Social entrepreneurship: The dual role of Bricolage on Innovation

Master's Thesis 15 credits
Department of Business Studies
Uppsala University
Spring Semester of 2017
Date of Submission: 2017-05-30

Martina Madajová
Sara Mpumwire
Punya Pallabi mIshra

Supervisor: Philip Kappen
Abstract
The aim of this master thesis is to research and explore the effects of bricolage on innovation outcomes within for-profit social enterprises and to contribute and lay groundwork for future research. The study is an attempt to investigate the relationships and provide results which can help build appropriate support systems for for-profit social enterprises. Prior research suggests that social enterprises rely on bricolage to generate innovation within the enterprise. We develop arguments that bricolage, which is defined as making do by using combinations of free or easily available resources to address new opportunities or problem, links with innovation within for-profit social enterprises operating in resource-constrained environments. Social enterprises engage through bricolage in the processes through which they recombine resources and create innovative products and services. We have used a combination of a literature review of the area's Social Entrepreneurship, Bricolage and Innovation and field research in the form of 9 semi-structured with founders of for-profit social enterprises. Through this, we have found the support that bricolage in early stages of the social enterprise has a positive effect on innovation whereas we suggest that the overuse of bricolage has an inverted U-shaped relationship with innovation and a negative effect at later stages of the social enterprises life-cycle.

Keywords: social entrepreneurship, bricolage, innovation, social enterprise, social impact, for-profit
Acknowledgment

We would like to thank our supervisor Dr. Philip Kappen at Uppsala University for his helpful comments and suggestions. We are also very grateful for the social enterprises that participated in our interviews, without their participation the valuable and practical insights of how bricolage affects innovation could not have been gained.
1. Introduction .................................................................................................................. 3
2. Literature review ......................................................................................................... 8
   2.1 Social entrepreneurship ......................................................................................... 8
   2.2 Innovation .............................................................................................................. 11
      2.2.1 Social innovation ......................................................................................... 12
      2.2.2 Mechanisms of social innovation ................................................................. 12
      2.2.3 Implications of social innovation ................................................................. 13
   2.3 Bricolage .............................................................................................................. 14
      2.3.1 Entrepreneurial bricolage ............................................................................. 15
      2.3.2 Social bricolage ......................................................................................... 16
      2.3.3 Possible shortfalls associated with bricolage .............................................. 16
      2.3.4 Patterns limiting bricolage ........................................................................... 17
   2.4 Exploring connections ......................................................................................... 20
      2.4.1 Social Entrepreneurship and Innovation .................................................... 20
      2.4.2 Social entrepreneurship and Bricolage ....................................................... 21
      2.4.3 Bricolage and Innovation ......................................................................... 22
3. Method ....................................................................................................................... 23
   3.1 Research design, research setting and sampling ............................................... 23
   3.2 Data collection ..................................................................................................... 24
      3.2.1 Background of social enterprises and interviewees .................................... 25
   3.3 Data analysis ....................................................................................................... 26
4. Findings ...................................................................................................................... 28
   4.1 Social entrepreneurship/Social enterprises ....................................................... 28
   4.2 Bricolage ............................................................................................................. 30
      4.2.1 Limitations of bricolage .............................................................................. 32
   4.3 Innovation ........................................................................................................... 32
   4.4 Connections ........................................................................................................ 35
      4.4.1 Social entrepreneurship and Bricolage ....................................................... 35
      4.4.2 Bricolage and Innovation ........................................................................ 35
      4.4.3 Social entrepreneurship and Innovation .................................................... 38
5. Discussion .................................................................................................................. 39
6. Limitations ................................................................................................................ 41
7. Conclusions & Further research ............................................................................ 42
8. References ............................................................................................................... 43
1. Introduction

This master thesis explores the effects of bricolage on innovation outcomes within for-profit social enterprises. Since the area of social entrepreneurship has been through a lot of conceptual discussions within academic research we want to inform the reader that this thesis specifically has a focus on for-profit social enterprises with a business focus which aim to sustain themselves financially. There are several definitions of social entrepreneurship and as will be presented below, we have chosen to focus on for-profit social enterprises because this is the least studied area of social entrepreneurship. Our focus is not non-profit organisations, companies working with their corporate social responsibility, government supported initiatives etc., although this may briefly be touched upon by the interviewees in our field research since this thesis is of an exploratory nature. As a part of our field research we have conducted semi-structured interviews and although we have interviewed the founders of for-profit social enterprises the focus is not on the individual social entrepreneur but on the social enterprise. This goes for the limited literature available when it comes to areas as well, most references are of Social Entrepreneurship as a process and we are aware of that which will be discussed in limitations along with literature limitations regarding bricolage as well.

Social entrepreneurship is an important topic because today there is a need for innovative solutions to social problems within vital areas such as for example food security, education, and equality but also when it comes to building sustainable production and supply chains regarding the products which we consume. According to Dees (1998) traditionally solutions and assistance have come from the governmental and philanthropic areas, but they have fallen short of our expectations. He continues to argue that social sector institutions often are viewed as inefficient, ineffective, and unresponsive. According to Di Domenico et al. (2010), social entrepreneurship has come to be an important mechanism to support economic activity in areas which are deemed unprofitable by the private sector and neglected by the state. These factors, failure and a lack of interest due to a perceived unprofitability could partly explain the rise of social entrepreneurship.

The concept of social entrepreneurship can mean different things to different people (Dees, 1998). This affects the output of the research and the definition of social entrepreneurship consequently comes in many different versions and from different fields. The diverse view leads to it being unclear what social entrepreneurship exactly is. According to Dees (1998)
much associate social entrepreneurship with not-for-profit organizations setting up for-profit ventures while others use it to describe starting a not-for-profit organization or integrating social responsibility into regular commercial business operations. Early research has focused on trying to define the area and what a majority of definitions have in common is that social entrepreneurship through its mission provides social value or some derivative of social value (Dacin et al., 2010). The provided social value is in the form of impact or the positive social change that the social enterprise aims to create, such as for example equality, health or empowerment, and this is driven by the social entreprenue’s mission. According to Dees (1998), adopting a mission to create and sustain social value is the core of what distinguishes social entrepreneurs from business entrepreneurs and in the same line social enterprises from traditional commercial companies.

Austin et al., (2006) state that the central driver for social entrepreneurship is the social problem being addressed, and the organizational form a social entreprise takes should be a decision based on which format would most effectively mobilize the resources needed to address that problem. According to Dees (1998) little is though known about the dynamics of for-profit social enterprises. He argues that the least well-understood dimension of social entrepreneurship concerns for-profit social enterprises since empirical research mainly has focused on nonprofit social value creation, while the for-profit context of social entrepreneurship has received less attention. Editors (2016) indicate that while there is a lot of research on social entrepreneurship that incorporates non-economic factors and variables, the interplay between economic and non-economic forms of entrepreneurship is not clear.

With this background, we have chosen to make our contribution to research by focusing on for-profit social enterprises with a business focus that do or aim to sustain themselves financially. Our focus is not non-profit organisations, companies working with their corporate social responsibility, government supported initiatives etc., although this may briefly be touched upon by the interviewees in our field research since this thesis is of an exploratory nature. Our plan is not to get stuck in a conceptual discussion presenting a list of all the available definitions of social entrepreneurship and the fact that we focus on for-profit social enterprises doesn’t mean that we exclude other forms from the area of social entrepreneurship. The literature and references at times speak of Social entrepreneurship or the social entrepreneur but for simplifying purposes and not to focus on “heroic” individuals and characteristics our focus is the social enterprise. According to Mair et al., (2006) it is though important to note the
conceptual differences between definitions. In other words, definitions of social entrepreneurship typically refer to a process or behavior; definitions of social entrepreneurs focus instead on the founder of the initiative, and definitions of social enterprises refer to the tangible outcome of social entrepreneurship. In this thesis, we focus on the social enterprise, but the social entrepreneur and entrepreneurship is a natural part of that, so these factors can be included in the analysis.

