives for business compliance.

The reason above is why, institutional logics could be a valuable lens to this particular issue. A summary of the main ideas of social dimension literature can be found in Appendix B.

3.2 Social Dimension in SCM Literature

Along with business research regarding the social dimension, supply chain research also evolved to address this perspective with a broader perspective over the responsibility of the firm, going from the focal firm towards supply chain partners.

3.2.1 Social Responsibility and Performance in SCM Literature

Growing concern over social issues also influenced SCM research. If in one hand, understanding of SCM becomes crucial to understand the competition between firms (Christopher, 2005); at the very same time, various stakeholders, including consumers, shareholders, NGOs, public authorities, trade unions, and international organizations, started showing more and more interest in environmental and social issues related to business (Andersen & Skjoett-Larsen, 2009). Corporations that were previously unaware of their social impacts are now under scrutiny and increased pressure to uncover and divulge this information (Benoit-Norris et al., 2012). Therefore, transparency has become paramount important for social issues. What was once usually concealed under long distances and different languages now is transparent and accessible in news, internet, and mobile (Awaysheh & Klassen, 2010). Furthermore, societal expectations of public opinion for acceptable practices and standards of conduct are continuously rising, as shortcomings in previously acceptable routines are unveiled (Martin, 2002). Both of these factors, easily accessible technology and the stricter judgment over business practices, end up encouraging the rapid dissemination of negative information, and customers tend to react after questionable behavior is identified (Tapscott & Ticoll, 2003). This creates pressure on firms, by supply chain members, to improve in areas where problems or inconsistent social practices become apparent (Carter et al., 2000). In response to that, large firms are currently working to prevent unexpected criticism of social performance in their supply chain, which in turn can harm their brand value (Awaysheh & Klassen, 2010). Consonant to that view, Graafland (2002) noticed that the degree to which supply chains are transparent, the extent to which information is available to supply chain partners and other stakeholders is likely to influence how much the firm develops socially responsible practices. Social issues that were often neglected by decision-makers and uncovered in the supply chain, for instance, the controversy

over working conditions at an Apple supplier in China and Nike's subcontractor's treatment of workers, are now in the center of SCM discussion.

In order to better address social issues, it is vital for a firm to fully understand what social performance in the supply chain is and what responsibilities lie within the firm's scope of action. To Awaysheh and Klassen (2010), social issues and performance encompass individual-level human safety and welfare, as well as societal-level community development. Thus, supply chain social practices can be understood as deliberate decisions that affect how a firm contributes to the development of human potential or protects people from harm — in this sense, characterizing social issues in the supply chain requires exploring three questions: who is being targeted, which issues are being addressed, and how they are being addressed (Klassen and Vereecke, 2012).

In the who question, the authors, based on Freeman (1984), identified at least three levels of interested individuals and groups for social issues: an internal level within a firm's own operations, under direct control of management; an inter-firm level capturing external interactions with buying firms, suppliers, consumers, and end-users, characterized by strong economic ties; and an external stakeholders level with regard to communities, regulators, and NGOs, possibly with weaker economic ties.

In the which issues to be addressed question, initial research explored a myriad of possibilities including working conditions, supplier development, paying over-time for additional work, purchasing from minority business enterprises, fair-trade deals, human rights, ethics, health and safety, quality of life and well-being, diversity, minorities inclusion, community development, as well as philanthropy in some cases (Moraes, 2018).

The last question, about "how" question pushes managers to translate the "who" and "which issues" questions into tangible management systems and programs using current capabilities available (Klassen & Vereecke, 2012). In this regard, many aspects can interfere with the effectiveness of such programs. First, to deploy any initiative, some level of influence to drive change back through the supply chain is a must. Second, "the cultural norms and expectations for improving human potential vary by industry, customer segment, and marketplace" (Awaysheh & Klassen, 2010, p. 1247). Third, due to offshoring practices, the geographic distance and the number of tiers between supply chain partners have

considerably increased; this lack of visibility end up letting some undesirable aspects under-covered.

Therefore, the capacity of a firm to demand socially responsible practices might be related to a number of characteristics in their supply chain, for instance, the balance of power (Awashneh & Klassen, 2010). In the upstream side, the higher the dependency of a firm on its suppliers, the lower might its ability be to control and influence change in their operations, and therefore the firm's use of supplier socially responsible practices decreases. On the other hand, firms highly dependent on customers, in the downstream side, also might be more susceptible to external pressures from the general public and be pushed to improve workforce conditions, hence leveraging socially prone practices. In other words, while customer dependency would stimulate the use of supplier socially responsible practices, supplier dependency would dampen their development. Little empirical evidence of a relationship between dependency and the use of supplier social practices was found, though (Awashneh & Klassen, 2010).

To sum up, according to Klassen and Veckeere (2012) social issues in the supply chain are defined as encompassing three levels of stakeholders (who), focusing on the evolving set of social concerns for which the firm has influence in the supply chain (which issues), and involving management capabilities that respond to these concerns (how) .

As mentioned before, nowadays, “consumers, governments, and non-governmental organizations (NGOs) are demanding that companies be held more accountable for what happens in their supply chains” (Awashneh & Klassen, 2012, p. 1247). For this reason, many companies are attempting to evaluate supplier-related social issues and practices in their supply chains. Nevertheless, before undertaking any of these actions, it is first necessary to narrow the scope of social issues to the ones under SCM. According to Parmigiani et al. (2011), a firm has responsibility for a social issue in its supply chain when a firm has the authority to make decisions independently and has the ability to control, pressure, or induce action by suppliers and customers. In other words, there is a responsibility when a firm can influence conditions, either through action or inaction, that result in specific social outcomes. Following this assumption, firms are now trying to monitor and influence their supplier's social performance to ensure adherence to socially desirable practices by defining standards (such as the SA8000) for operations, by providing of codes of conduct (COC) dictating

specific guidelines, as well as by conducting audits or demanding a certification from an independent third party (Awaysheh & Klassen, 2012).

On the heels of this process, SCM researchers developed extensive literature introducing frameworks tying together these previously unrelated fields, introducing a series of new propositions intended to help guide management in these endeavors (Carter & Jennings, 2002b).

Carter and Jennings (2002b) coined the terms Purchasing Social Responsibility (PSR) to describe the involvement of purchasing managers in socially responsible activities, exploring the potential relationship between these practices and outcomes in the upstream supply chain. To the authors, PSR would include not just purely charitable activities but also seeking to reconcile multiples stakeholders' interests in environmental, diversity, human rights, safety and, philanthropic activities. In conclusion, it was found that PSR, as defined, had the opposite properties of opportunistic behavior, leveraging trust and commitment between supply chain partners, as well as had a direct and positive impact on supplier performance. Later studies, as Carter (2005), confirmed the relationship between PSR and supplier performance, and also found a positive relationship with organizational learning. No direct relationship was found between PSR and costs, though.

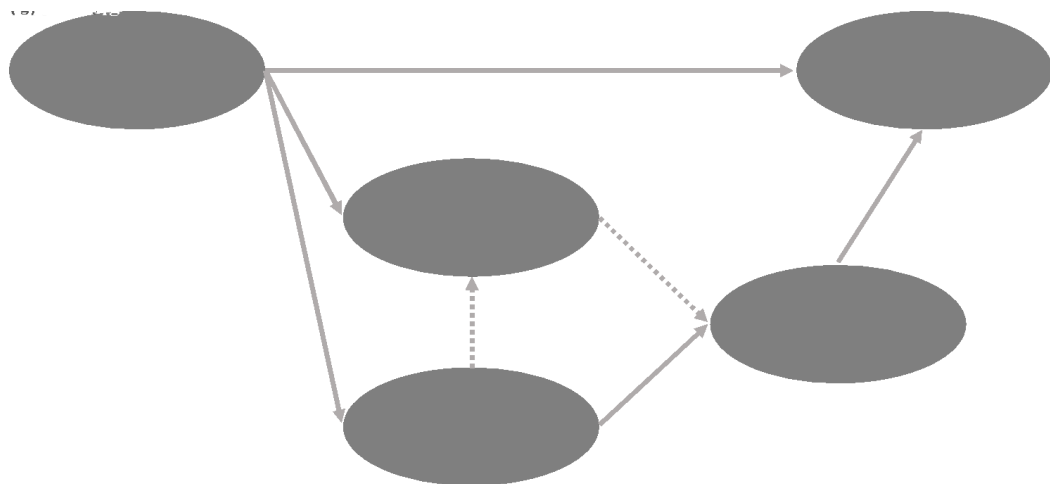


Figure 13. Purchasing Social Responsibility (Carter & Jennings, 2002b)

Carter and Jennings (2002a) also extended the term towards Logistic Social Responsibility (LSR), based on the developments of the CSR concepts by Carroll (1979). The

authors described how logistics activities of purchasing, transportation, and warehousing could tackle societal problems that were categorized in six broad divisions: the environment; ethics; diversity; working conditions and human rights; safety; and philanthropy and community involvement. The authors also identified potential drivers, such as organizational culture, top management support and individual values; and potential barriers, as resource scarcity, as antecedents, as well as job satisfaction, trust, and financial performance as potential consequences of LSR behavior.

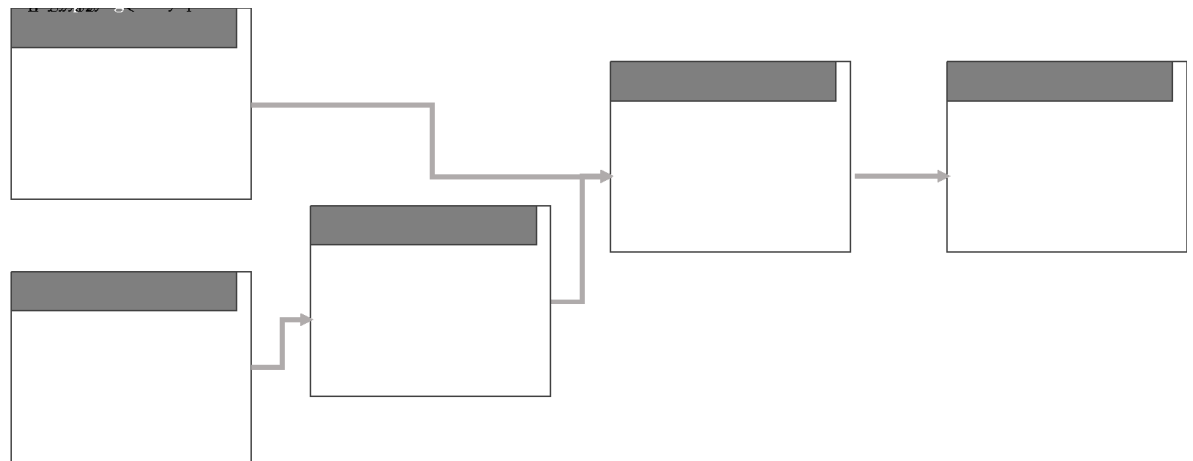


Figure 14. Logistic Social Responsibility (Carter & Jennings, 2002a)

A similar concept to PSR was developed by Park-Poaps and Stoel (2005), Socially Responsible Buying/Sourcing (SRB). This concept was defined as the inclusion of the social issues advocated by organizational stakeholders in purchasing decisions, in this perspective, stakeholders were the agents responsible by bringing broad social demands to the attention of individual firms. In their study, cognitive aspects of the socially responsible buying/sourcing process decision-making were investigated under business ethics and attitude theories lenses. As a discussion, suggestions were provided on how companies can better implement SRB by better communicating the core ethical values to employees and committing and integrating their behaviors with the corresponding values.

Drawing from stakeholder theory, Park-Poaps and Rees (2010) also advanced research over the factors driving a supply chain towards socially responsible behavior, which was called socially responsible supply chain orientation (SRSCO). The authors defined SRSCO as “a proactive labor-management concept that encompasses normative and behavioral cores of

organizational culture and buyer-seller working partnership toward collaborative labor-management throughout the entire supply chain” (p. 306). Similar to Carter and Jennings (2002), the authors investigated issues as the environment, ethics, diversity, labor and human rights, fair trade, health and safety, and corporate philanthropy in relation to procurement and logistics functions. Based on Freeman’s (1984) view that business is responsible for various stakeholders and firms respond to claims of the stakeholders as an attempt to legitimize its existence, Park-Poaps and Rees (2010) identified consumer pressure, industry peer pressure, labor regulation, and media interest as primary stakeholder forces of SRSCO. In their results, two dimensions were underlined as having an impact on SRSCO: internal direction, intra-organizational commitment towards responsible labor-management, and external partnerships, cooperative inter-organizational management of labor issues in the supply chain.

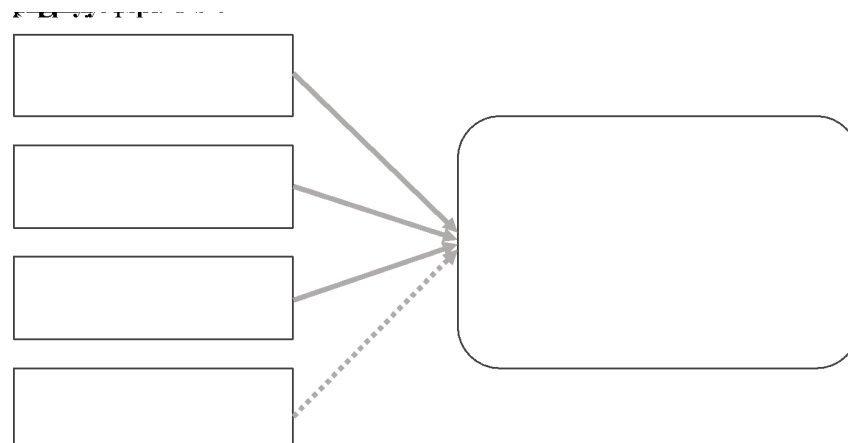


Figure 15. Forces of Socially Responsible Supply Chain Orientation (Park-Poaps & Rees, 2010)

In parallel, other initiatives of socially responsible and ethical behavior were developed by other authors. Another example is the Supply Management Ethical Responsibility (SMER), that according to Eltantawy et al. (2009) is defined as “managing the optimal flow of high-quality, value-for-money materials, components or services from a suitable set of innovative suppliers in a fair, consistent, and reasonable manner that meets or exceeds societal norms, even though not legally required” (p. 101). Based on the notion that there are practical distinctions between perceived ethical responsibilities and purchasing social responsibility (Carter & Jennings, 2004), the authors advance a theoretical framework investigating supply management ethical responsibility as an independent construct. To

Eltantawy et al. (2009), ethical initiatives had the potential to improve financial performance, increase employee motivation and commitment to work, and enhance customer loyalty and corporate reputation. In their results, although there was not a direct impact from ethical responsibility to performance, it was found an indirectly positive effect through other constructs.

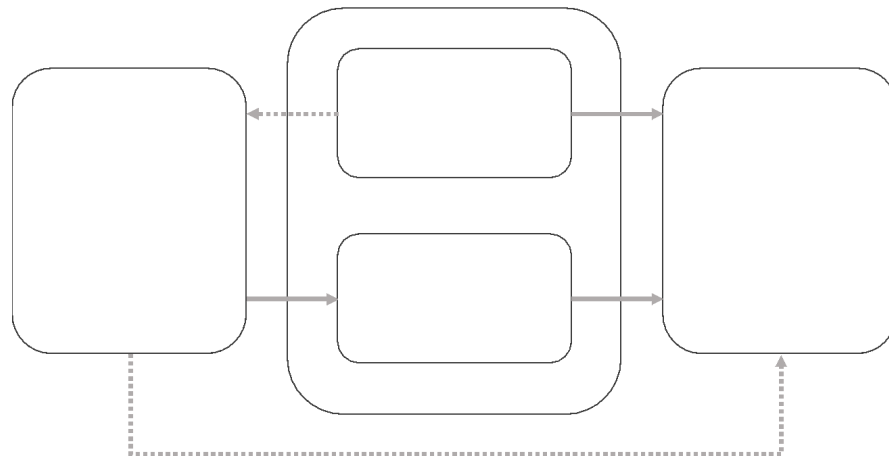


Figure 16. Supply Management Ethical Responsibilities Framework (Eltantawy et al., 2009)

In the literature, there are also socially leaned supply chain initiatives that dispense the commercial logic, being purely social, as such, humanitarian supply chain (HSC), characterized by the mobilization of people, resources, skill, and knowledge to help vulnerable people can be mentioned. According to Silvestre (2016), this type of supply chain is related to social charity and disaster relief, and can be either temporary, associated with the management of aid to reduce the impact of disaster, or permanent as a social charity providing supplies (e.g., water, food and, medicine) to a vulnerable population. Silvestre (2016) also noticed that in those cases, there is little or no consideration for the environmental dimension of sustainability. As those humanitarian supply chains lack the commercial logic, this kind of initiative is not focused on the present study.

3.2.2 Social Sustainability in SCM Literature

The introduction of sustainability, mainly the TBL concept, into SCM shifted paradigm within the field and generated the development of SSCM into a meaningful research program (Matthews et al., 2016). In other words, SSCM emerged from the recognition that a firm's supply chain performance should be measured by its impact on ecological and social systems as well as profit (Shrivastava, 1994).

Touboulic and Walker (2015), in an extensive literature review, found that the earliest definitions of articles published prior to 2000 did not explicitly define SSCM as an integrated concept, but rather provide a description of the environmental impacts as a separate variable in the supply chain. According to the authors, it was only more recently that SSCM definitions started incorporating the concept of “sustainable development, with specific references to the three dimensions of the TBL, rather than just focusing on a single aspect of sustainability” (p. 18), such as ‘green’ or socially responsible’. One of the early definitions that mark this change noticed by Touboulic and Walker (2015) is Wolters’ (2003) that defined sustainable chain management as involving “issues of sustainable development insofar as companies can be held responsible for the social and environmental impacts arising along the supply chain” (p. 8), and thus, demanding “that companies integrate ecological and social aspects into their decisions and actions, not only internally but also along those supply chains that determine the economic value of their business” (p. 8). Still, the main challenge lies in integrating the two concepts: sustainability and SCM (Touboulic & Walker, 2015).

Thoroughly reviewing the literature, Seuring and Muller’s (2008) definition of SSCM appear as one of the most cited ones, according to them, SSCM would be:

“the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements” (Seuring & Muller, 2008 p. 1700)

Still, there is much criticism in the way research and practice over this concept have been developed. SSCM has deviated from the truly sustainable goal, by relying on a win-win framing that emphasizes the potential contribution of sustainability toward the financial bottom line, mostly focusing from the perspective of what to do to reduce harm while increasing profits, in a way that trade-offs prioritize the economic side over other sustainability outcomes (Montabon et al., 2016, Matthews et al., 2016). Accordingly, Matthews et al. (2016) suggest a shift in current SSCM theory, since until now, it has not been

able to explain “how the pursuit of win-win opportunities can meaningfully contribute toward returning the political-economic system from a state of ecological overshoot” (p. 83). Montabon et al. (2016) and Matthews et al. (2016) agree that despite the TBL and win-win being fine in theory, they have been not useful in practice, while the former there is unbalance among the three elements, the latter does not resolve trade-offs in a sustainable way, a new logic is thus needed to support the truly sustainable supply chain.

Pagell and Shevchenko (2014), in a seminal work, argued that the question of how to create truly sustainable supply chains is still a goal. Truly sustainable supply chain can be understood as Wu & Pagell (2009) suggests, a supply chain that would “at worst do no net harm to natural or social systems while still producing a profit over an extended period of time; a truly sustainable supply chain could, customers willing, continue to do business forever” (p. 38). This would require a more ecocentric view, which suggests that an organization should consider its relationships with the broader social and natural environments (Wu & Pagell, 2009), and, thus, as a member of the community where its business is conducted, an organization should consider the well-being of broader constituents in the social-ecological–industrial system. (Shrivastava, 1994).

In this regard, Montabon et al. (2016) offer a new logic proposes an ecologically dominant logic, in which the entire supply chain is then “part of the larger network and judged not by their ability to maximize their own gains, but rather by the harm they create and the value they provide to others” (p. 39). In summary, according to the authors, although sustainability is not conceptually instrumental, in the past, it tended to be researched and implemented in a manner that gives primacy to profits over environmental and social outcomes. This blurred the notion that becoming less unsustainable is not becoming truly sustainable, that now is enabling organizational irresponsibility when there is a trade-off between profits and other outcomes. The ecologically dominant logic proposed explicitly places profits in a subservient position to the environment and society (Montabon et al., 2016). In this sense, there is increased recognition that SSCM strategies will not always provide payback in economic terms (Awaysheh & Klassen, 2010; Matthews et al., 2016).

One exciting aspect of a supply chain perspective of ecocentricity is that a sustainable chain would explicitly include nongovernmental agencies, community members, and even competitors that traditional chains either ignored or treated as adversaries (Pagell & Wu,

2009). However, sustainable supply chain research has been usually conducted from the perspective of a focal firm, which means that sustainability-related performance measures of the focal firm, generally overlook other members of the chain and the communities in which the supply chain operates (Montabon et al., 2016). Consequently, a narrowed perspective of sustainable performance in the supply chain is being built and, thus, is limiting the possibilities for the proper development of the social dimension of sustainability that is by its core more integrative.

This may help to explain why research on social aspects of sustainability has been neglected in comparison with long economic and environmental sustainability (Dillard et al., 2008). To Beske-Janssen et al. (2015), “economic and environmental aspects are the center of attention in many papers, whereas the social dimension is lagging behind” (p. 668). Even more surprising, Walker et al. (2014) found that until 2010 there was barely any study addressing the social aspect. More literature reviews over this matter reinforced this point of view, for instance, Miemczyk et al. (2012), who noticed that “[r]elatively few studies have explicitly adopted a social sustainability viewpoint” (p. 479).

In a more recent systematic literature review, Touboulic and Walker (2015) also noticed that “there is undoubtedly a gap around social and human dimension of sustainability (p. 34), according to them, “SSCM research to date has been primarily focused on economic and environmental aspects and has not addressed the full complexity of systemic sustainability research” (p. 34). Hence, the social dimension in the supply chain can be categorized as an under-explored aspect. Silvestre (2016) argues that studies cannot claim they focus on sustainability if the social dimension is not being addressed. Lastly, Lee and Tang’s (2018) survey of operations management (OM) literature also confirmed that the social innovation and social responsibility receive significantly less attention than other aspects. That, thus, justifies Pullman et al. (2018) and Longoni et al. (2019) studies focusing on the social dimension of the supply chain are most welcome.

3.2.3 Social Value and Social Impact SCM Literature

Another approach towards a more socially active supply chain is Sodhi and Tang's (2015) about bottom-of-pyramid supply chain (BoP SC), based on Prahalad's (2004, 2012) view that there were opportunities in creating value by raising awareness, access, affordability, and availability (4As) to the bottom-of-pyramid. The authors conceptualized over a bottom-of-pyramid approach that would mean using the poor as leverage to increase profits by either providing goods/services to them or using them as suppliers or distributors in the supply chain. A series of complexities emerge from this kind of interaction, though, for instance, the sales and distribution challenges, providers who are incapable of providing high quality or volume and uncertain cash flows are given a large number of low-margin and low-value transactions (Sodhi & Tang, 2015).

To manage these complexities, much can be drawn from Sodhi and Tang's (2011) study over social enterprises, who presented the same difficulties as BoP, as their supply chain worked not as an enabler, but as a barrier towards the financial viability. To them, "for a social enterprise to serve as an enabler for the poor, its own survival is vital" (p. 149) and, thus, by examining demand flows, supply flows, information flows and financial flows of different social enterprises, the authors came up with a series of propositions to financially sustain their supply chain operations while delivering social benefit. Having noticed that, Sodhi and Tang (2016) develop a series of strategies for enabling BoP segment partnerships. The authors evaluated opportunities in each of the different echelons of the supply chain, as suppliers, as producers/providers and as micro-retailers; as well as possible initiatives seeking to alleviate pressure in the BoP segments regardless of their role in the supply chain as with financing strategies, productivity improvement strategies, and resource availability strategies. To them, this relationship between the company and those of at the bottom of the pyramid is an intersection between society and corporate performance, creating, thus, 'shared value' (Porter and Kramer, 2006). Hence, building a BoP supply chain would involve building a robust commercial logic supply chain, with financial viability, which would be a precondition for providing a social benefit supply chain, by involving the BoP segment (Sodhi and Tang, 2016).

According to social sustainability principles, the organization should provide equitable opportunities, encourage diversity, promote connectedness within and outside the community, ensure the quality of life and provide democratic processes along with open and accountable governance structures (Elkington, 1994). Thus, social sustainability shifts the focus to the

communities, both internal (i.e., human resources) and external to an organization (Pullman et al., 2009).

However, as seen before, current research could not adequately address these issues (Dillard et al., 2008; Touboullic & Dillard, 2010; Wu & Pagell, 2011, Miemczyk et al., 2012, Walker et al. 2014, Touboullic & Pullman, 2015). One example is regarding metrics over social aspects, social performance is mostly difficult to assess, and social indicators can sometimes not be quantified and are often prone to subjectivity (Beske-Janssen et al. 2015, Mani et al. 2016).

Recognizing this inherent complexity, Pagell and Shevchenko (2014) admitted that research would have to be open to “studying small organizations, start-ups, various types of nonprofit and social purpose organizations and businesses in less developed parts of the world because these under-studied organizations could be sources of inspiration for how to do things differently” (p. 49). Therefore, research in this arena could help advance the understanding of how business models should be in order to deliver truly sustainable supply chains.

To Pullman et al. (2018), the main issue is that firms struggle to both reconcile incompatible prescriptions that arise from multiple logics, for instance, a commercial and a social-welfare logic, and implement these prescriptions into viable SCM approaches. According to the authors, social enterprises emerge as an exciting opportunity to be studied in the field due to its hybrid nature, since they a social goal enabled by economic activity and manage their supply chain accordingly. In this sense, social enterprises are able to provide organizational answers to the social-welfare and commercial logics characterizing the institutional environment in which they are embedded.

In this new topic area, Pullman et al. (2018) define SISCMS as supply chain strategies, mechanisms, and practices adopted by a focal social enterprise in its supply chain aiming to generate social-welfare while maintaining achieve economic viability. Different from managing for-profit or humanitarian supply chains that are dominated by either sole profit or social motivations, SISCMS requires different strategies and enactment mechanisms to coordinate supply chain activities and achieve dual organizational goals (Longoni et al., 2019). To support this kind of research, institutional logics perspective of SISCMS appears as a fit for a theoretical framework to describe how the focal organizations answer to multiple competing logics.

To Pullman et al. (2018) social enterprises adopt different SISCAM “approaches as a response to multiple institutional logics along a continuum between the purely commercial and purely social types” (p. 5), in a way that focal organizations manage their supply chains through purely economic or social welfare, respectively. At either end of the continuum, organizations consciously or unconsciously reject institutional complexity when dealing with SCM decisions privileging one of the logics. And although there are focal organizations at the extremes of the continuum, they do not fit the SISCAM that requires the dual logic. In this regard, the authors describe three hybrid approaches to SISCAM: Decoupled, Combinatory, and Coupled as a starting point in the discussion of SISCAM, as shown below. These three different approaches can be characterized by different Supply Chain Strategies, Stakeholders Identification and Engagement, and Relationship Management.