Moving on into the types of environments in which social entrepreneurs are mostly operating, according to (Dacin et al., 2010) social entrepreneurs and enterprises are usually faced with resource constraints and challenges of resource mobilization. They also state that social enterprises need to efficiently make use of their scarce resources while also being able to creatively combine gathered resources to maximize success and achieve their set-out goals. The lack of resources or means which can cause challenges can, for example, be in the form of limited access to the best talent; fewer financial institutions, instruments, and resources; and scarce unrestricted funding and inherent strategic rigidities, which hinder their ability to mobilize and deploy resources to achieve the organization’s ambitious goals (Austin et al., 2006). A lack of resources is not only seen as a limiting factor, Dees (1998) suggests that social entrepreneurs act boldly without being limited by resources currently in hand and do not let their own limited resources keep them from pursuing their visions, consequently the enterprises which they operate.

According to Desa (2007) innovation, outcomes, and scaling of social impact determine the success of social enterprises rather than the firm size, growth rate, and processes. Whereas the absence of substantial resources limits the ability of new social enterprises to innovate, usually they are not able to create any discernible innovative outcomes during rather short-lived and mundane struggles to create value (Aldrich & Auster, 1986; Singh & Lumsden, 1990; Stinchcombe, 1965; Wiklund et al., 2010).

Yet, against these considerable odds, a substantial amount of new social enterprises does manage to innovate. There are patterns of behavior that allow some social enterprises in a resource-constrained environment to innovate while many other similarly situated languish (Senyard et al., 2014). Senyard et al., (2014) tested the theory of entrepreneurial “bricolage” and suggest that by engaging in bricolage, new firms may thereby improve their innovativeness.
In this thesis, we apply the theoretical process of resource mobilization - bricolage and examine its relationship with innovation in resource-constrained environments. Bricolage is characterized by “making do by applying combinations of resources already at hand” (Baker & Nelson, 2005, p33). In other words, bricolage addresses opportunities and problems with existing undervalued, easy-accessible resources that are often available for free or cheaply (Desa & Basu, 2013). As stated above social enterprises react in response to unmet needs within a community, they see an opportunity to use resources that are either unused or considered insignificant by organisations. They gain a possibility of acquiring them for free or at a low cost, and when needed improvise the usage of resources to achieve their goals (Di Domenico et al., 2010). These characteristics led us to adopt the concept of bricolage as an approach to analyse the financially sustainable development of for-profit social enterprises. Bricolage as a process often helps social enterprises mitigate conditions of resource constraint, additionally, it enables the enterprises to recognize new opportunities to scale up operations (Di Domenico et al., 2010).

Senyard et al., (2014) states that bricolage has a positive and significant relationship with innovation. Despite the undeniable positive impact of bricolage, could there be a point at which bricolage behavior limits the social enterprise’s ability to innovate? Previous studies have proposed that creative use of resources can lead to success within social enterprises, yet an over-reliance on these processes may cause limitations, for example, delay in gathering resources from pre-existing networks, hinder in the management of the resources, affects resources recombination leading to resources ambiguity (Senyard, 2015), these may be potential for negative outcomes of bricolage (Harper, 1987; Ciborra, 1996; Lanzara, 1999; Baker et al, 2003; Baker and Nelson, 2005). Senyard et al., (2014) hypothesized that the beneficial outcomes of bricolage might face boundary conditions and social enterprises might experience inefficiencies due to pursuing a trial-and-error approach (Ciborra, 1996). Moreover, the resources on hand might be inadequate for the desired outcomes and therefore they will not be able to sustain successful outcomes (Campbell, 1965; Jacob, 1977; Nelson, 1995; Aldrich, 1999). According to Senyard et al.,(2014) they have not explored boundary effects on the positive outcomes of overuse of bricolage in affecting innovativeness in the deeper sense and suggested that additional research is still needed in this area.
Therefore, our research focuses on the three concepts: Social Enterprise/Social Entrepreneurship, Bricolage, and Innovation. We examine how are they are interrelated and whether bricolage as an entrepreneurial concept enhances innovation in a sustainable manner within the resource constrained social enterprises. Our research question is formulated as follows:

*How does bricolage affect innovation outcomes within for-profit social enterprises?*

To make our contribution, we draw upon data from a desk research in form of a literature review of the area's social entrepreneurship, entrepreneurship, management, economics and related fields. This is combined with field research in the form of 9 semi-structured interviews with participants that have founded and are working in social enterprises and without focusing too much on the individual entrepreneur- characterize themselves as social entrepreneurs. Initially, to get an as clear as possible picture of the practical matters surrounding working with limited resources, our interviewees represent social enterprises working in resource-constrained environments.

The main findings and conclusion are that rather than asking whether bricolage has a positive or negative effect on innovation, we should ask to what extent using bricolage is optimal. Our research shows that there is an inverted U-shaped relationship between bricolage and innovation.

The thesis is structured as follows. First, we have conducted a literature review and explored Social entrepreneurship, Bricolage, and Innovation as single concepts and then we continued to explore connections. After the theory section, we developed our proposition. Then we describe our methods, where we present our research design, data collection, and data analysis. We continue with our findings and discussion which include the results from our 9 semi-structured interviews with founders of for-profit social enterprises. In the discussion, we talk about contributions and other patterns that we have observed within social enterprises. We conclude with limitations of our master thesis and suggestions for the future research.
2. Literature review

2.1 Social entrepreneurship

Although socially entrepreneurial activity has been around for many decades in different forms, Social Entrepreneurship is a relatively unexplored area when it comes to research. Much of the research until now has focused on defining the area and there are many definitions, with slightly different meanings that have been published. The result of this is that social entrepreneurship currently is poorly defined with fuzzy boundaries to other fields of study (Mair et al., 2006).

Zahra et al., (2009) studied 20 different definitions of social entrepreneurship and found that many of these definitions lack ways to evaluate the outcome and success of social enterprises. They argue that in social entrepreneurship you cannot find the equivalents to for example profit and ROI as metrics, such as in commercial for-profit businesses. Their observations led to the following suggestion as a definition of social entrepreneurship: “Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organizations in an innovative manner.” At the core, social entrepreneurship combines entrepreneurial activity with a mission to create social impact opposed to profit maximization for eventual owners, this again is what can cause difficulties in translating the results of the activities into money for traditional business investors.

The definition that we adopt in this thesis is an open one in the line of Austin et al., (2006) who state that social entrepreneurship is “Innovative, social value creating the activity that can occur within or across the nonprofit, business, or government sectors.” We believe that social entrepreneurship can take different legal forms but for the sake of limitations and lack of prior contribution we are focusing on for-profit social enterprises that sustain themselves, pay salaries etc. but do not pay large dividends to shareholders for example.

Social entrepreneurship and enterprises can take different organizational forms such as for example non-profit organisation or for-profit business and often it can be a mix. Regarding organizational form, Austin et al., (2006) argue that the central driver for social entrepreneurship is the social problem being addressed and that the organizational form should be based on which form that can mobilize resources in the most effective way. This broad view
can give the social enterprise creativity to use their resources at hand and choose the most appropriate legal form for their enterprise.