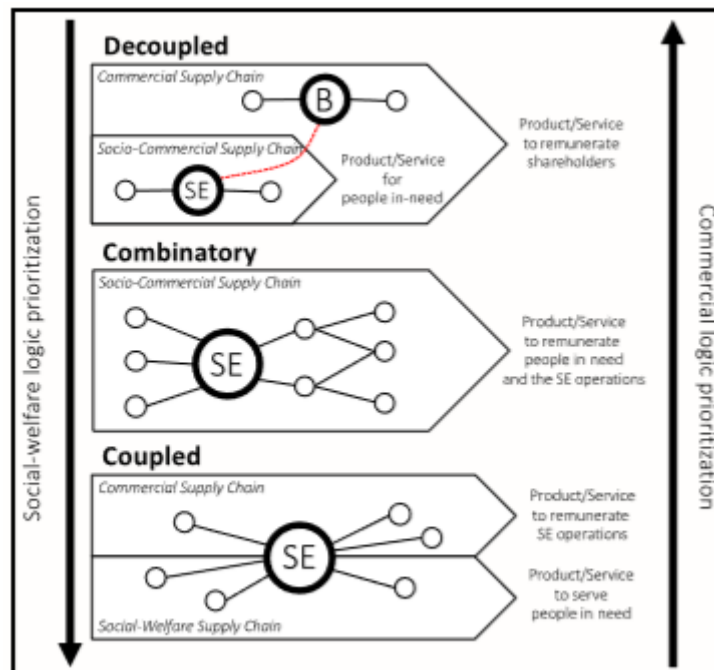


Figure 17. Continuum of SISCAM Approaches

The Decoupled SISCAM is characterized by a focal organization in which the one logic is core and the other logic is peripheral, to Pullman et al. (2018), most likely the commercial logic would prevail over the social one. In this approach, the focal firm identifies business opportunities from people in needs or emerging markets and designs products or services to address their necessities, in a sense that if any considerable conflict between the logics arises, the focal firm is able to decouple its structure privileging its core logic.

The second approach is combinatory SISC, which is characterized by a focal actor embedded in high centrality in both economic and social welfare logics at its core. Organizations in the center of this approach reconcile competing logics by enacting a combination of activities drawn from each logic in an attempt to secure an endorsement from a wide range of field-level actors. To Pullman et al. (2018) these organizations are likely to be an “NGO or nonprofit organization (NPO) moving to be more financially self-supporting through the management of its social activities” (p. 9), a for-profit moving to become a certified B corporation, or a purposefully formed social enterprise, all combining the social-welfare and commercial logics.

The third and last approach proposed is coupled SISC, in which the “focal organizations operate at the nexus of two different supply chains to address, respectively, social and commercial activities” (Pullman et al., 2018 p.11). In this approach, each of these parallel supply chains is connected by the social enterprise and has its own suppliers and customers. Nevertheless, differently from the Decoupled SISC, the coupled market and social chains are bridged by a social enterprise as the coupling agent in a way that the nexus firm is not able to break apart this connection. The social supply chain is responsible for addressing a social need and generating social welfare whilst the commercial supply chain performs a separate economic activity providing economic resources to break dependence from other sources of funding and to boost social mission effectiveness.

Therefore, there is an opportunity to further advance on SISC research by identifying these three different approaches of SISC in the field; by identifying SISC hybrid strategies in the field, to cope with suboptimal economic output when compared to traditional SCM strategies, when social goals are aimed; by identifying stakeholders’ roles in SISC, since a focal organization has to identify who its primary stakeholders are in terms of profits versus nonprofit, public versus private, and corporate versus social, and what their role is in the supply chain and which logic characterizes them; by describing relations of power in SISC, when dealing with people in need, NGOs or other social entities the social enterprise might show altruistic behavior, on the other side when interacting with profit-oriented stakeholders, the social enterprise itself might benefit from altruistic behavior towards it, if partner is moved by shared goals; or even by identifying potential conflicts between commercial and social-welfare logics in SISC.

4 INTEGRATIVE FRAMEWORK

4.1 Framework Structure

The overall structure of the proposed framework is as straightforward and straightforward as possible and follows the traditional stream of thought of the presence of some a priori antecedents that tend to corroborate or contain the object being analyzed, followed by the explanations on how the process itself unrolls regarding structure and deployment mechanisms, that eventually lead to outcomes that can be expected and deliberate or not, being easily observable or not. Those outcomes may end up changing the whole conditions in which the institutional field exist, leading to change in the previous antecedents that unveiled the whole phenomena.

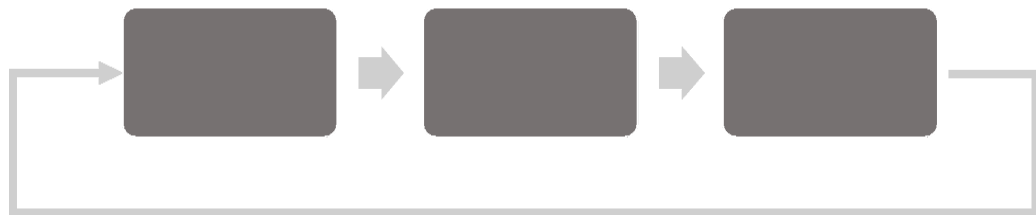


Figure 18. Social Supply Chain Framework basic structure

To the concrete case, the antecedents can be defined as the underline factors that exist outside the boundaries of the firms, apart from organizational resources, or even internal characteristics that incentivize or deter social enterprises, always thinking over a multi-level perspective (field, inter-organizational and individual). There might be factors pressuring against start-up launch by social entrepreneurs, or even factor pushing against social enterprises survivability due to financial instability or mission drift. But also, there might be factors pushing towards the existence and prosperity of social enterprises.

The process is defined as the way to translate the conceptual strategy into action (Chandler, 1962); it includes the mechanisms social enterprises interplay regarding structure,

labor division, and coordination towards the objective of delivering social impact whilst being economically viable. As well as the daily managerial practices employed to lead and control organization to avoid drifting from the envisioned path.

The outcomes are, then, defined as the underlined results of social enterprise activities from a multi-level perspective. The key here is understanding for each level what dimensions of social value the social enterprise is impacting, how it is accurately measured, and how to adequately standardize and give transparency to stakeholders and society the actual results by reporting.

Table 2. Literature considered for the framework

Structural Component	Codes	Main Authors
<i>Antecedents</i>	Legitimacy; stakeholders; institution; society; external pressure, environment, influence, demand; coercive; mimetic; normative; moral; authority; regulation; legislation, legal; network; drivers; identity; culture; motivation	Davis (1973); Carroll (1979); Wood (1991); Mohr et al. (2001); Germak & Germank and Robinson (2014); Dart (2004); Battilana, Leca & Boxembaum (2009); Pagell & Wu (2009); Awaysheh & Klassen (2010); Battilana & Dorado (2010); Wu & Pagell (2010); Teasdale (2011); Klassen & Vereecke (2012); Mason (2012); Battilana & Lee (2014); Hahn et al. (2015); Cheah, Amrarm & Yahya (2018); Hillman Axon & Morrissey (2018); Sodhi & Tang (2018)
<i>Process</i>	Strategy; structure; design; planning; value; ownership; governance; supply chain; relationships; partnerships; activities; practices; management; orientation; workforce; goal-setting; incentives; control; beneficiary; complementarity	Davis (1973); Wood (1991); Carter & Jennings (2002); Dyllick et al. (2002); Carter & Rogers (2008); Pagell & Wu (2009); Awaysheh & Klassen (2010); Battilana & Dorado (2010); Wu & Pagell (2010); Sodhi & Tang (2011); Klassen & Vereecke (2012); Sakarya et al. (2012); Battilana & Lee (2014); Beske et al. (2015); Sodhi & Tang (2015, 2016); Agarwal et al. (2018); Sodhi & Tang (2018); Battarai, Kwong & Tasavori (2019)
<i>Outcomes</i>	Value; impact; performance; benefit; measurement; KPI; control; dimensions; reporting; visibility; transparency; reputation; comparability; aggregation; monetization; capture; appropriation	Waddock & Graves (1997); Carter & Jennings (2002); Dyllick et al. (2002); Gray & Milne (2004); Wu & Pagell (2010); Sakarya et al. (2012); Battilana et al. (2015); Beske et al. (2015); Agarwal et al. (2018); Cheah, Amram & Yahya (2018); Bhattarai, Kwon & Tasavori (2019)

4.1.1 Antecedents

As aforementioned, the antecedents are previous conditions and characteristics with relative independence from organizations decisions' in the short and medium terms, as it is recognized that in the long-term, organizations are able to impact their institutional environment, external conditions, and other characteristics below-listed. The first division proposed to the antecedents is that those factors can be present both externally to the organization, coming from outside-in, as also can be present internally into the organizations impacting inside-out.

4.1.1.1 External Antecedents

The first dimension of the antecedents to be analyzed is regarding external factors, more specifically what are the relevant entities in this arena, through what actions do they affect the focal enterprise, and through what mechanisms the focal enterprises respond to those influences.

The main takeaway from the analysis of this component is that supraorganizational level constituents influence the interrelationships between individuals, organizations and the environment itself, shaping their interpretation and actions due to the existence of conceptions, models and logics (Boltanski & Thevenot, [1986] 2006, DiMaggio, 1991, Thornton, 2004). Going even further, the presence of a multitude of constituents forms an institutionally plural environment (Greenwood et al., 2001), this divergence in beliefs and expectations from the constituents, in turn, leads to conflicting logics and, thus, generates conflicting prescriptions, forming this institutionally complex environment (Greenwood et al., 2001).

This kind of influence is even more complicated for hybrid firms that combine two or more of those logics. In literature, some studies examined how firms deal with two or more logics, Thornton and Ocasio (1999), for instance, studied executive power and succession in the higher education publishing sector subjected to both the editorial and market logics. The editorial logic was seeing publishing as a profession and, therefore, trying to build knowledge and prestige; and the market logic, seeing publishing as a business and, thus, trying to build competitive position and increase profits. The same phenomena of contradictory logics can

also be found in the architecture sector (Thornton, Jones & Kury, 2005), in which the aesthetic logic privileges the design prowess (as an artist), whilst the efficiency logic focuses on the economics side (as an engineer).

In most of the time of business history, the presence of distinct organizations forms, the private, public, and none-profit ones was clear. More recently, however, these boundaries between these forms have become increasingly blurred (Battilana et al., 2012). In this sense, social enterprises, then, emerged as a type of hybrid organizations combining aspects from both the business (market logic) and charity (social welfare logic) forms at their core (Pache & Santos, 2012).

Under this scenario of conflicting logics, the net influence external institutional environment can have on the legitimacy of social enterprises can be either convergent, divergent, or indifferent to its interests, goals, and objectives. In this scenario of external pressures, organizations have to reconcile conflicts over priorities and resource allocation, to retain their hybrid nature, under the risk of one form (business or charity) gaining dominance over the other, leading to drifts toward better-established forms, for-profit businesses or charities (Battilana & Lee, 2014).

In this regard, many studies, mainly when thinking about Corporate Social Responsibility and Social Sustainability, presents a more optimistic view, remarking that there has been changes in stakeholders' awareness and demands over firms latitude of accountability, pushing them towards a more comprehensive approach towards social issues (Carroll, 1979, Wood, 1991, Dyllick et al., 2002, Dart, 2004, Andersen & Skjoett-Larsen, 2009, Awaysheh & Klassen, 2010, Hahn et al., 2014). This is actually true, but, unfortunately, the net effect still lies on the opposite side. Still, nowadays the economic side is being prioritized, as research and practice are still limited to less destructive paths, rather than genuine positive impacts (Dillard & Layzzel, 2014; Pagell & Shevchenko, 2014; Montabon et al., 2016). Extending Gray and Milne's (2004) point of view, in most of the cases, current institutions make it unreasonable for companies to act considering social welfare logic since they operate in a system (capitalism) that heavily penalizes non-economic (socially leaned) actions when it enters in conflict with what the economic dictates (institutional complexity). Therefore, when thinking about the influence of institutional environment, both directions

have to be considered, the one that pushes toward more welfare practices and the one demanding profit-focus actions.

Acknowledged the presence of those directions, when thinking about antecedents, another aspect needs to be encompassed, the level of analysis. In social responsibility literature, Wood (1991) recognize different levels and characterized them in three domains aligned with accountability principles: the societal domain reflected in the legitimacy principle, ruling the obligations of businesses; the organizational domain reflected in the public responsibility principle, reaching secondary areas of involvement beyond the boundaries of the firm (supply chain) and setting the parameters; and the individual domain reflected in the managerial discretion, defining the exercise of individual choice of managers as moral actors. In Institutional Theory literature, Friedland and Alford (1991) argue that the institutional landscape is formed by three nested levels: individuals, organizations, and society. Further theoretical development in Thornton and Ocasio (1999), and specific application for Social enterprises in Battilana and Lee (2014) also understand those as the primary levels of analysis. To Thornton (2004) all of the three levels are paramount to understand society; and instead of privileging one, “this [multi-level] perspective suggests that while individual and organizational action is embedded within institutions, institutions are socially constructed and therefore constituted by the actions of individuals and organizations” (p. 104). In other words, it is necessary to understand the individuals competing and negotiating, organizations in conflict and coordination, as well as the societal institutions in contrast and interdependency.

The following step in understanding the sources, in other words, what kind of actions are present in those institutional constituents that can affect the institutional environment and, thus, generate institutional pressure and influence over social enterprises. CSR literature has a vast array of typologies and structures over this topic, as in Carrol (1979), Carrol (1991), Wood (1991), Montiel (2008). Institutional theory, in Meyer and Rowan (1977), DiMaggio and Powell (1983), and Scott (2001) also have identified possible sources of pressure to organizations. Lastly, literature about Social enterprises, as Dart (2004) and Battilana and Lee (2014) also mentions about those aforementioned sources.