One of the most well-known examples of social entrepreneurship is the social enterprise Grameen Bank and its founder, Muhammad Yunus. Yunus founded the Grameen Bank in Bangladesh in 1983. He wanted to help people escape poverty by giving small loans to those who otherwise did not qualify for them. This system with small loans is what we today call micro-crediting. Together with the Grameen Bank Yunus won the Nobel Peace Prize in 2006 (Kickul et al., 2012). A large group that has benefited from this system is women, who for example have been able to start small businesses generate an income with the loans. As a social enterprise, Grameen Bank worked according to a model where it charged interest on the loans and then reinvested the capital to help other women (Martin & Osberg, 2007). Although social enterprises have the main focus on its mission and creating social value, it does not mean that social entrepreneurial ventures cannot work with an “earned income”. In the example of the Grameen Bank, the creation of economic value is critical to ensure that it can continue with its mission (Mair et al., 2006).

Certain critical arguments regarding micro-crediting are that microloans are more beneficial to borrowers living above the poverty line than those living below the poverty line (Karnani, 2007). This is mainly due to individuals with more income being more interested in taking the risks associated with investing in new technologies, that will subsequently increase income flows. Contrastingly, poor borrowers tend to take out conservative loans which protect their subsistence and they rarely involve in risk involvements (Karnani, 2007). Vijay Mahajan, the chief executive of an Indian finance organization further adds that “microloans can sometimes reduce cash flow to the poorest of the poor”. He argues that microcredit does more bad than good to the poorest people of the society (Karnani, 2007). The reason for this could be the high-interest rates charged by microcredit organizations (Karnani, 2007). Microcredit supporters argue that these rates are way well below those charged by informal moneylenders (Karnani, 2007). But, still it is hard for the poor clients to earn a greater return on their investment than the interest they must pay and according to Karnani (2007), they will become poorer as a result of microcredit, not wealthier. Another raised issue with microcredit is with the businesses that it intends to fund. Though the microcredit lenders work as entrepreneurs and have envisioned business models, they are still caught with subsistence jobs (Karnani, 2007). They do not have specialized skills and usually end up competing with other self-
employed poor people in entry level trades (Banerjee & Duflo, 2006). In other words, most microenterprises are small and many fail, therefore creating a contrasting scenario to the United Nations’ hype that micro-entrepreneurs will grow thriving businesses that lead to flourishing economies (Karnani, 2007). All of this is an example of there being critics of social entrepreneurship and enterprises and while the area is new and has the potential to solve many of the society’s problems there is still a great need for research within the area.

Except for the challenge of trying to develop a unified definition for the area social entrepreneurship, there are a set of challenges related to resources which affect social entrepreneurs and social entrepreneurship in general. How these resource constraints affect the social enterprise's innovation outcomes is one of the factors that we in this thesis explore. According to prior research, lack of funding is one of these challenges. Papi-Thornton (2016) argues that funders are more likely to fund individuals who look like them, speak the same language, and perform pitches in a way that is familiar to them, the result can be that entrepreneurs like the founders get the funding, even when these individuals might not be the best suited for the job. The challenges with gathering funds can also be connected to the fact that social enterprises come in different organizational forms and there doesn’t exist clear funding structures yet for the area. The challenges relating to the field also applies to how social ventures use their finances. According to Morduch (1999), social enterprises externalize benefits and internalize costs more than other economic actors, which makes them less profitable than their for-profit counterparts.

Social entrepreneurship continues to grow in number and becomes an important part of entrepreneurial activities (Lumpkin et al., 2013; Margolis & Walsh, 2003; McMullen & Warnick, 2015; Zahra & Wright, 2015), on the other hand, lack of access to resources constraints the founding and growth of socially oriented ventures. Compared to strictly profit-focused or commercial enterprises, social enterprises face difficulties in resource mobilization (Austin et al., 2006). Austin et al., (2006) argue that: “the non-distributive restriction on surpluses generated by non-profit organizations and the embedded social purpose of for-profit or hybrid forms of social enterprise limits [sic] social entrepreneurs from tapping into the same capital markets” (Austin et al., 2006, p. 3). In other words, commercial enterprises usually appeal to commercial lenders or private equity investors more than social enterprises who appear less attractive compared to conventional capital providers. Social enterprises need
capital to invest in commercial activities that generate earned income, therefore this curtailed access to resources has especially troublesome and distressing impact on their development.

2.2 Innovation

Innovation is a proposed theory or concept that synthesizes extant knowledge and techniques to provide a theoretical basis for a new concept (Sundbo, 1998; Bright, 1969). According to (Cooper, 1998), the most prominent innovation dimensions can be expressed as dualisms in the form of radical versus incremental; product versus process; and administrative versus technological. According to Zhao (2005), innovation is more than invention and does not have to be technical at all times. She continues to state that the innovation concept often is associated with the development of a new concept using already available knowledge and techniques. Innovation is the creation of new knowledge and ideas to facilitate novelty in business outcomes, improving internal business processes and creating products and services for markets (Plessis, 2007).

According to Baregheh et al., (2009) innovation emerges as one of the most important tools to cope with the changing demands and dynamics of society and markets. They continue to argue that in order to capitalise on opportunities offered by technology, changing marketplaces, structures, and dynamics, companies are in the process of innovating continuously. According to Zahra & Covin (1994), innovation could be termed as the blood and life of an enterprise's survival and growth. Innovation is also often associated with creating value and sustaining a competitive advantage (Baregheh et al., 2009). Many organizations use innovation as a tool to influence both the external and internal environments of the company (Damanpour, 1991).

An organization’s resources, capabilities, strategies, and requirements affect its innovation. The most frequent innovations are in relation to new products, materials, processes, services and organizational forms (Ettlie and Reza, 1992). Through innovation, some of the world’s most difficult issues have been solved by providing novel solutions such as Fair Trade, distance learning, mobile money transfer, restorative justice, and zero-carbon housing (Urama et al., 2013). These examples are all within the field of social entrepreneurship and one of the most important innovations is as presented earlier, micro-credit. The micro-credit provides an opportunity for people belonging to the lower economic strata of society, to take loans, save
money, get insurance and other financial services, if they do not have access to the conventional financial system (Urama et al., 2013).

In our literature review, we found that most of the references to innovation refer to traditional for-profit companies, we also came across the concept of social innovation. Therefore, we assumed that social innovation might be relevant in the context of social entrepreneurship and social enterprises that operate with a mission to create positive social change or impact. To not limit our findings, we have in our research question researched innovation in general. We did, however, assume that we in our field research might come across the concept of social innovation- not in the form of it being a recognized concept in the field, but more because of a mission-driven social enterprise working producing innovative products and services. Due to this assumption, we have below included a section about Social Innovation. As a part of our interviews, we left the definition of innovation up to our interviewees and assumed that they naturally would take social innovation into consideration since they are active in the field of social entrepreneurship.

2.2.1 Social innovation
An innovation can be considered social if creates a social value which benefits the society and reduces the costs of society whilst addressing social issues. There are many innovations that contribute to societal developments by for example generating employment, productivity and economic development (Phills et al., 2008). Social innovation deals with various sectors, analysis levels, strategies and theories that produce an everlasting impact. Through social innovation, we could find solutions to our social problems (Phills et al., 2008).