Therefore, building upon previous literature, four main broad categories stand out: legal, economic, ethical, and cognitive, pressures. The legal pressures manifest themselves

through legal norms laws, rules and are enforced through sanctions; the economic pressures manifest themselves through the demand from institutional constituents (stakeholders) for value creation (jobs, wealth, products/services), proper management of resources, compliance with standards and affordability of goods/services provided, and are enforced through financial destabilization; the ethical pressures manifest themselves through collective standards, norms and expectations from institutional constituents of what is considered fair, and are enforced through opposition; and, lastly, cognitive pressures that manifest themselves through shared beliefs and cultural support, and are enforced by reasoning processes as a logic for action (ceremonies).

Lastly, the remaining dimension is focused on understanding what the legitimacy abiding mechanisms the external institutional pressures reach the organization and lead to organization conformity, isomorphism are. DiMaggio and Powell (1983) provide a widely accepted categorization of three mechanisms through which isomorphic institutional change occurs: coercive, mimetic, and normative pressures.

Coercive pressure stems from government or other organizations that an organization is dependent upon, by exertion of political and/or sanctioning power (DiMaggio and Powell, 2007), examples of coercive pressures include laws, budget cycles, financial reporting requirements, standards fulfillment and so on, thus, being mostly coming from societal level (through regulations) or from organizational level (bank requirements). Mason (2012) identified coercive pressure towards Social enterprises in the healthcare sector, coming from mainly government policies and legislation.

Mimetic pressure is copying or mimicking structures, processes, and behaviors of other organizations as a response to uncertainty (DiMaggio and Powell, 2007). In this sense, organizations consciously model themselves after another, that would represent a ‘best practice’ or a high level of achievement organization in the public eye, copying this ‘successful’ prototypes helps the social enterprise to satisfy legitimacy towards whom the organization depends upon. Hillman et al. (2018) noticed that the “influence of similarly focused organisations (...) seems to be paramount in providing a model for chosen business structure” (p. 449), leading to new social enterprises following “the template established in other similar organisations within their frame of reference” (p. 449). To those organizations, Mason (2012) suggests that competitors, startups, or other successful hybrid organizations are

potential targets for mimicking. Mimetic processes are even riskier to Social enterprises, as due to hybridity mimicking can occur from both for-profit or charitable organizations, leading to potential dysfunctionalities endangering financial stability or even leading to mission drift. Frequent interaction with the private, public or non-profit sector can potentialize those mimetic processes; for instance, studies showing that the increased involvement of private sector consultancies with non-profits leads to the ‘creep’ of corporate practices into the third sector (Irvine, 2007). Due to its own nature, mimetic pressures are inheritably more present at the organizational level, coming directly from other organizations as competitors, partners, other social enterprises, for-profit businesses, or non-profits. Also, in the course of building such organizations, social entrepreneurs can also mimic practices from already-established social enterprises (Battilana & Lee, 2014)

Lastly, normative pressure stems from the value of professionalism and education, coming from the influx of professionals whose background, professional education, and codes of practice result in strong beliefs of how organizations should operate (Mason, 2012). Examples of such pressures are “professional networks or boards, on-the-job socialization and networking, training or professional development, formal education, and certification processes accredited by professional bodies” (Lee, 2014 p. 22-23). Thornton (2004) poses that frequently executives’ views on how to best run the corporation were highly influenced by their experiences, representing, therefore, another source of normative pressure. In the specific case of hybrid social enterprises, Battilana and Lee (2014) stated that those organizations “face unique dilemmas in selecting their employees and that depending on their previous work experience, employees may need to unlearn some of their habits” (p. 417). Normative pressures, then, come not just from the individual level, by managers carrying on preconceptions and previous experiences, but also from the organizational level, by educational and certification organizations setting standards of practices.

To sum up, external environment analysis plays a crucial role in understanding what are central pressures coming to the organizations, towards what direction they are pointing to, what are the primary sources of those pressures and how to deal with them, what are the mechanisms firms use to legitimize their existence in the presence of those pressures, as well as how organizations shape their decisions to abide or reject those pressures.

Table 3. External antecedents’ dimensions

Dimension	Categories
Direction of logic	Social or Economic
Level of analysis	Societal, Organizational and individual
Source	Legal, economic, ethical and cognitive
Legitimacy Mechanism	Coercive, mimetic and normative

4.1.1.2 Internal Antecedents

The second dimension to be analyzed in the antecedents is relative to the position of the organization in the external environment, as well as the inherent characteristics of the firm and its members. This kind of analysis is relevant because of the existing conditions regarding the boundaries of the firm and its resources, limits, and direct the possible reactions of the organization towards the institutional pressures. The point to be made is that those inherited characteristics of the firm and its primary actors' influence strategy, structure, and practices. Those conditions are considered antecedents since they are a given from a long-term perspective, as it possible to the firm, as time goes by, to change its relative position on the field, to alter relations with primary stakeholders, to acquire other assets and resources, to develop new capabilities, as well as change its own members. This dimension can be divided into two main factors: organizational attributes and individuals attributes.

Organizational attributes refer to aspects that are company-related, hence, at the organizational level, that influence how firms absorb the pressures that lie in the outside environment. In this sense, Greenwood et al. (2011) poses that the field position of the organization in relation to the respective environment “shapes the form and intensity of complexity that it will experience, in their words, “central highly embedded organizations may be more exposed to the tension that multiple logics engender as compared to less embedded peripheral organizations” (p. 319). Battilana et al. (2009) also recognized the relevance of an organization’s position within an organization field, to them, organizations located at the periphery are more prone to deviate from established practices, since they are less compromised by institutionalized relationships. Hence, the distance from an organization to the center of the field should be factored in.

Moving from the relative position of the firm in the environment to the firm itself, some characteristics of the organization, such as size and status, structure, ownership, and governance, that can make it more sensitive to specific pressures and less so to others (Fligstein, 1990; Thornton, 2004; Greenwood et al., 2011).

Regarding the size issues, two main contradictory effects are observed. Waddock and Graves (2004) noticed that organizational size might be correlated to more intense institutional demand from the environment, since it attracts more attention and visibility from other stakeholders, as society and media. In this sense, size and status would work as a spotlight for the organization. On the other hand, large firms are more resistant to change traditional practices, even though there is increasing pressure from the organizational environment, allowing them to deviate from prevailing expectations (for examples of empirical studies stating that see Greenwood et al., 2011). Hereof providing organizations a 'shield' from institutional pressures. That balance factor might help to explain why traditional, central and sizable organizations resist adopting sustainable practices, as observed by many authors (as Pagell & Shevchenko, 2014; Montabon et al., 2016, and others).

Another aspect stressed by many authors is regarding ownership (Thornton, 2004; Greenwood et al., 2011). In this factor, both 'who' owns and 'how' it is owned is essential. Research over the healthcare sector (hospitals) and education (universities) found out that in the face of ambiguity from conflictual logics, private ownership tended to lead up to the prevalence of the market-based logic over the social one. Publicly funded institutions, conversely, tended to respond to the preferences of governments from whom they receive funding. Hence, the concentration of power due to ownership, and the subsequent distribution of this power across functional groups shape organizational responses to institutional fields.

Lastly, in organizational attributes from an institutional logics perspective, Thornton (2004) states that sources of identity, legitimacy, and authority have to be observed. Identity can be defined as how organizations interpret and respond to strategic issues and environmental changes (Greenwood et al., 2011). In institutional complex organizations, such as social enterprises, where multiple institutional logics are present, there might be competing identities, competing ways as the organization sees itself, as aforementioned seeing themselves as a social benefit organization or a market leaned one. Furthermore, in responding to external pressures, organizations attempt to preserve and protect positive

aspects of their identity. Hence, strong identities would empower organizations to ignore or comply with external demands.

Sources of legitimacy are related to characteristics and resources within the organizations to conform to external environments' requirements, to Thornton (2004), those aspects "provide a sense of order and ontological security" (p. 108). Although those sources can be mutable in the long-term, they are given in the short-term, and organizations have to deal with it. Hence, the sources of legitimacy for each of the institutional logic, how they ought to be preserved or changed over time have to be understood in order to comprehend organizational responses to the institutional. Just as an example, reputation may play an important role. In Thornton and Ocasio's (2008) study regarding the higher publishing industry, not just the personal reputation as a relevant source of legitimacy (editorial logic), but also the market position of the firm (market logic).

Lastly, sources of authority define power and privilege in organizations. Achieving prosperity requires organizational members to believe in some myths, to play by some rules, and to use specific language, making management reproduce formal structures, as well as informal status hierarchies and power structures (Thornton, 2004). Understanding these sources is vital since social actors gain status and position by their behavior aligned with such authority structures. As mentioned for legitimacy sources, authority sources also can change over time, but from a short-term perspective, organizations have to cope with them as they are.

In conclusion, all organizational attributes aforementioned fulfill Dillard and Layzell's (2014) Corporate Responsibilities Maelstrom framework, being Compliance and Stakeholder's expectations represented in the external pressures, and the Corporate Values and Fiscal Responsibility represented in organizational identity and ownership, respectively.

Moving now to the individual level, an individual's attributes also need to be accounted, as a given when thinking about antecedents of organizational responses toward the institutional environment. Considering all the institutional field pictured before, *ceteris paribus*, there would be nothing pushing towards institutional change. That is what Battilana, Leca, and Boxenbaum (2009) called institutional pressures toward stasis. There is, however, one social actor that can transform institutional fields, that authors call "institutional entrepreneur". In this sense, institutional entrepreneurship would be the activities of actors

who envisions a particular institutional arrangement and leverage resources to build this vision by transforming existing institutions (Battilana, 2006).

In a particular context, we are analyzing; thus, social entrepreneurs can be considered actors of institutional entrepreneurship by defying the prevailing institutions of business and capitalism. In this regard, Battilana (2010) suggests that social entrepreneurs are the ones able to inspire a vision of change by embedding values within and across networks and mobilizing several resources to concretize this vision. From this definition, it is possible to unravel three main factors to the social entrepreneur: the motivation of such entrepreneur, the skills and capabilities necessary, as well as stakeholders' connections, in order to surpass the institutional barriers faced.

From the motivation side, Mason (2012) noted that the practical observation pointed that such entrepreneurs are often driven by a singular (often social and political) ideology and the endurance of such ideology that sets the tone for development within institutional fields. This topic was extensively explored in the literature through many theoretical lenses, from Maslow's perspective, McClelland's perspective and others (for more references see Vedel et al., 2017), the main consensus in the literature is that such entrepreneurs present a strong sense of intrinsic motivation. Germank and Robinson (2014) empirical study mapped several aspects that drive social entrepreneurs forward, among them the desire of helping society, with a commitment to the public interest and compassion; a nonmonetary focus, despite wanting to make a living through their social project (many people stated that could be earning more in other places); achievement orientation, with a strong desire to accomplish significant results; personal fulfillment, aiming some kind of self-actualization; and closeness to social problems, to change their own social context.

From the capabilities, skills and resources side, social entrepreneurs face the task of challenging existing institutions, convincing different constituencies embedded in the institutional field as well as mobilizing resources (Battilana, Beca & Boxembaum, 2014). This requires not only technical and business skills but also social skills to communicate a vision and mobilizes allies. These constraints lead to a minimal and specific set of resources, encompassing both the social and commercial dimensions of the business. The current state of research, as Fligstein (1997), states that the success in social venture depends on the access entrepreneurs' have to the proper skills and the scarce and critical resources. Interestingly,

most of the necessary skills presented to be necessary to social and institutional entrepreneurs also overlap with the traditional entrepreneur, the difference being that the formers have to diverge from the predominant model in the institutional environment, thus facing other kinds of resistances and oppositions.

The last aspect to be factored in the antecedents is the social connections, the social entrepreneur has. Di Domenico, Haugh, and Tracey (2010) point out that “entrepreneurs use personal networks such as kinship ties and (...) mentors in order to access support, skills, and experience, thereby facilitating market penetration” (p. 684). Battilana, Leca, and Boxenbaum (2014) also mentions that the ability to secure cooperation and orchestrate collective action among diverse stakeholders, “[b]eing in a position to broker among groups that would otherwise not be connected affords an opportunity to assemble a coalition around a vision for divergent change” (p. 84). If it is considered that resources are awarded on the basis of legitimacy, hybrid enterprises experience difficulty in acquiring resources, since they do not fit institutionalized expectations, in this sense, fundraising appears as a challenge that could be overcome the relationships the social entrepreneur is able to settle up.

To sum up, antecedents were divided into two main dimensions, external environment, and internal attributes. The external environment refers to a thorough analysis of the conditions outside the boundaries of the firm that exert pressure over the focal firm. The internal attributes refer to the relative position of the firm itself, as well as organizational and individuals’ attributes that influence the way the organization ‘feels’ external pressures. Having set the antecedents, the next step is understanding the process that organizations take in order to sustain both the social mission and the financial sustainability in the long term.

Table 4. Internal antecedents’ dimensions

Dimension	Categories
Organizational Attributes	Relative position, ownership, size and status, sources of identity, legitimacy, and authority
Individuals Attributes	Motivation factors, skills, and capabilities, social connections

4.1.2 Process

The process step of the framework depicts organizational responses to external pressures, given the internal attributes that are present. Hence, the process represents the range of possible actions and decisions a firm takes following multiple logics, by considering the institutional complex environment it is embedded in. For the purpose of clarity, the whole process of delivering social value maintaining financial stability will be divided into two main dimensions: the first one strategic planning and decisions, and the second one being more tactical and managerial practices.