2.2.2 Mechanisms of social innovation
As Phills (2008) discusses the creation and adaptation of social innovation have been associated with a certain period in history that is continuously evolving and changing with time, with an aim to change the society with a positive impact. Over the past 30 years, a lot of discussions on building a sustainable society has been going on among the various sectors of nonprofits, governments, and businesses. Many sectors have understood by now that these societal problems require sophisticated solutions (Phills, 2008). As a result, the three sectors are joining hands with each other to tackle the various social problems that affect the society. The boundaries between the nonprofit, government, and business sectors have reduced or vanished and that encourages free capital flow between the sectors. This cross-sector fertilization is
possible due to the three critical mechanisms of social innovation: exchanges of ideas and values, shifts in roles and relationships, and the integration of private capital with public and philanthropic support (Phills, 2008). Firstly, when nonprofits, businesses, and governments were separated, there was no exchange of thoughts among them. Phills (2008) emphasizes that the nonprofits hardly had knowledge about management while the businesses lacked social aspect. Similarly, the government taxed the businesses and handed over the responsibility of a better society to the nonprofit organizations (Phills, 2008). However, there is a free exchange of ideas among the various sectors in recent years that lead to the emergence of social innovation (Phills, 2008). Secondly, Phills (2008) discusses shifting roles among the various sectors which is one of the key factors for social innovation. He argues that businesses and governments are trying to bring social change, nonprofit organizations joining hands with government and business companies and government relaxing its taxation regulations. So, shifting in roles and relationships and collaborations among them can be noticed. This collaboration encourages social innovation (Phills, 2008). Thirdly, Phills (2008) discusses that the erosion of sector distinction among businesses, nonprofits, and governments has led to a blending of sources and funding for the creation of sustainable and profitable social innovations. Social innovation takes place by creating new business models to meet the needs of the society in a more effective way (Phills, 2008). Their goal is achieved by having low-cost structures, effective delivery channels and blending market and nonmarket approaches and mainly by combining commercial revenue with public support (Phills, 2008).

### 2.2.3 Implications of social innovation

Many established non-governmental firms and government agencies produce significant social change similar to the businesses that contribute to building a prosperous society (Phills, 2008). Phills (2008) emphasizes one of the most critical implications of social innovation is the exploration of the social innovation processes that is how they emerge, diffuse and succeed or lose. The most vital implication lies in recognising the role of cross-sector dynamics, for example, exchanging ideas and values, shifting roles and relationships, and blending public, philanthropic, and private resources (Phills, 2008). Finally, major innovations take place when various sectors, ideas, and thoughts converge among themselves. The policies and regulations must be implemented in such a way that it supports innovation because innovation is essential for a sustainable and prosperous society with sustainable economic growth (Phills, 2008).
2.3 Bricolage

The concept of bricolage was first coined by Levis and Strauss in the year 1967 to suggest the creation of something new through actors involved in the process of recombination and transformation of existing resources (Venkataraman, 1997; Garud et al., 1998; Baker and Nelson, 2005). According to Domenico et al., (2010) the awareness of their eventual application remains unformed in the early stages of resource acquisition for creating flexibility for their later deployment for the purpose is at hand. It is the available resources that act as tools to achieve their end purpose. Domenico et al., (2010) argue that the nature of resources and resultant projects are a result of reasoning and knowledge that could be made apparent through the bricolage process. In simple words, it is the theory connecting the available resources to new purposes. Entrepreneurial bricolage is a method to alleviate the resource constraints of new enterprises (Ronkko et al., 2013). At the same time, the authors state that the outcomes of bricolage may vary from enterprise to enterprise. They argue that it is quite difficult to clarify how effective bricolage is. In our research, we have explored this area. Baker and Nelson (2005) proposed two new concepts associated with bricolage. The first one is selective bricolage and the second one is parallel bricolage. Selective bricolage means applying bricolage in limited areas that might help the enterprise to grow, while parallel bricolage means excessive use of bricolage that might have a negative outcome as discussed later in the literature review. They explain that firms involved in parallel bricolage usually begin with their own diverse resource that can create opportunity, not within the regulatory or institutional environment. Rather, they create opportunities using amateur or self-taught skills and with the help of the customers and suppliers in hands-on operations (Baker & Nelson, 2005). Parallel bricolage is used and rejected by companies once the business is completely established (Baker & Nelson, 2005). Baker & Nelson (2005) concluded that firms that use parallel bricolage do not grow while the firms that adopt bricolage temporarily to counteract environmental resource limitations but abandoning bricolage when resources are available, experience growth. In the literature, bricolage is represented as a coping or survival mechanism in resource constrained environments or in undesirable situations where a problem arises suddenly or unexpectedly (Johannisson & Olaison, 2007, Pina e Cunha & Viera da Cunha, 2007). Baker and Nelson (2005) considers bricolage as a resource process that facilitates firm survival and growth. They continue to argue that bricolage helps firms create successful combinations to generate income when faced with an opportunity for growth. Bricolage is an upcoming concept
that provides the explanation of how early-stage entrepreneurial firms emerge and grow despite the constraints and challenges they face (Baker & Nelson, 2005). In a broader aspect, bricolage can be described as the process of creating something from what appears to be ‘nothing’ (Baker & Nelson, 2005). Entrepreneurs engaged in bricolage test the common limitations with the resources and combine and reuse resources at hand disregarding the commonly accepted definitions of material inputs, practices, and standards (Baker & Nelson, 2005). Baker and Nelson (2005) further suggest the use of bricolage in the three main domain categories of inputs, customers/markets and institutional and regulatory environments. The input categories include resources which could be further divided into physical, labor and skills. Entrepreneurs following the bricolage principle maintain a wide range of tools, parts and other physical resources for which no immediate need is required (Baker and Nelson, 2005). Baker and Nelson (2005) indicate that in certain situations, the entrepreneurs utilized their customers as a source of labour or expertise. Secondly, bricoleurs chose informal and friendly approach to reach out to their customers that helped them to involve customers as a resource (Ronko et al., 2013). Finally, the third domain of bricolage is the institutional constraints that support the available resources innovate and create novel solutions (Baker and Nelson, 2005).

There are some drawbacks to this type of solution are that they did not abide by the safety and environmental regulations (Baker and Nelson, 2005).

Desa (2012) interprets Baker and Nelson’s concept of bricolage as a three-dimensional construct that consists of material bricolage, labor bricolage, and skills bricolage. His main implication was that the combination of resources is the core of the bricolage concept. His arguments were that bricolage does not start with limited resources but it means transforming limited resources to useful outputs.

### 2.3.1 Entrepreneurial bricolage

Baker et al. (2003) termed the concept 'network bricolage' as ‘dependence on pre-existing contacts at hand’. Network bricolage is the combination or recombination of existing resources into a formal or informal network to generate self-sustaining and individualized incentivisation for the successful achievement of social goals (Wheeler et al, 2005). They suggest that a new business aspect is shaped by network bricolage rather than the founder’s prior work in knowledge-intensive industries. Network bricolage is helpful during the phases where the company has been established: ranging from recruitment and office equipment to financing the business (Phillimore et al, 2016). According to Phillimore et al, (2016), the role of bricolage is
the mediator between internal and external resources within an organization. Vanevenhoven et al. (2011) viewed bricolage to be a successful behavior for an entrepreneur because using readily available resources and prior knowledge can reduce uncertainty and investigate an opportunity that might lead to innovation. Phillimore et al, (2016) discovered that the internet and social media are the most common resources in entrepreneurial bricolage.