4.1.2.1 Strategic planning

The strategic responses are referred to like the interactions of many institutional logics, are experienced within organizations, and how organizations respond (Greenwood et al., 2011). Oliver (1991) structured a summary of possible strategic behaviors that organizations may enact in response to pressures toward conformity with the institutional environment. The author listed five main types of strategic responses, varying in the active agency from passivity to increasing active resistance: acquiescence, compromise, avoidance, defiance, and manipulation.

Building on Oliver (1991), Meyer and Rowan (1977) and Pache and Santos (2010), Battilana and Lee (2014) proposed a typology for hybrid organizations in literature, understanding them as a combination of multiple organizational identities, as a combination of multiple organizational forms and as a combination of multiple institutional logics. Each of those typologies developed their own way of looking into hybrid organizations' responses to the institution environment. Battilana and Lee (2014), then, categorized the possible actions in four main possibilities that herein, will be used: dismissing responses, as a form of rejecting and denying the external pressure; separating responses, as a form of partially conforming and accommodating demands; cumulative responses, as an aggregation strategy absorbing the demands; and creative responses, fusing current identities and structures with the demand.

Another useful prism to be considered in strategic responses is regarding what mechanism is used to create social value and generate social impact. This is a crucial factor to

be understood because the 'delivery' model of social value is much tied to the subjacent structure to be deployed both internal operations and supply chain. Building upon Ho, Clarke, and Dougherty's (2015) research on youth-led social enterprises, there are four main mechanisms of legitimization of social enterprises in creating social value, varying from lower commitment strategies towards higher commitment strategies: awareness-raising, influencing, cooperating and direct-acting. Note that under this perspective, such mechanisms allow a division of labor from organizations regarding a particular social mission, and they are also non-excludable, in a sense that a social enterprise can employ one or more of those mechanisms at the same time.

The first mechanism is awareness-raising; in this case, firms put effort and deploy resources in order to get attention, comprehension, and care about a particular social issue. Hence, the role of this strategy, from a multi-level perspective, is to make individuals, organizations, and socially conscious about the problem in question. The second mechanism employed is influencing, which is a form of creating pressure in other stakeholders in order to take action and address the social problem envisioned. In a multi-level approach, this mechanism tries to reach individuals in their private lives, communities, and organizations' decision-makers, as well as policy-makers. The third mechanism identified is related to cooperating. This strategy would be an organization directly impacting the social problem through partnerships and cooperation with other individuals, organizations, and broad populations, by trying to potentialize its allies' social impact. The last and most direct mechanism is direct-action, which is characterized by a firm deploy its own resources to impact the social problem directly. The scale of such impact can vary from a focus in few beneficiaries, toward reaching more significant populations.

Comprehending strategic responses and strategic mechanisms to gain legitimacy to the external environment is the first of the steps in understanding the other subsequent decisions regarding structure. When pursuing those mechanisms to create social value, social enterprises act as institutional entrepreneurs, by employing a business model that diverged from one that was dominant in the field at that time (Battilana, Leca, and Boxenbaum, 2009). Those distinct business models, in which turn, lead to different possibilities of organization design.

To Battilana and Lee (2014), organizational structure affects the pursuit of social and commercial objectives “through its influence on the frequency and nature of tradeoffs between these goals, as well as the location within the organization where decisions about such tradeoffs are made” (p. 417). In this sense, to better understand those different structures, many authors (see Greenwood et al., 2011) draw from ambidexterity literature. Such literature differentiates organizations considering two main types of structures, blended and structurally differentiated. While blended structure-function within the same organizational unit pursuing the dual goal, structurally differentiated compartmentalizes each of the objectives into separate sub-units (Greenwood et al., 2011; Battilana & Lee, 2014). The trade-off here implied is that the blending of logics in an existing organization tends to be very difficult (Battilana & Dorado, 2010) and require organizational hybrid activities to be compatible and possible to integrate, which is seldom true in the presence of trade-offs. On the other hand, separated units isolate activities that are likely to come into conflict, demanding new processes of coordination between the different units. Under this scenario, processes of negotiation that consume organizational resources “may be a necessary condition for enterprises that combine charity and business at their core to maintain their hybridity and achieve high levels of social and commercial performance” (Battilana & Lee, 2014 p. 418). Those two different types of structures may help explain the presence of distinct SISCN approaches of decoupled, combinatory, and coupled SC observed by Pullman et al. (2018).

This definition enables the firm to define where is the relative position of the charitable beneficiary to the social delivery value structure, possibly being fully integrated or relational. In this sense, Social enterprises can internalize the beneficiary into the firm structure, as Work Integration Social enterprises, the WISEs (Battilana et al., 2015; Longoni et al., 2019), for example, or have the beneficiary as a supply chain partner, as microfinance organizations (Battilana & Dorado, 2010; Sodhi & Tang, 2016).

By internalizing the beneficiary into the social value structure (as WISEs), the social enterprise is helping vulnerable unemployed populations to qualify themselves in order to be reintegrated to the workforce, such firms employ those temporarily and train them in the social and technical skills required by the labor market. In this work, the beneficiaries also participate directly or indirectly in the production products and services, that help the social generate revenue, whilst developing the skills to obtain another employment opportunity.

Having the beneficiary as a supply chain partner is also valid. Sodhi and Tang (2016), for instance, identified several possibilities of having vulnerable populations when reflecting on BoP SC. The beneficiary could be used in the supply side (upstream) as a supplier, service provider, or producer, as for example, a social enterprise acquiring raw materials from cooperatives of small farmers or vulnerable producers that live in harsh economic conditions and uncertainty. Moreover, in developing countries much of the workforce sell their products and/or services in the ‘informal economy’, thus, lacking the access to sales channels and efficient marketing making it challenging to sell their products at a fair price. Therefore, by integrating those populations in the focal company supply chain, can help address this particular issue. The beneficiary also could be used in the demand side (downstream), as a channel, distributor or even consumer, for example, the social enterprise can use microentrepreneurs to distribute finished goods in order to overcome costly ‘last-mile’ distribution, due to the lack of adequate infrastructure in many countries. Another possibility is having the beneficiary as a customer by providing access to scarce resources, like water and energy, or alleviating distressful conditions, as the lack of sanitation; problems that are very common in deprived areas.

One crucial aspect still underexplored in literature is regarding transparency and visibility in those firm’s supply chain, in a sense that it should be questioned if it is clear for other supply chain partners the relation between the firm and the beneficiary. For example, in the case of WISEs, the beneficiary is internalized in operations, in this scenario, questioning if it is clear for the customer that there are social value creation activities embedded in the operations arise as an essential issue if customers are aware how do they react to such distinct operation, how does affect customers’ willingness to pay.

This decision of the position of the beneficiary in the operations leads to what Pullman et al. (2018) observed as SISCN approaches: decoupled, combinatory, and coupled. Being decoupled SISCN a focal organization in which the one logic is core and the other logic is peripheral, the combinatory with both commercial and social welfare logics intrinsically tied at the firm’s core and coupled the simultaneous operations of two different supply chains to address, respectively, social and commercial activities.

Apart from the supply and the demand side, other relationships are essential when it comes to social enterprises. At least two other inter-organizational relationships stand out:

financing entities, as well as intermediaries legitimizers. From potential financiers point of view, social enterprises are seen as relatively riskier, due to the uncertainty associated with behavior its behavior (Battilana & Lee, 2014), their hybrid nature of social enterprises makes them also more complicated to be understood by other actors. Even worse, according to Lee (2014), social ventures that employ revenue-generating models are less successful in securing external financing than charities. Therefore, funding for such organizations is a challenge, and understanding how it was possible to overcome those barriers is crucial in understanding how social enterprises are able to generate both economic and social value. Nowadays, financing is still very reliant on the social entrepreneur network and less on traditional shareholders and banks, although there has been a recent increase in impact investing.

Furthermore, if a social venture can be considered an institutional entrepreneurship endeavor, leveraging allies is an important step. In this sense, the presence of other legitimizers, as NGOs, in the social enterprise's relations network needs to be observed. Pullman et al. (2018) noticed that social actors like NGOs and local community organizations help to influence other parties since they inspire trust. Those intermediaries can end up acting in several ways for the focal organization, as for example, they might act as suppliers of information about people in need, or even sometimes act as a channel between the focal firm's supply chain and vulnerable populations. Another exciting aspect mentioned in several papers, but still less explored is the present of nontraditional stakeholders in the supply network (Greenwood et al., 2011; Battilana & Lee, 2014; Pullman et al., 2018), for instance, one social enterprise in the food sector engaging in programs and relationships with other social enterprises in clothing segment because they share the same beneficiary. In several case studies of social enterprises, unusual relationships like that were noticed but still not further developed.

To finish the planning decisions of social enterprises, after going through strategic responses, structures, and relationships, the following definition is regarding the specific beliefs and rules that impact decision making, the governance systems. Theoretically, social enterprises by combining business and welfare logics face unique governance challenges related to joint accountability to both social and economic objectives (Greenwood et al., 2011; Battilana & Lee, 2014). Preliminary research over the topic (as Ebrahim, Battilana, & Mair, 2013) suggests that governance plays a vital role in ensuring the achievement of both objectives, avoiding mission 'drift' or financial instability. In this sense, for the cohesiveness

of the social enterprise, a robust governance system is paramount for the social enterprise, and understanding how this private institution work, from wherein the external environment was the inspiration, to understand its legitimacy is fundamental.

Table 5. Strategic dimensions

Dimension	Categories
Strategic Response	Dismissing, separating, cumulative, and creative
Social Value Mechanism	Awareness-raising, influencing, cooperating and direct-acting
Social Structure	Blended and structurally-differentiated
Beneficiary position	Internal, External (upstream or downstream), and parallel partnership
Stakeholders engagement	Supply chain partners, financing entities and intermediaries
Governance System	Coupled, policy-practice decoupling and means-ends decoupling

4.1.2.2 Tactical and operational decisions

Coming from a high-level perspective, the second dimension to be analyzed in the process is related to how those decisions over strategy, structure, and governance systems end up being employed into practice in order to generate social value and impact desired. In this regard, many dimensions have to be factored in when understanding such entities.

Social enterprises pursue a social mission while engaging in commercial activities that sustain their operations (Dees, 2001), because of that, they face inherent tensions faced to combine business and social-driven activities. As aforementioned, due to the possibility of convergent blended structures or structurally differentiated ones, the firm's mission can be undertaken with a standard set of activities or through separate sets of activities. To Battilana and Lee (2014), the level of integration between social and commercial activities directly affects the degree to which tensions between logics are experienced by potential paradoxes in the allocation of human, financial, and attentional resources. In this sense, when revenue-generating activities share costs with already socially legitimized activities, this

inherent tension is reduced, since they create new revenue without the need for resource competition.

Furthermore, developing and maintaining the legitimacy of activities is a challenge for hybrids since they do not fit in any socially constructed categories that are embedded in society, organizations, and individuals. Hence, integrating activities may confer the simultaneous appearance of compliance with multiple audiences that evaluate different aspects of the organization's activities (Battilana & Lee, 2014). Lee (2014) observes that where activities are more integrated, organizations are more likely to be recognized as consistent members of multiple forms, being granted the legitimacy desired. When activities are not integrated, on the other hand, the social enterprise may be perceived as deviating from recognizable aspects of their commercial form, or their welfare form. In other words, strictly commercial activities may be seen as a 'drift' from the social goal, and strictly social activities may be seen as undermining financial stability.

With the internal activities well settled, the next crucial managerial decision is related to how social enterprises deal with different stakeholders' interests, as well as supply chain partners' expectations. In this regard, social enterprises are accountable to multiple stakeholders, being confronted with often diverging interests of the beneficiaries targeted by the social mission and of their funders or investors (Ebrahim, Battilana, & Mair, 2013). Moreover, responding adequately to stakeholders is paramount in developing and keeping legitimacy in the institutional environment. If central stakeholders lose confidence in the firm, legitimacy can be withdrawn, and stakeholders neglect their share of reciprocal benefits, employees withhold loyalty, shareholders abandon the company, the government imposes restrictions, and so forth. If the firm cannot compensate for lost stakeholder benefits, it becomes "illegitimate" and dies (Wood, 1991). The same can be said for supply chain partners, upon whom the operations depend. Customers can decide to stop buying products, and suppliers can break partnerships, leaving the operations empty of value and purpose.

Research on social enterprises observed that close relationships with organizations embedded in more established sectors would positively influence a social enterprise's ability to achieve its social mission (Austin & Leonard, 2008 apud Battilana & Lee, 2014). There are still, however, potential unknown consequences of such relationships. As aforementioned, mimetic pressures are indeed a challenge, in developing those kinds of partnerships and

relationships, with for-profits and not-for-profits organizations, social enterprises might be endangering the sustainability of their hybrid nature (Battilana & Lee, 2014). To sum up, managing such relationships in a way that legitimacy is granted and hybrid identity is kept is a challenge to be overcome.

From the supply chain perspective, Pullman et al. (2018) started mapping possibilities of relationship management depending on the SISCIM approach adopted. To the authors, such relationships management is composed of two factors for each dyadic relationship, the relationalism approach, and power dominance. In literature, such as Sodhi and Tang (2016), a clear distinction has to be made when a beneficiary is a supply chain partner. Since in those scenarios, two completely different kinds of relationships emerge, as the relation of the firm with the beneficiary takes a rather distinct shape than the relation between the firm and other supply chain partners. Firms to be more altruistic and trust-based when dealing with beneficiaries, while it is possible to keep being transactional and power-based with other traditional supply chain partners (Pullman et al., 2018). Over this subject, though, it is still unclear if there is influence from the focal firm's relationship with the beneficiary towards the other traditional relationships, a few empirical studies mention that social enterprises tend to be more transparent and collaborative with other stakeholders, but this is still an open discussion.

Another aspect regarding such relationships is related to the deployment of codes of conduct (COC) for supply chain partners, dictating specific guidelines, behaviors, and buying criteria that must be followed during interactions (Awaysheh & Klassen, 2010). Hoejmose and Adrien-Kirby (2012) also noted that such COC is by far the most common way of implementing and extending socially responsible practices towards supply chain partners. To the authors, such COC, beyond being just written rules, can provide guidance, maintain consistent standards, enhance reputation as well as grant encouragement and support. The problem, however, is that those COCs often fail due to compliance issues and lack of monitoring efforts, being, thus, merely written requirements that do not deal with the real problem and might even serve to create attrition between the focal firm and its supply chain partners. This kind of demand, however, is reasonable for social enterprises, unsustainable and irresponsible practices from supply chain partners can compromise the social enterprise's legitimacy over their social goal, even though many social enterprises are just unable, due to the absence of power, to enforce COC to supply chain partners.

As a requirement for the activities and relationships to succeed, human resources management becomes a crucial aspect of social enterprises. Battilana & Dorado (2010) studied two different stories of enterprises in the same sector and noted that one essential aspect differentiated success and failure; in the case, the deployment of particular human resource practices, that helped build a new organizational identity, which in turn enables the firm to survive. Summarizing the main ideas, the successful social organization avoided hiring anyone with previous experience, avoiding the normative pressures accrued from the attachment of either logic, because such individuals tended to be resistant to other ways of working. In that case, avoiding prior experiences helped a social enterprise successfully implement a blended hybridization. Despite workforce composition being a key aspect here, there is still a nuisance complexity about this. Since social enterprises ‘straddle’ the social and commercial sectors, it is rather rare to find potential employees whose skills and dispositions align with their hybrid work context, as most people are still socialized either in the social or the commercial sector (Battilana & Lee, 2014). Hence, it is almost impossible to populate the social enterprise with such hybrid individuals, and “instead the social enterprise must organize in ways that allow individuals from one sector or the other to work together effectively” (p. 415).

To govern these human resources, goal-setting, incentives, and control systems need to be understood as a basis. Those systems define how to measure and reward members, dictating desirable procedures. Such systems are even more critical in hybrid organizations, as they can be used to teach and reinforce the and values desired in organization members. Furthermore, it is a means of conveying the organization’s objectives and guiding values, how they are evaluated and rewarded, by weighting both logics’ performance, in the way of aligning the incentives of organizations members towards an objective function that represents the firm’s overall goal. Understanding the different ways of appraising performance and rewarding member, how these systems emerged, and how does the organization member’s feel about it is critical to assess social enterprise’s management.

Lastly, other decisions regarding how the organization and its members behave in relation to social norms and expectations are relevant in the pursuit of legitimacy. Hereof, this is the place that the ‘socially responsible’ practices (from CSR) fit in. Social enterprises are expected to go beyond legal requirements and to encompass a series of practices associated with generating social virtue. Such practices encompass ethical contracting, adequate

customers' information management, providing a healthy and safe work, respecting human rights, build in diversity and non-discrimination at work, recognizing and embracing cultural differences, maintaining fair business practices, being trustworthy to stakeholders, contributing to local communities, behaving in an anti-bribery and anti-corrupt manner and so forth (Carroll, 1979; Carroll, 1991; Wood, 1991; Carter & Jennings, 2002a; Carter & Jennings, 2002b; Maloni & Brown, 2006; Andersen & Skjoett-Larsen, 2009). A vital factor to notice, many authors advocate pro-philanthropy in organizations (Carroll, 1979), for social enterprises this would not fit as a requirement for a straightforward reason, such firms do better by using the economic value generated to keep funding and expanding their social value creation. Moreover, adopting such practices is no-doubt beneficial to society and would enhance social fabric; however, those are clearly not the core of the social value creation and social impact generation.

Table 6. Tactical and operational decisions dimensions

Dimension	Categories
Organizational Activities	Common and separate (convergent or divergent)
Stakeholders Management	Relevance, demands and reciprocal benefits
SC relationships	Dominant logic, influence, relationalism approach, and power-dominance
HR management	Hiring, training, and socialization
CSR practices	Environment, ethics, diversity, quality, health and safety, community management and etc.

4.1.3 Outcomes

The last step of the framework is related to the productive outcomes generated by social enterprises in their pursuit for social value creation, whilst maintaining their financial stability. Those outcomes can be tangible effects of organization's activities in the beneficiaries they targeted, or intangible benefits enhancing social fabric, by providing better and more meaningful interactions between members in society, as well as fostering communities, securing positive relationships and, thus, generating the conditions for society to thrive in the present and in future generations.

Many authors remark that, differently from economic value, social value is more difficult to measure (Beske et al., 2015). Nevertheless, if it is argued that social enterprises are entities capable of improving social conditions, it is also possible to determine in which ways the beneficiary or society is being improved, how to adequately measure such impacts, and report to the relevant stakeholders. To those organizations, success is defined in terms of progress toward the social mission, but still, there are two main challenges derived from the lack of common standards or benchmarks for social performance measurement: the first challenge is aggregating social impact in different dimensions, and the second one the difficulty of comparing social performance across organizations. Social enterprises can advance more than one issue at a time (as different ‘products’), in this regard, how to assess the overall performance of such enterprise, since there is no common language (products would be aggregated into units or dollar revenues). A similar problem happens when it is tried to assess a social enterprise in comparison to another one, to set what would be considered ‘best practices’ in social ventures, there is no basis to make such comparison.

To try to solve this problem, different organizations and academic institutions developed several social impact evaluation methods that are currently used by enterprises and the public sector for social value measurement. Examples would be social enterprise Balanced Scorecard (BSC); Ongoing assessment of social impact (OASIS); Social Return Assessment (SRA); Social Accounting and Auditing (SAA); Benefit-Cost ratio; Social Return on Investment (SROI); Best Available Charitable Option Ratio (BACO and so forth (for more examples, see Maas & Liket, 2011; Lombardo et al., 2019). Some of them try to solve the common language problem by employing monetarization methods, trying to quantify social and environmental indicators and translate those indicators into a monetary value to be comparable with traditional financial data (for more literature see Pearce et al. 2006), like OASIS, BACO, SROI, and others. It is still not evident in literature if this is the path forward.

There are also other third-party organizations that try to push organizations beyond the interest of shareholders, making them consider other stakeholders, as communities and society as a whole. To be held accountable for that companies can disclose reports over social and environmental performance assessed against a third-party standard, such as B Lab and the Global Reporting Initiative (GRI), who set the standards to define, report and assess their social and environmental performance (Ebrahim, Battilana & Mair, 2014). Nevertheless, since the adoption is voluntary and only the compliance with the standard itself is required, not

existing any negative consequences carried forward, those mechanisms for appraising social outcomes are not used *Urbi et Orbi*.

Research over the topic in the last decades, however, is pointing out in the direction of what is known ‘theory-driven evaluation’ (see Ebrahim, Battilana & Mair, 2014), according to literature, this method represents “an explicit theory or model of how the program causes the intended or observed outcomes as basis for evaluating performance (p. 87). The core idea of such method is a “logic model” in chain reaction, that lead organizational inputs (e.g., man-hours, resources) to support activities and processes for the delivery of goods and services (e.g., food, job training) that in turn results in outputs to a target beneficiary population (which is usually measured in number of people reached). These referred outcomes are believed to, over time, generate improvement and prosperity in the lives of the target beneficiaries (e.g., nutrition, increased income). Through this model, it is much easier to link the organizational activities to the correlated output, and by monitoring it in the long-term, the social enterprise can assure that it is pursuing and achieving the social mission. As aforementioned, the most significant downsides of such an approach, are still the lack of aggregability and comparability, as well as the blurred notion about causality, assuming that monitoring outputs would generate better outcomes. This causal notion is somewhat questionable since the knowledge about cause-effect in social change is relatively incomplete due to the interaction of multiple actors beyond the boundaries of the firm.

Nevertheless, there are successful examples regarding the application of such a way of thinking that can be found in Battilana et al. (2015) empirical study over a WISE. In that case, social performance was defined as the degree to which an organization is effective at producing positive social outcomes. Thus, in the case of WISE social performance can be straightforwardly assessed by the number of beneficiaries that are able to find regular jobs at the end of their employment with the WISE and how that portion was representative to the total.

Apart from this discussion about how to measure, the definition of what dimensions of social impact should be measured. In this regard, some essential dimensions stand out: human rights & democracy; equality, empowerment & social justice; environment; human health & safety; science, business, technology & development; education and culture (Ho, Clarke, and Dougherty, 2015). Other authors, as Giovannoni and Fabietti (2013), mention that linking the

social enterprise's output with the correlate SDG as a general framework would be an accurate way of assuring the alignment between a firm's social mission and a greater societal mission represented by the SDGs.

Other technicalities about how to accurately measure social impact and other standard ways of doing so can be found in Maas & Liket (2011). To the authors, social impact monitoring should be analyzed in six characteristics: the purpose of the measurement, screening, monitoring, reporting or evaluating; the time-frame used, if it is prospective, ongoing or retrospective; the orientation, if it is focused on the inputs or the outputs; perspective, representing what institutional level is being considered; and lastly the approach, if it measuring process, impact or monetizing it.

To sum up, a wide range of social impact measurement methods makes it hard for managers to select a suitable method for the measurement of the social impact of their activities (Maas & Liket, 2011), the difficulty stems not just from the downsides of lack of aggregation, comparability, and causality, but also from lack of consensus on the definition of social impact. Notwithstanding, by observing how social enterprises employ outcomes evaluation mechanisms and how it works in practice can help researchers better address those kinds of questions.

Table 7. Outcomes' dimensions

Dimension	Categories
Approach	Theory-driven, process method, impact process, monetization
Orientation	Input, Outputs
Dimensions	17 SDGs
Purpose	Screening, monitoring, reporting or evaluating
Time-frame	Prospective, ongoing and retrospective

5 FUTURE RESEARCH AGENDA

After organizing current literature in the previous chapter, the main objective of the subsequent one is, then, to point out potential misconceptions in current research regarding standards and parameters considered when trying to understand social enterprise's SC phenomena, as well as to find potential opportunities for research efforts that would help. The framework developed in the previous chapter will, then, be used as a guide map to help identify and structure suggestions for future research agenda.

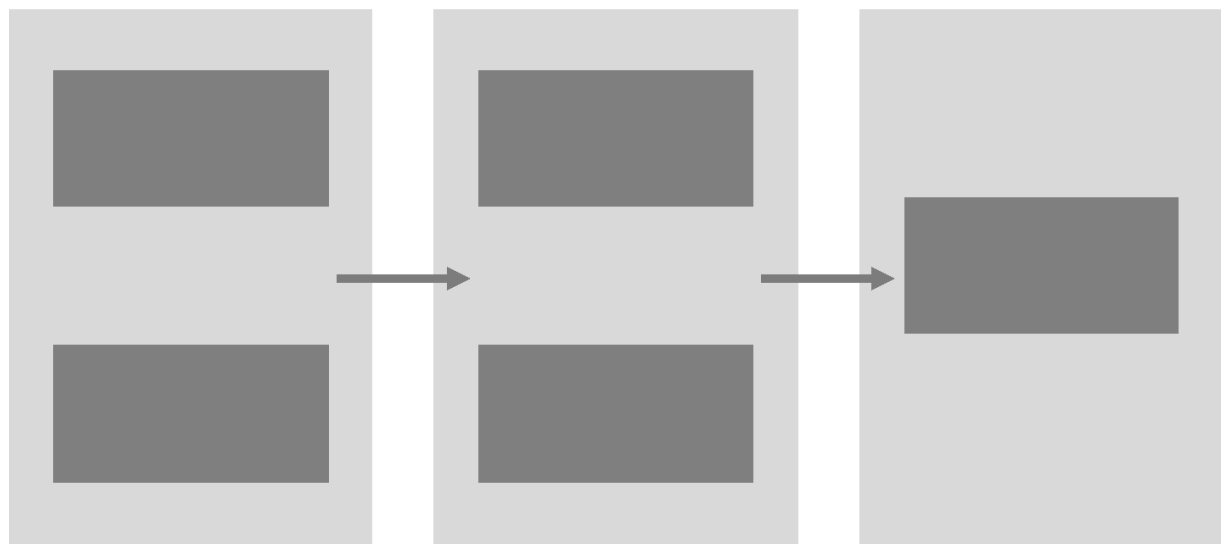


Figure 19. SISC framework

Considering the framework above, there are several ways of approaching the field. One first way would be to focus on one of the conceptualized categories, for a narrower scoped study, analyzing it in a more detailed fashion. An alternative to that would be, instead of looking at the framework as a whole, isolate the conceptual relationships foreseen, and evaluate them separately as the unit to be focused. Lastly, it is also possible to consider the whole framework as the tool for analysis and apply it in its completion in the field.

5.1 Components Analysis

Due to the differences in research maturity for each one of the steps of the framework, each dimension has its own specific prescription on how should future research should be. The detailing on why this is the case can be found in the following sessions.

Table 8. Future research for components

Component	Method	Approach	Objective
Antecedents	<u>Longitudinal single case study</u>	<i>Qualitative / Inductive</i>	Analyze changes in the institutional environment through time and how the organization responded in the pursue of legitimacy.
	<u>Multiple case study</u>	<i>Qualitative / Inductive</i>	Compare social enterprise's characteristics to peers in the industry, understanding the sources of isomorphism.
Process	<u>Semi-structured interview with specialists</u>	<i>Qualitative / Inductive</i>	Validate categories proposed and leverage examples to illustrate the different possibilities of strategies and structures.
Outcomes	<u>Semi-structured interview with specialists</u>	<i>Qualitative / Inductive</i>	Propose a common ground for a process to be adopted to measure social impact for social enterprises for future research.