2.3.2 Social bricolage
Zahra et al, 2009 introduced the term “social bricoleurs” which applies to individuals who are motivated to address social needs. Social bricoleurs are aware of the local needs because of their localized and knowledge (Phillimore et al, 2016). They utilize their motivation, expertise and personal resources to create and enhance social wealth and at the same time, in assembling and deploying resources in pursuit of their chosen causes (Phillimore et al, 2016). The difference between social bricoleurs and other social service providers is the unique manner through which they identify local opportunities, identify and highlight necessary resources, and deliver services to the disadvantaged (Phillimore et al, 2016). Social bricoleurs have a clear idea about both local environmental conditions and locally available resources (Phillimore et al, 2016). They identify many invisible or unrecognized social needs which otherwise, would remain unaddressed. Though they develop small-scale solutions and have limited scope, yet they help solve local social problems (Phillimore et al, 2016). They utilize their power to take actions at the right place and at the right time and they possess the skills to address urgent social needs that larger organizations are perhaps not even aware of (Phillimore et al, 2016).

2.3.3 Possible shortfalls associated with bricolage
Contrary to the positive outcome of bricolage, Senyard et al., (2015) argue that there are certain possible negative effects of bricolage. They contradict Stinchfield et al., (2013) by proving that overall bricolage seems to slow down early stage firms. Bricolage increases the gaps between persistence versus becoming operational or termination. Further, they prove that there is a statistically significant negative relationship between sales growth and bricolage in young enterprises active in dynamic environments using empirical tests and wave data. Inefficient reworking’s of resources might also be an issue for a nascent firm which also could not be solved using bricolage (Senyard et al 2015). The varying multiple challenges may need resources beyond the resources at hand, thus stretching the trove of resources to beyond its limits. This might create delays in resource combination attempts (Uzzell, 1990). As a result, numerous challenges can arise, bricoleurs devote more time to scavenging or gathering
resources via network bricolage (Baker et al., 2003). This usually leads to delays as they must wait for resources to become available or assemble available resources and integrate new resources into the trove. Senyard et al., (2015) believe that the dynamics of the market change constantly and by the time bricoleurs arrange and pick up unused objects and tools (resources), they tend to lose their importance and necessity or become old (Senyard et al., 2015). Another negative aspect of bricolage is that firms overuse bricolage to solve multiple issues (Senyard et al., 2015). Senyard et al (2015) further state that bricoleurs lack focus and chase one opportunity after another in shifting markets. Constant experimentation to search for opportunities leads to misallocation of financial and human resources when the early stage firms are already dealing with tight resource constraints (Ciborra, 2002; March 1991; March & Simon, 1958). Connecting resources to pockets of continuously changing opportunities through bricolage create confusion in the firm over resources selection, allocations and combinations (Ireland & Webb, 2007), increasing costs (Gallo & Gardiner, 2007) and potential market confusion. Bricolage can lead to delays and confusion in achieving goals (Senyard et al., 2015).

Gundry et al (2011) highlight potential negative effects of bricolage on innovation. They argue further by stating that it can often create imperfect, substandard barely “good enough” product and service offerings. Uzzi (1997) further adds that bricolage might produce imperfect product and service offerings, through a failure to go beyond the superficial (Hubbard & Paquet, 2009). Baker and Nelson (2005) states that the firms which have applied bricolage carefully within limited domains have had continued growth, while in contrast, a simultaneous and equal application of bricolage across various domains limited firm growth (Baker & Nelson, 2005).

2.3.4 Patterns limiting bricolage
Divergent thinking is essential for developing innovative ideas in bricolage and multiple solutions (Guilford, 1968; Runco, 1991). Improper usage of divergent thinking in most of the assessments gave entrepreneurs broad ideas about the potential functioning of particular resources. All manner of tools, ideas, objects, and knowledge were collected that includes imperfect tools because they were cheaply or freely available. (Senyard, 2015)

Further, Senyard (2015) continued stating that divergent thinking played a pivotal role in the way resources were arranged in the trove (the ways entrepreneurs engaged in bricolage allocate, sort, structure and divest resource). As a result, these resources were assigned multiple attributes (Foss et al., 2007) and the bricoleurs were often confused in making decisions on
exactly where to put these new resources and how to integrate them into the trove. As a result, these entrepreneurs considered multiple locations for the resources in the trove (Senyard, 2015). In his study, Senyard (2015) proves that attempts to restructure resources were problematic and firms described their resources as “piles” or “clumps” and 75% of the entrepreneurs acknowledged their resource troves were a “mess.” (Senyard, 2015). As a result attempts to sort out the clutter were problematic. Thus, the entrepreneur would often move on to other things. (Senyard, 2015). This lack of structure within the trove created additional challenges particularly in cases that infrequently got rid of resources (Senyard, 2015).

Senyard (2015) investigated a pattern during his assessments regarding the organization of resources in the trove, one was personal resources and other was sentimental resources. Personal resources had limited utility to the current or future task, owing to their limited relevant attributes: which I define as personal and sentimental resources. Personal resources were not used for business activities yet were in the trove (e.g. personal spending on business credit cards) (Senyard, 2015). The second category was sentimental resources that also had limited utility. for example, old photos, assignments from university, laminated awards and physical objects from old projects (Furby, 1978; Richins, 1994).

Entrepreneurs who utilize bricolage, usually face resource constraints and the work they focus on should be done in a supportive environment (Senyard et al., 2009). Because of two contradicting situations, attempts to produce breakthrough innovations are usually unlikely to succeed but are also likely to undermine some of the advantages that may otherwise accrue from entrepreneurs’ selective engagement in bricolage. A combination of limited resources and amateur skills at hand is likely to be a slow-going process of trial and error experimentation and a very gradual accumulation of skills (Senyard et al., 2009). The attempt to engage in bricolage theory to achieve high levels of innovation might be slow progressing and could have low-performance rates (Senyard et al., 2009). Both personal resources and sentimental objects increased the size of trove and demanded more time in organizing resources and divestment practices. (Senyard, 2015) Both created trove ambiguity. (Senyard, 2015). Trove ambiguity created unnecessary delays, limiting the ability to effectively enact bricolage for tasks, minimizing sense making in understanding the relationships between the resources, limiting bricolage outcome (Senyard 2015).
When evaluating resource combination activities, the most common themes that inductively emerged were resource patching (Siggelkow, 2002) and reuse of prior proposals, contracts, and information. Each proposal typically had some unique aspect concerning customer specifications or a changed novel process of completing tasks. Firms that were less effective in recombination’s typically had many iterations or recombination’s they attempted. This occurred because of uncertainty and attempts to better understand their resources. This typically created delays and limited decision making in coming to a final solution to enact.

Senyard (2015) noted three interrelated mechanisms limiting recombination of resources namely: ambiguity and uncertainty in resources, where they were located (trove) and task specificities. Divergent thinking influenced resource evaluations, thereby, the presence of many valuable resources and alternate solutions, the resources were half complete and acts of recombination halted (Senyard, 2015). Moreover, Senyard (2015) noted a minor pattern of resources waiting from their pre-existing networks that cause a delay in recombination attempts.

Senyard (2015) talked about resources ambiguity diminishes bricoleur’s capacity to create appropriate bricolage responses, as a result of limited sense making (Simon, 1957). This concept counteracts the work of Wergliner et al. (2009), who suggested that bricolage is useful for complex tasks in IT settings. Task ambiguity is infrequently discussed typically only in relation to improvisational bricolage (Cunha et al., 2009). Additional research is needed to better explain this important mechanism shaping bricolage actions (Senyard, 2015). Various types of ambiguity may be important moderators that shape the relationship between bricolage and various firm outcomes (e.g. innovation or firm performance) differently (Senyard, 2015).

Entrepreneurs engaged in bricolage suffer issues with resource–task alignment and mutual adjustment, limiting bricolage effectiveness and task completion (Senyard, 2015). The distracted engagement was the final mechanism that emerged regarding bricolage (Dance, 2013). This new finding acknowledges the creative, messy iterative actions of bricolage (Krueger, 2009) to suggest that entrepreneurs following bricolage need to be engaged and not distracted during bricolage actions. Weick (2010) opinionated mindfulness as a “rich awareness of discriminatory detail”. By being mindful during bricolage implementation, entrepreneurs engaged in bricolage might minimize the time to create bricolage solutions (Senyard, 2015). Senyard (2015) concluded by suggesting that bricolage activities require
some minimal focus and mindfulness to create successful outstanding novel bricolage solutions (Senyard, 2015).

**2.4 Exploring connections**

Adding to our literature review, this part focuses on parts of our findings of possible connections and relationships between Social Entrepreneurship, Bricolage and Innovation.

**2.4.1 Social Entrepreneurship and Innovation**

There is a strong relationship between social entrepreneurship and innovation. Social entrepreneurship stimulates innovation by encouraging research and development in a particular area of interest. Both social entrepreneurship and innovation contribute vehemently to making a sustainable society. Social entrepreneurship plays an important role in intellectual innovation. Social entrepreneurship catalyzes innovation to achieve a long lasting societal impact. Social entrepreneurship creates innovative solutions to solve present and future social problems. It helps to mobilize the ideas, capacities, resources, and social arrangements required for sustainable social transformations (Alvord et al., 2004).

Social entrepreneurship emphasizes the innovative character of the cause and both development and organization theorists stress the understanding core strategies and tasks in explaining effectiveness (Alvord et al., 2004). The major common aim of social entrepreneurship and innovation is to meet unsatisfied social needs and do the needful for social challenges. Social entrepreneurship is the driving agent for the innovation. Innovation emerges within the social entrepreneurship sector. Innovation brings about social change and could be referred to the processes and outcomes of that change (OECD, 2010).

The social issues and changes could be addressed with the interaction between the entrepreneur and innovator because always good ideas require support to survive, flourish and succeed. The support might include; the passion and commitment of others, the money of patrons or the state and contracts or consumers. Social entrepreneurship could be considered as the beta site for innovation (Kanter et al., 1999). This could be explained using the tree-bee alliance concept. The bees could be the new and innovative ideas from people or small enterprises that could
mobilize and spread rapidly. The trees could be governments, companies or big NGOs with good implementation capacity, and have to make things happen. Their alliance can bring about effective changes in the society (Skoll centre for social entrepreneurship).

Finally, we summarize by stating that innovation provides new solutions to various challenges whereas social entrepreneurship provides new solutions to unmet needs. They both aim to achieve positive effects on individuals and the community. They are interdependent on each other and both are essential for the effective execution of the other when they work together.

2.4.2 Social entrepreneurship and Bricolage

Bricolage in social entrepreneurship encompasses a set of actions driven by the pursuit of existing and often scarce resources that can be combined to create innovative and valuable solutions that bring positive social change to markets and communities (Gundry et al., 2011). Social entrepreneurs from all over the world operate in a resource constrained environment. Recently, there has been a lot of evidence that proves that social entrepreneurs from developing countries are able to overcome the constraints and create a workable solution (Bacq et al., 2015). The continual experimentation and recombination of resources by bricoleurs is a major effort to create sustainable and solutions to complex social problems. These catalytic creative processes are often improvisational (Bacq et al., 2015). Social entrepreneurs undertake innovations provide ‘good enough’ solutions to social issues that could not be solved by traditional methodologies (Christensen et al., 2006). Social entrepreneurs’ bricolage behavior provides innovative solutions to larger social problems and is thus likely to have the impact at a greater social scale.

The main challenge faced by social entrepreneurs is meeting the dual needs of economic and social value creation. There was a positive relationship between the entrepreneurial bricolage and scaling of social impact (Bacq et al., 2015). Despite its importance, the topic of bricolage in social entrepreneurship has mainly been treated at the theoretical level or explored by means of small samples of empirical cases. In addition, few formalized tools to measure social performance exist, even in practice (Renko, 2013). As a result, past research aiming to measure and explain social impact has been inconsistent. Entrepreneurs can engage in bricolage with regard to customers, financing sources and structures, office space, networks and social capital,
and employees and volunteers – what Baker and Nelson (2005) described as the bricoleur’s ‘trove’. As such, bricolage involves an iterative problem-solving process through which alternative ideas and solutions can be generated, evaluated and implemented potentially to address critical needs and challenges (Bacq et al., 2015).

Social entrepreneurs thrive in resource-constrained environments (Desa and Basu, 2013), and that by definition, these entrepreneurs are motivated by social impact over financial performance, we contend that bricolage behaviour will enable social entrepreneurs to achieve breakthrough innovations for social change as they create and grow their firms and, as a result, scale their social impact (Bacq et al., 2015).

2.4.3 Bricolage and Innovation

Innovation usually emerges from the complicated combinations of existing resources (Green & Welsh, 2003; Olson, Walker & Ruekert, 1995; Schoonhoven, Eisenhardt, & Lyman, 1990) and required skills and capabilities across various domains (Swink et al., 2003). Bricolage might lead to innovation in a resource and skill constraint environment (Senyard et al., 2009). According to various previous research, it is a well-known fact that application of bricolage can lead to highly innovative, radical outcomes (Levi-Strauss, 1967). Bricolage can lead to the creation of something valuable as well as innovative (Gopalakrishnan & Damanpour, 1994).

Newer firms often have various problems associated with innovativeness. But still, they have innovation in freedom as they do not face the expectations from customers or constrained by resource investments. Hence, there is more free room to have better innovations than already established firms. Senyard et al., (2014) argue that bricolage can bring about innovativeness in the newly growing firms.

The three primary elements of bricolage which are common among all sectors of entrepreneurship were discussed by Baker and Nelson (2005). Firstly, the firms that follow bricolage has a” making do” principle which leads to active engagement with problems or opportunities and actions, rather than thinking about the workability of the project. The factors like resources and skills are not considered and there is always a search for newer methods to tackle the challenges. Secondly, bricolage usually relies upon resources at hand, which could
be easily available. This includes either firm’s internal resources or external resources. Firms engaged in bricolage frequently find value in inputs that other firms view as worthless, which can be particularly useful when operating under substantial resource constraints. Thirdly, bricolage is a creative combination of available resources with purposes. This can drive innovation through entrepreneurship (Senyard et al., 2014).

Based on our literature review, we suggest that a curvilinear relationship between bricolage and innovation will emerge. Bricolage promotes experimentation and recombination. Considering that both experimentation and recombination are important for innovation, we suspect that bricolage has a non-linear influence on innovation. We predict that the process of bricolage can be conducted in any given social enterprise and therefore it is optimal for innovation. Consequently, we have developed the following proposition:

*The relationship between bricolage and innovation in social entrepreneurship has an inverted U-shape.*

### 3. Method

#### 3.1 Research design, research setting, and sampling
We have adopted a research design which involves qualitative research. This was done considering the exploratory nature of our thesis, which aimed to investigate the effects of bricolage on innovation outcomes within social enterprises (Saunders et al., 2009).

Through our literature review, we have observed that bricolage has a positive connection to innovation within social enterprises, yet we have sought to deepen our understanding and explore the eventual negative impacts coming from the overuse of bricolage (Senyard et al., 2009). Our exploratory research, is, therefore, an attempt to determine if what is being observed in the field might be explained by a currently existing theory and lay groundwork that will lead to future research.

The main focus of the choice of method and research that we have carried out has been to build a picture of the connections between social entrepreneurship, innovation, and bricolage as well
as to understand the identities, values and non-formalized processes through the experiences and input from social enterprises that are active in the field. Although our chosen social enterprises are alike in the sense that they are social enterprises striving for a profitable business model while creating social impact, they still exhibit considerable variation regarding a number of resources they need to manage in their day to day operations.