5.1.1 Antecedents

From the antecedent's perspective, the first aspect that is seldom explicit and needs to be acknowledged is regarding the deterrent pressures from the institutional environment. Much of previous research recognizes current changes in both legal-normative infrastructure and societal perceptions in favor of sustainable practices, but yet fail to recognize, as noted in Gray & Milne (2004) that the current institutional environment punishes non-economic actions whilst privileging the economic logic. Future research, thus, should clearly identify the institutional environment features describing and explaining deterrent forces against the adoption of social impact practices. By understanding the nature of such negative forces, research can further point out in which markets and segments those forces weaker, predicting which fields are more prone to the emergence of social enterprises, as well as prescribe a

series of actions to help social enterprises deal with such forces. The same can be stated for the positive changes in the institutional environment. Understanding where and why the environment is shifting towards an acceptance/accommodation of sustainable practices can suggest which market functioning rules better incentivize society to move towards sustainable goals.

When analyzing the different possible levels of analysis, there has been relevant research in consideration of the longitudinal evolution of societal-level aspects through time, not only regarding legislation changes but also societal behavior and conceptions. There has also been, though, to a lesser degree, some studies analyzing the individual micro-level of individuals who, despite negative pressures towards them, become institutional entrepreneurs and conduct social benefit businesses to improve their communities. The organizational (meso) level, on the other hand, has been neglected (Zietsma et al., 2018). Understanding how the focal social enterprise manages its supply chain and other partners has been a challenge in current research. Not just by the complexity of mapping non-traditional partners and interactions that social enterprises engage in, but also by the absence of a specific guiding framework in SC theory that can encompass such institutional complex environment. Recent developments of Pullman et al. (2018) and the present work can help frame the analysis of social impact enterprises at the organizational level.

Furthermore, the adoption of institutional theory can provide exciting insights in understanding how organizations respond to external pressures in the pursue of legitimacy. As alerted by Battilana & Lee (2014), social enterprises may not fit in previously socially constructed categories. One example is that companies are often framed through the lens of a dual analysis regarding drivers of customers' willingness to pay and costs, which leads to previously conceptualized configurations within an industry of firms both trying to raise customers' willingness to pay or to decrease costs. This type of configuration is blatant in the for-profit clothing/apparel industry, for example, in which companies try to increase the value perceived by customers by providing fashionable designs and decrease its cost considering affordable choices of material and labor (sometimes resorting to unsustainable materials and sweatshops). Under DiMaggio and Powell's (1983) isomorphic lenses, a social enterprise in such industry would suffer pressures for mimicking structures that legitimize those preconceptions of how the industry works. Still, social enterprises in this industry must resist such established 'rules' and launch another basis for competition with sustainable and durable

materials, refurbishment, affordability, service, and other dimensions in order to survive in this environment financially. In this sense, identifying the legitimacy mechanism through which a focal enterprise is subjected to, and how does it respond to them, can be a valuable source of insight for further developing research in the field.

Furthermore, the clash of external pressures of the environmental field with inherent characteristics of the firm and its components can also be a locus field for future research. How fundamental aspects as the size and ownership of the firm affects its response to institutional influences, and how it affects the dynamic of the individuals within the firm. Ultimately, the interaction among those antecedent factors in the institutional environment with the firm and its constituents is what limits the latitude of action and defines the possibilities of planning of the social enterprise's supply chain.

5.1.2 Process

Following the framework, from the process point-of-view, research has some challenges and opportunities on going forward. In this dimension, there is still the first challenge to standardize which aspects need to be accounted for when theoretically developing the context and when empirically approaching the field. This current lack of frequent basis for what to observe and analyze harms the identification of commonalities in successful social enterprises, the definition of frequent practices, as well as the comparison between different social enterprises in different studies.

In this regard, one way forward would be generating insights related to the crucial factors in the planning and execution of social enterprises in order to reach a more consensual ground of aspects to be analyzed in further researches. As the first step in this process, the present study proposed a set of dimensions to be looked at in order to better understand how social enterprises manage their operations, particularly their SC relations, in order to generate social impact whilst maintaining financial viability. Due to the inherent complexity of such phenomena, as aforementioned, the proposed dimensions, however, may not exhaustively encompass all the aspects it should. That is why going even further using the proposed dimensions and validating them with specialists is encouraged.

Having settled a common ground of what to analyze in the field, the following step would be the conduction of more comprehensive and in-depth research on few cases to observe in practice the previously conceptualized concepts, and through interviews with its members better understand the reasons behind decisions made, as well as the consequences in the firm's operations.

After reviewing the literature, this research found out that those decisions of strategy and structure regarding which mechanism is used to reach beneficiary and wherein the value chain to it is positioned, in supply or demand side, is paramount for the subsequent SC structure that will follow. For example, considering a BOP beneficiary in the demand side, the whole SC deployed must align with lowering cost activities to assure the affordability of the goods/service provided. Another example, now considering the beneficiary on the supply side, the SC deployed must assure predictability and continuity, with a trust-based and an altruist relationalism approach in this dyadic relationship with the beneficiary. To sum up, this field relating social enterprises' strategic decisions and how the SC structure follows it to deliver the social impact aimed while keeping the finance side sustainable is one of the critical aspects to be understood, with a myriad of cases and industries still to be explored.

Along with the aforementioned decisions, the definition of a coupled or a decoupled SC in fulfilling both commercial and social objectives is a dividing line to the social enterprise's operations. Many trade-offs arise from this division. Future research should address questions as, for instance, trade-offs present in decoupled SC that due to distinct SC streams with different objectives, might face less conflict in each dyadic relationship since the underlined logics of each stream is more evident, or if by doing that the SC face financing issues since it relies on a cross-subsidization form from the commercial stream to the social stream to work. Similar trade-offs are also present in coupled structures since dual-logic dyadic relationships are often present, and setting the decision-making policies seems key to sustaining the fulfillment of both logics.

On a lower managerial level, after defined SC structure, the characteristics of the relationship between the social enterprise's and its partners is another aspect to be explored. Questions such as if the governance and decision-making systems change depending on if the partner is the beneficiary or not, and how those relationships are managed in the presence of the dual logic can be addressed. Understanding which are the determinant factors that shape

those relationships and allow such enterprises to survive may bring recommendations on how to manage priorities and avoid mission drift or financial instability. Moreover, simple practices, as the human resources one uncovered by Battilana and Dorado (2010), can have a considerable impact on performance. If such best practices are observed in other firms, industries, and environments, those can become prescriptions for other social enterprises striving to survive.

5.1.3 Outcomes

The last structural component from the framework is the outcome. In this regard, the first step to understand outcomes is to understand what social impact is clearly, and how to attribute that outcome with the operation of a firm, in other words, how the firm's operations improved the whole social system. Current research found, in literature, mainly two ways of creating social impact: by reducing the suffering of and the pressure on vulnerable populations and individuals, and the other one by improving the way the connections within the community work. Hence, future research, when stating which are the ways a focal firm delivers social impact, those two ways should be considered. But still, there is also the challenge of how to separate the firm's actual interference in given social systems and institutional environment. To solve that, future research can follow Maas and Liket's (2011) proposition of understanding impact as the changes in the social system beyond what would have happened anyway. With this concept in mind, researchers and practitioners can attribute what were the changes in the social systems under the accountability of the focal firm being analyzed. Therefore, in stating a firm's actual social impact, the researcher could say what the firm does that provokes changes in the social systems, in spite of or beyond, what the institutional environment would already provide.

Since the concept of social impact is tied to a notion of an improvement in the social system, it is also necessary to set in what dimensions social impact is expected to happen. In order to help future research in that direction, current research use of the Sustainable Development Goals as a basis, even though some goals are strictly environmental, as a possible way forward.

Having said that, the path forward for future research would be to harmonize definitions of social impact and to establish a standard process of disclosing and analyzing it. Researchers should clearly identify the unit of social impact embedded in the firm, how it is measured, and what has been the correlate social impact. One fortunate example of doing that can be found in Battilana et al. (2015) where the social performance dimension was characterized as “the percentage of beneficiaries completing their term at the WISE in a given year which found a regular job with a contract lasting more than six months” (p. 1664). This method of characterizing social impact can be extended further on for other kinds of social enterprises, for instance: number of well-nourished children, for social enterprises fighting child malnutrition; volume of sanitation waste collected, for social enterprises providing sanitation to slums, number of microcredit operations to women, for empowerment micro-credit social enterprises and so on. Just after correctly setting the social impact of a focal social enterprise, is it possible to expand the analysis for the whole supply chain, for instance, understanding a BOP venture’s impact as the amount of money flowing to the poor.

Moreover, it is essential to remark that this preliminary step of understanding the real social value-added and in what dimensions social issues are being tackled is paramount to understand what organizational strategy/policy, influenced by the institutional environment, is being the cause of such impact. Only by describing and explaining the outcomes, research would be able to prescribe practices for social enterprises on how to generate social impact while maintaining their financial stability.

5.2 Interrelationships Evaluation

Another locus field for research would be to analyze the interrelations between the constituents of the framework, assuming that there is adherence from the framework with reality. In other words, to understand how the antecedents affect the processes, how the processes affect the outcomes, and how the outcomes end up changing the institutional environment and the existing antecedents.

To understand how the institutional environment present in the antecedents affects the strategies and structures of the firms regarding social issues, a multiple case study method is appropriate. In order to do that, a researcher might choose a specific industry or segment to

compare which are the external pressures social enterprises face, differently from traditional companies or non-profit organizations, and how does it affect its structure. Understanding which the similarities and the differences between those types of organizations are can enlighten what the critical dimensions in the institutional environment, that shapes how organizations have to structure themselves and respond, in the pursuit of legitimacy are.

Furthermore, it is expected that in similar institutional environments, organizations should tend to isomorphism (DiMaggio & Powell, 1983), the deviation from these patterns can be explained by other factors as the presence of an institutional entrepreneur (Battilana, Leca & Boxenbaum, 2009). Understanding which factors are going against the tendency to conformity, making those organizations different, through the comparison of a multiple-case in the same business segment/industry can also bring valuable insights for policy-makers who want to incentivize this kind of socially purposed organizations.

From the influence of processes undertaken by social enterprises and the correlate results. Previous research on such practices showed that small details could help explain the success or failure of social endeavors. For instance, Battilana and Dorado (2010) that, by analyzing social enterprises in the microfinance sector in Bolivia, found out a particular human resource practice that was crucial in providing unity and organizational identity for the firm to survive. In that particular case, the successful bank avoided hiring anyone with previous experience, a practice that is often employed by mainstream firms. This shows how social enterprise practices may seem counterintuitive or fall out of previously conceived categories, but in the end, they may also work in helping survivability under multiple logic states. This also shows that social impact management phenomena need a closer look in order to grasp the full extent of policies and practices. Therefore, in order to better define what to look at, a multiple case study in the same industry, with the conduction of thorough, in-depth interviews and the collection of the correlate results could be one way forward.

Lastly, but no less critical, as in the present work, most of the institutional analysis has analyzed the direct effects of institutional pressure, such as the underlined logics, on organizations. On the other hand, little attention has been given to how organizational actions might facilitate field-level institutional change for organizations working as institutional entrepreneurs, changing standards, beliefs, and institutions themselves.

It is, thus, desirable that research start looking for institutional fields that were profoundly changed by disruptive practices of social enterprises, that ended up reshaping the previous institutional environment. For this specific case, a single longitudinal case study, with comprehensive information about decisions made and the impact on the field, would be the optimal way to go, as detailed depicted in the table below.

Table 9. Future research for the interrelationships

Interrelationship	Method	Approach	Objective
<i>Antecedents to Processes</i>	<u>Multiple case study in a specific industry</u>	<i>Qualitative / Inductive</i>	Understand the aspects of the institutional environment that explain social enterprise's differences to traditional ones.
<i>Process to Outcomes</i>	<u>Multiple case study in a specific industry</u>	<i>Qualitative / Inductive</i>	Understand the decisions social enterprises make that lead to superior performance in the social/economic dimensions.
<i>Outcomes to Antecedents</i>	<u>Longitudinal single case study</u>	<i>Qualitative / Inductive</i>	Try to observe the effects that successful social enterprises have in the institutional environment as a whole

5.3 Integrative Framework

Since the objective of the current work was just to develop the framework, before applying it in the field, some previous steps are necessary. A theoretical basis still requires validation of its adherence to reality. In order to that, inductive, exploratory studies are most welcome. In this sense, in-depth interview with specialists over the topic appears as the proper way not just to validate the structure and the stream proposed, but also to assure very constituents and dimensions conceptualized are mutually exclusive and completely exhaustive. Just after confirming adherence of the framework to the real context, will it be ready to be applied for more complex studies.

Due to the framework's inherent intricacy, the complexities associated with the lens of institutional theory, and the specificities of this context, research under those might become increasingly complex. That's why Pagell and Shevchenko's (2014) suggestion, to be open to study these social purpose organizations in less developed parts of the world, as they can become of inspiration for how to do things differently, might be an alternative. Furthermore,

the effort of applying such a tool in a multiple case study is indeed challenging, with the risk of quickly reaching saturation, beyond what a person can mentally process (Yin, 1994). That's why future research should prefer a few in-depth cases rather than several shallow ones,

It is, thus, necessary to run several types of research, in different social enterprises and segments before the framework is ready for the following step. After that, defining what the key variables to be considered are and how to measure and relate them is the precondition before quantitatively modeling and testing the real validity of the framework through a survey or secondary data.