### 3.2 Data collection

We have chosen to gather our primary data in the form of semi-structured interviews, this method enabled us to catch the participants experiences and see patterns when it comes to social entrepreneurship, innovation, and bricolage. Semi-structured interviews leave room for follow-up questions and further exploring of the thesis key themes (Jick, 1979). Our interviewees come from diverse backgrounds, countries, and settings. We conducted a total of 9 semi-structured interviews, and 3 interviews were conducted in Sweden in a face-to-face manner whilst we used Skype or telephone to interview for the rest of the social enterprises from Sweden, Peru, Canada, Switzerland and Australia. We used a list of themes and questions to cover, although it varied from interview to interview. This meant that we omitted some questions during interviews, depending on the context that was encountered in relation to the research topic, for example, if the social enterprise was new and employees were not a current focus then asking a question about that was not relevant. We assumed that each of the chosen social enterprises has experienced bricolage at some point, therefore the order of questions varied depending on the flow of the conversation. Additional questions were in some cases needed to explore our research question.

The interviewees are founders, owners, and managers of social enterprises in Sweden, Switzerland, Australia, Peru and Canada. Since we mainly have targeted small enterprises with 1-10 employees we contacted the founders directly and gained access that way, so there was no need to grade the level of the interviewee within its organisation. All participants and social enterprises are anonymized, which gained us easier access to discuss these topics.

We use two types of questions: open and probing questions. The use of open questions will allow participants to describe a situation, process etc. An open question is designed to encourage our interviewees to provide a broad and developed answer which were used to explore their approaches towards bricolage and creation of innovation (Saunders et al., 2009).
The advantage of semi-structured interviews is that they provide the opportunity to ‘probe’ answers, where one wants interviewees to explain, or build on their responses. Probing questions help us explore responses that are of significance and require us to obtain more specific or in-depth information to fully understand (Saunders et al., 2009). What we found beneficial about the semi-structured interview is that they lead the discussion into areas that we did not previously consider, but may be significant for our understanding and help us address our research question and objectives. We used questions exploring the individual concepts of social entrepreneurship, bricolage, and innovation. For instance, when we asked about bricolage, the questions were directed as follows “Would you use any existing resource that seems useful to respond to a new problem or opportunity? probe: how would you use it?” or “Do you deal with new challenges by applying a combination of your existing resources and other resources that are inexpensively available to you?” We also challenged negative aspects of the different concepts, for example, “Have you experienced any potential inefficiencies of a trial-and-error way of working when combining non-standard resources? probe: what have you experienced?, can you tell us more about the situation?. Later, in the interviews, we asked questions combining the individual concepts of social entrepreneurship, bricolage, and innovation into questions that allowed our interviewee to make associations themselves. For example: “By combining your existing resources to deal with new problems or opportunities, have you experienced innovative solutions?”. The interviews also offered our interviewees an opportunity to hear themselves ‘thinking aloud’ about things they may not have previously thought about. We have collected a rich and detailed set of data.

### 3.2.1 Background of social enterprises and interviewees

Below follows a brief anonymized description of the interviewed participants and social enterprises.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Role</th>
<th>Industry/area</th>
<th>Year of founding</th>
<th>Base</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee 1</td>
<td>Co-founder</td>
<td>Newly formed social enterprise with a mission to create sustainable change when it comes to recycling of clothes</td>
<td>2017</td>
<td>Sweden</td>
</tr>
<tr>
<td>Interviewee 2</td>
<td>Co-founder</td>
<td>Social enterprise which creates innovative lifestyle products in sustainable materials, while donating a portion to charitable causes.</td>
<td>2016</td>
<td>Sweden</td>
</tr>
<tr>
<td>---------------</td>
<td>------------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>------</td>
<td>--------</td>
</tr>
<tr>
<td>Interviewee 3</td>
<td>Founder</td>
<td>Social enterprise empowering women in developing countries through craft.</td>
<td>2016</td>
<td>Sweden</td>
</tr>
<tr>
<td>Interviewee 4</td>
<td>Founder</td>
<td>Social enterprise working with an online platform within the food industry.</td>
<td>2016</td>
<td>Sweden</td>
</tr>
<tr>
<td>Interviewee 5</td>
<td>Founder</td>
<td>Social Enterprise empowering women through jewelry production in several African countries.</td>
<td>2012</td>
<td>Canada</td>
</tr>
<tr>
<td>Interviewee 6</td>
<td>Founder</td>
<td>Social Enterprise which has developed a mobile application targeting children's well-being.</td>
<td>2014</td>
<td>Sweden</td>
</tr>
<tr>
<td>Interviewee 7</td>
<td>Co-founders</td>
<td>Cooperative technological social enterprise.</td>
<td>2013</td>
<td>Australia</td>
</tr>
<tr>
<td>Interviewee 8</td>
<td>Founder</td>
<td>Social enterprise producing bags in developing countries which are sold online.</td>
<td>2014</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Interviewee 9</td>
<td>Founder</td>
<td>Social enterprise producing jewelry and working for women empowerment in the Amazon.</td>
<td>2016</td>
<td>Peru</td>
</tr>
</tbody>
</table>

### 3.3 Data analysis

The main aim of the data analysis was to build a theory out of the processes we observed during the interviews. To understand the whole context of the relationship among social entrepreneurship, bricolage, and innovation we have researched each concept individually. We have used inductive qualitative techniques to develop *in vivo* codes, which reflects the interviewee’s own language. We generated data based on the interviewee's language, which was a detailed representation of our primary data (first-order concepts), then we classified aggregated codes and thematically sorted them under categories (second-order themes). *Table 1* provides a graphical representation of our theme-building processes.
Table 2 provides a graphical representation of the steps which we underwent when identifying theme relationships among social entrepreneurship, bricolage, and innovation. We used multiple data sources to analyse these relationships which enabled us to draw conclusions on how bricolage affects innovation outcomes within social enterprises. We aimed to describe the interdependencies between these three aspects by examining the pattern of linkages between two aspects and assigned them a category: Social entrepreneurship & Bricolage, Bricolage & Innovation, Social entrepreneurship & Innovation. This analysis lead us to identifying relationships between two separate aspects but also it also helped us to observe linkages and connect them.
4. Findings

Below we present our findings from the interviews with representatives from social enterprises in the field. Below each of the topics social entrepreneurship, bricolage, and innovation we present themes that have surfaced from our field research. The material from our field research is a part of answering our research question: *How does bricolage affect innovation outcomes within the for-profit social enterprise?*

4.1 Social entrepreneurship/Social enterprises

Our findings show that in line with our literature review, social enterprises who are active in the field, must relate to the lack of a unified definition of Social Entrepreneurship and what a social enterprise is in many parts of their operations which in turn affects how they can gain
access to resources and create innovative products and services. This can create both opportunities and challenges, which can hold them back. A common struggle which affects for-profit social enterprises is the need of potential external stakeholders to place them in the right category. Interviewee 2 speaks of this struggle:

“We found out early that it can be hard to fit in, if you are a regular business, you can get a lot of help from the government and different initiatives, and then if you are a non-profit organisation, there is also a lot of help- but if you are in the middle it is hard” (Interviewee 2).