Table 10. Future research for the framework

Integrative	Method	Approach	Objective
Validation	<u>Semi-structured interview with specialists</u>	<i>Qualitative / Inductive</i>	Validate categories and structure proposed to assure the framework reflects its goals.
Adherence	<u>Case studies</u>	<i>Qualitative / Inductive</i>	Understand the dynamics of antecedents, processes, and outcomes and how they affect SC structure and performance.
Testing	<u>Survey</u>	<i>Quantitative / Deductive</i>	Quantitatively test the model with structural equations to measure which are the relevant variables to be considered.

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APPENDIX A – Ten responsibilities of the businessman

Goal	Meaning	Description
High standard of living	Abundance	High productivity towards the provision of goods and services available for consumption
Economic progress	Advancement of standard	Develop human capital, through education and training, and technological progress to utilize natural resources more prudently.
Economic stability	Temper Fluctuations	Smooth economic cycles, reducing periods of high inflation and unemployment
Personal security	Contingencies beyond the individual	Provision of security to some extent as a matter of collective responsibility in reducing social risks
Order	Reduction of economic strife	Regular flow of goods to market, systematically equalizing the balance between supply and demand
Justice	Equity removal and of restrictions	Broad access of social goods, as education, and removal of restrictions based upon any bigotry or prejudice
Freedom	Choice	Freedom of organization, of enterprise, of consumer choice, of occupation
Development of the person	Pleasure	Quality of environment in which economic activity takes place, quality of activities, quality of human relationships
Community improvement	Satisfying environment	Achieve a community organization, services and, facilities which will provide a wholesome healthful environment
National security	Defense of liberal institutions	National power is based on the diversion of productive resources from civilian
Personal integrity	Honor in transactions	Compliance to the "rules of the game" both in letter and spirit: truthfulness, fairness and, observance of contracts

Source: The author based on Bowen (1953)

APPENDIX B – Summary of Social Dimension in Literature

PERIOD	SR/CSR	SOCIAL SUSTAINABILITY	SOCIAL VALUE/IMPACT
1950s	Pursue actions aligned with the objectives of society (Bowen, 1953)		
1960s	Economic development and nurture human values (Davis, 1960)		
1970s	Actions beyond the traditional economic realm (Carroll, 1979)		
1980s	Balance interest of organizational stakeholders (Boal and Peery, 1985)		
1990s	Being SR is positively associated with financial performance (Waddock and Graves, 1994)	Social capital as society's health and value-creation potential (Elkington, 1998)	
2000s	CSP is positively associated with financial performance (Waddock and Graves, 1994)	Building a sustainable business model (Stubbs and Cocklin, 2008)	Generate win-win opportunities to create shared-value (Porter and Kramer, 2006)
2010s	Instrumental, political and integrative theories (Garriga and Melé, 2004)	Redefine priorities under an Ecologically Dominant Logic (Griggs, 2013)	Social enterprises as a tool to address social problems (Battilana & Dorado, 2010)

Source: The author.

APPENDIX C – Antecedents Dimensions Descriptions

Antecedents	Dimension	Categories	Description
External	<u>Direction of logic</u>	<i>Economic</i>	Pressure exerted from external environment that discourage social actions
		<i>Social</i>	Pressure exerted from external environment that encourage social actions
	<u>Level of analysis</u>	<i>Societal</i>	Interaction of society, enterprises and institutions
		<i>Organizational</i>	Interaction of firms and supply chains
		<i>Individual</i>	Interaction of individuals within firms
	<u>Level of analysis</u>	<i>Legal</i>	Regarding norms, laws and enforcement of governmental rules
		<i>Economic</i>	Regarding wealth creation, use of resources and affordability
		<i>Ethical</i>	Regarding collective standards and expectations
		<i>Cognitive</i>	Regarding infused beliefs in the form of reasoning
	<u>Legitimacy Mechanism</u>	<i>Coercive</i>	Response for compliance due to sanctioning power
<i>Mimetic</i>		Conformity to reduce uncertainty of untested practices	
<i>Normative</i>		Conformity due to shared conceptions grounded in education and professionalism	
Internal	<u>Organization Attributes</u>	<i>Relative position</i>	Whether the organization is located in center or periphery of the field
		<i>Ownership</i>	Who possess the power to influence decisions (and how)
		<i>Size and status</i>	Regarding the scale and complexity that the firm operates
		<i>Source of identity</i>	How the organization sees itself, if there is dominant logic or ambidexterity
		<i>Source of legitimacy</i>	Aspects of the organization to conform with external requirements
		<i>Source of authority</i>	The rules in which actions and decision making are made
	<u>Individual Attributes</u>	<i>Motivation factors</i>	Factors that drive the entrepreneur for the social endeavor
		<i>Skills and capabilities</i>	Business and social skills required for a social enterprise to thrive
		<i>Social connections</i>	Support that is necessary to mobilize collective action

APPENDIX D – Process Strategic Decisions Dimensions Descriptions

Process	Dimension	Categories	Description
Strategic Decisions	<u>Strategic Response</u>	<i>Dismissing</i>	Denying external pressure
		<i>Separating</i>	Partially accepting external pressure
		<i>Cumulative</i>	Adopting external pressure's demands
		<i>Creative</i>	Blending current identity with external pressure
	<u>Social Value Mechanism</u>	<i>Awareness-raising</i>	Get attention for the social issue
		<i>Influencing</i>	Manipulate stakeholders to care and act for the social issue
		<i>Cooperating</i>	Partnering with other organizations to help them act for the social issue
		<i>Direct-acting</i>	Mobilizing resources to influence directly the social issue
	<u>Social Structure</u>	<i>Blended</i>	Structures responsible for creating economic and social value are the same
		<i>Structurally-differentiated</i>	Organizational units pursue both of the goals simultaneously
	<u>Beneficiary Position</u>	<i>Internal</i>	The beneficiary works inside the social enterprise
		<i>External</i>	The beneficiary is a supply chain partner of the social enterprise
		<i>Parallel Partnership</i>	The focal firm reaches the beneficiary through intermediaries
	<u>Stakeholders' engagement</u>	<i>Supply chain partners</i>	Responsible for assuring the flow of goods/services
		<i>Financing entities</i>	Responsible for providing the financial resources for the firm to operate
		<i>Intermediaries</i>	Responsible for potentializing/benefiting from the value created (NGOs and communities)
	<u>Governance System</u>	<i>Coupled</i>	Policies, practices and goals are well-aligned
		<i>Policy-practice decoupling</i>	Policies are disconnected from practices
		<i>Means-ends decoupling</i>	Policies are adopted, but loosely tied to an organization's goals

APPENDIX E – Process Tactical and Operational Decisions Dimensions Descriptions

Process	Dimension	Categories	Description
Practices	<u>Organizational Activities</u>	<i>Common</i>	Generation of social value and economic value can be integrated
		<i>Separate</i>	There are separate streams for generations of social and economic value
	<u>Stakeholders Management</u>	<i>Relevance</i>	Respective importance of the stakeholder
		<i>Demands</i>	Specific pressure exerted from stakeholder
		<i>Reciprocal benefits</i>	Alignment of incentives for both parties
	<u>SC Relationship</u>	<i>Dominant logic</i>	Economic or social objective prevail in the specific dyadic relationship
		<i>Relationalism approach</i>	Can be transactional or altruistic
		<i>Power-dominance</i>	The source of power in the relationship (coercive, referent, trust-based etc.)
	<u>HR Management</u>	<i>Hiring</i>	Which skills and profiles are desired for the focal firm in each structure
		<i>Training and Socialization</i>	What are the skills and habits to be developed by the team
	<u>CSR Practices</u>	<i>Environment</i>	Programs non-business model focused regarding environmental issues
		<i>Human rights</i>	Programs non-business model focused regarding health, ethics, diversity and etc.

APPENDIX F – Outcomes Dimensions Descriptions

Outcomes	Dimension	Categories	Description
Outcomes	<u>Approach</u>	<i>Theory-driven</i>	Inputs and activities generate outputs that are believed to improve outcomes
		<i>Method process</i>	Monitor the efficiency and cost-effectiveness of activities
		<i>Impact process</i>	Measure directly the outcome of the activity
		<i>Monetization</i>	Translate social indicators into a monetary value to be compared to financial data
	<u>Orientation</u>	<i>Input</i>	Focused on what resources are used in the operations
		<i>Output</i>	Focused on the results of the operations
	<u>Dimensions</u>	<i>SDGs</i>	The 17 SDGs defined by the UN as a blueprint
	<u>Purpose</u>	<i>Screening</i>	Assess potential before the investment, with respect to investors' specific objectives
		<i>Monitoring</i>	Control and support decision-making processes
		<i>Evaluating</i>	Impact assessment of achievements for organizational improvement
		<i>Reporting</i>	To be held accountable by stakeholders regarding organizational activities
	<u>Time-frame</u>	<i>Prospective</i>	Measure impacts that can be expected from planned activities
		<i>Ongoing</i>	Control operations to test assumptions and correct actions
		<i>Retrospective</i>	Method of evaluating past activities

APPENDIX G – Full list of articles

Author	Year	Journal Abbreviation	Antecedents		Process		Outcome s
			External	Internal	Strategic	Tactical	
Agarwal et al.	2018	JBR	X		X	X	X
Andersen & Skjoett-Larsen	2009	SCMIJ				X	
Awaysheh & Klassen	2010	IJOPM	X	X		X	
Battilana & Dorado	2010	AMJ	X	X	X	X	
Battilana & Lee	2014	AMA	X	X		X	
Battilana et al.	2015	AMJ	X	X	X	X	X
Battilana, Leca & Boexenbaum	2009	AMA	X	X			
Bendul et al.	2016	JCP	X		X	X	X
Benoit-Norris et al.	2012	Sustainability	X			X	X
Besharov & Smith	2014	AMR	X	X	X	X	
Beske et al.	2015	SCMIJ				X	X
Bhattarai, Kwong, Tasavori	2019	JBR			X	X	X
Boons et al.	2012	EE	X		X	X	X
Bull	2008	IJEER	X	X			
Carter & Easton	2011	IJPDLM			X	X	
Carter & Jennings	2002	JBL				X	
Carter & Rogers	2008	IJPDLM			X	X	
Cheah et al.	2018	JCP	X		X	X	X
Chen et al.	2019	JBR				X	X
Ciliberti et al.	2008	JCP		X		X	
Dart	2004	NM&L	X	X			
Daya	2014	Geoforum	X			X	
Di Domenico et al.	2010	ET&P	X	X		X	
Dyllick et al	2002	BSE	X		X	X	
Eltantawy et al.	2009	SCMIJ	X	X	X	X	

Feng et al.	2017	JCP	X			X	X
Germak & Robinson	2003	JSE					
Ghadimi et al.	2019	RC&R	X			X	
Griggs et al.	2013	Nature	X		X	X	X
Hahn et al.	2010	BSE	X	X	X	X	
Hahn et al.	2009	BSE	X	X	X	X	
Hahn et al.	2015	JBE	X	X	X	X	
Hall et al.	2012	JMS	X	X		X	
Hillman et al.	2018	EP	X	X	X	X	X
Hillman, Axon & Morrissey	2018	EP	X	X	X		
Hussain et al.	2018	JCP	X			X	X
Hutchins & Stherland	2008	JCP	X			X	X
Klassen & Vereecke	2012	IJPE	X	X		X	
Koberg & Longoni	2018	JCP	X	X	X	X	X
Kogg & Mont	2012	EE	X		X	X	
Linton et al.	2007	JOM	X			X	
Luthra & Mangla	2018	RC&R	X		X	X	
Mani et al.	2016	EI				X	
Mason	2012	JSE	X	X		X	
Matten & Moon	2008	AMR		X		X	
Matthews et al.	2016	JSCM	X		X		
Miemczyk et al.	2012	SCMIJ	X		X	X	X
Montabon et al.	2016	JSCM	X		X		
Montiel	2008	OE	X	X	X	X	X
Morais & Silvestre	2016	JCP	X			X	
Mota et al.	2014	JCP				X	X
Pagell & Shevchenko	2014	JSCM	X		X	X	
Pagell & Wu	2009	JSCM	X	X	X	X	
Pratono & Sutanti	2016	H&SS	X	X			
Pullman & Dillard	2010	IJOPM	X	X	X	X	
Pullman et al.	2018	JSCM	X	X	X	X	

Pullman et al.	2009	JSCM	X	X	X	X	X
Quarsie et al.	2016	JPSM	X			X	X
Ramzankhani et al.	2018	C&IE				X	X
Sakarya et al.	2012	JBR			X	X	
Seuring	2012	DSS	X		X	X	
Sheehy	2015	JBE	X	X		X	
Shi & Koh et al.	2019	SCMIJ				X	X
Silvestre	2015	IntJPE	X		X	X	
Silvestre	2016	G&P			X	X	
Silvestre et al.	2018	JCP	X		X	X	X
Sodhi	2015	POM	X			X	
Sodhi & Tang	2011	SEPS			X	X	
Sodhi & Tang	2016	Decisions 43(2)			X	X	
Sodhi & Tang	2018	IJPR	X	X	X	X	
Sodhi & Tang	2015	POM	X	X	X	X	
Tate et al.	2010	JSCM		X	X	X	X
Teasdale	2011	PPA	X	X			
Touboullic & Walker	2015	IJPDLM	X	X	X	X	X
Tseng et al.	2018	IJPE				X	X
Vachon & Klassen	2008	IJPE	X			X	
Vargas et al.	2018	RC&R			X	X	X
Waddock & Graves	1997	SMJ				X	X
Walker et al.	2014	IJOPM	X	X	X		X
Wijen	2014	AMR	X	X			
Wood	1991	AMR	X	X	X	X	
Wu & Pagel	2009	JOM	X	X	X	X	X
Wu & Pagell	2010	JOM	X	X	X	X	X