Connected to gaining access to financial resources she continues to tell us that in the beginning they got the suggestion to apply for a grant and went through the process and work of applying. In the end, they didn’t get the grant and the feedback was that they were a limited liability company and that the grant was reserved for charitable work. Relating to charitable work, their thought was that they give as much money as some non-profit organisations and just because they operate in the form of limited liability company doesn’t mean that they don’t. For Interviewee 2’s social enterprise, this experience resulted in them completely disconnecting themselves from that support system and source of resources and focusing on doing it their own way with the contacts and the people that they have.

Interviewee 2 also speaks of the struggles of getting potential customers to understand that they aim to create positive social change or impact whilst still trying to sell them a product. “When you have a limited liability company, I think people almost get suspicious. They wonder why you would have a business and give away your money, like there must be a catch. Then you try to explain that you genuinely just want to help someone. But at the same time, you are selling something so it is a balance, and it is a new way of working. I lived in America for a long time so that is in a way where we are taking the concept from and 90% of what we sell is not in Sweden, mainly in America, England and Australia because they know what it is, for them it is like you are a social enterprise and if they buy this product this happens. When in Sweden they wonder what we mean and how they can be sure that we donate what we say we are going to donate. They are very suspicious about our business model because I think they can’t place it and don’t understand what is in between a regular company and a nonprofit organisation” (Interviewee 2).
The challenge of fitting in a unified definition can affect the social enterprise's resources when it comes to for example finding investors. Interviewee 6 speaks of a phenomenon that we have seen recur in our field research. “Investors do not support social enterprises because they do not understand how it works, they do not understand that if you have a good business model you can also make money within social entrepreneurship. They want to invest in banking, finance etc. and say you can’t make money on children’s well-being. Social entrepreneurship is new so they don’t understand that they can make money on social good as well. They don’t understand how you can make money on preventing violence, racism etc.” Along the same line interviewee 4 says that: “The view is that social entrepreneurs are not here for business so I think that it is a tradition, that they are maybe not used to the combination of profit and doing well for the world at the same time- I think this makes it harder to find an investor” (Interviewee 4).

Interviewee 2 also believes that if you go the traditional way to and try to find angels, they will want something in return and a social enterprise is not necessarily there to provide a big return. “Because if we get a bigger return then we want to give more money away, which I think is very untraditional compared to the traditional model of business. I don’t think it will be in the future though, but now it is.” Interviewee 2 continues to tell us that finding smaller nontraditional investors wasn’t as hard. “We actually have two small investors, because we needed a bit more money to get going and we didn’t want any traditional investors, so our investors don’t own that much of the company. I wouldn’t want to take in an investor that had a majority of the company because I want to be able to do what I want. These two people have helped us a lot and they are basically investing because they wanted something with a higher purpose in their lives that they could be involved with on the side, so in that sense, it wasn’t hard to find someone” (Interviewee 2).

Interviewee 6 also states that if someone wants to do something good and make it as a sustainable company – do good for as many people as you can and still and earn money- invest money and in order to create even more impact.

4.2 Bricolage
Our findings show that bricolage is present in each of the social enterprises that we have interviewed. Social enterprises are prepared to employ strategies to make use of the free or
cheaply available resources that are at their disposal. Our interviewees perceive bricolage as follows:

“Everything that we create is the best thing for the cheapest price that can be used as many times as possible” (Interviewee 2).

“If you don't have finance, you have to be very creative and find solutions so that you don’t have to pay for things. If you don’t have a marketing budget and need a logo, you find ways to fix it or do it yourself” (Interviewee 1).

We have found strong links regarding bricolage connected to the rationale of how an organization creates and delivers value in economic, social, cultural or other contexts. “We have some connections in the laboratory industry, where we help them to repair machines... we are actually making use of something which most companies do not use, that is the opportunity to repair all the equipment ” (Interviewee 7).

Our findings show that bricolage within for-profit social enterprises can occur in many aspects of the business. Our interviewees use bricolage within human resources, natural resources, and capital resources. “We can’t afford more employees right now, we look for young people like interns who will help us to scale up so, we use also volunteer for writing something, contact schools, maybe if they sell something we can give them a commission” (Interviewee 6).

Furthermore, bricolage was used with links to finding creative ways of paying for a service provided by another part in relation to our interviewees. Interviewee 5 works in a resource constrained situation and uses her photography skills which were a part of her previous employment in exchange for graphic design services for her company.

Social entrepreneurs use their support system by sharing information and services among individuals and groups that they have a common interest with. “If you want to go international and to grow... we use other companies and NGOs to help us. We cooperate with non-profit organisation that prevents violence at school and so on, so they can go out to many more countries and it does not cost us anything because they have contacts and they can help to sell the app and have some money for that” (Interviewee 6).
We found that the marketing strategy that social entrepreneurs use to build their sales aligns with bricolage principles. Interviewee 5 uses her products as a payment method for provided services as well as for her marketing strategy. Interview 6 uses marketing through social media and contacts celebrities who promote the product without any requirement of remuneration because they see the social impact that the social enterprise provides. Social entrepreneurs use their network in many cases, also they nurture their contacts so that they can be a valuable network resource to them or/and their contacts provide them free service due to believing in their social mission. “I think because we are a social enterprise we manage to get a lot more help than if we would have been a regular for-profit company. For example, the factory where we produce, they would have never taken in such a small client if we didn’t have a higher purpose because they think that it is really good for them to have us as their customer, we bring something to them and their business. So, it has opened up to a lot of opportunities” (Interviewee 2) and according to Interviewee 1: “It is easier to get help if we need something because we are doing something good when people perceive it as we are the ones making money it is harder to get that help” (Interviewee 1).

4.2.1 Limitations of bricolage

An additional concern was raised with paying equity as a part of remuneration for services, due to the possibility of losing a greater portion of the worth of the social enterprise in the future. Moreover, offering low or no remuneration does not seem to make working within social enterprises less attractive to human resources, on the other hand, we have observed that the work provided by volunteers is of much lower quality and speed. According to Interviewee 5, providing hand made products with non-standard easily accessible resources can cause unpredictable outcomes. “I ordered necklaces and they came in a different color because we were speaking about different nuances...since the products are handmade you can run into these types of quality problems...or for example electric shortages” (Interviewee 5). Regarding future obstacles: “we only use available resources, so if a material is not available anymore, we will not go through with that idea” (Interviewee 5).

4.3 Innovation

Our findings show that for-profit social enterprises aim to creative innovative products or services to create the positive social change or impact which is a part of their mission. For
them, the most important part is mainly not that the outcome is innovative in the sense that is completely new, but the way of using existing means in innovative ways to create social impact is a big part of what they consider innovation.

“Innovation means new ways of doing things with existing means, I mean our service is not new, you could say it is like Airbnb or other sharing platforms. So, the technique is not unique but it hasn’t been used in this way before. There are many businesses to customer solutions but the business to business angle is quite new. That is the innovative part of it” (Interviewee 4).

“You are creating something new with very limited means” (Interviewee 3).

Their creativity can relate to for example use of material resources. Interviewee 5 has been creative in her use of resources in the sense that necklace that they couldn’t sell were reused as bracelets. Broken necklaces were stripped down and made into the part so people could buy them and make their own necklace. She has managed to find different creative ways to deal with stock that does not sell. Interviewee 5 has also managed to find new approaches for her social enterprise.” I want to make a difference and people want ethical fashion and the people who produce the jewelry need employment, so it is an innovative approach that fits both needs. The people producing get their own money and don’t have to rely on anybody else which gives them a sense of dignity and self-sustenance. It was a new idea for them too, the model of our business is innovative” (Interviewee 5).

When selling products, the design of the product does also matter if it is going to sell. Interviewee 5 continues- “The jewelry was quite ugly in the beginning but I matched the trends here with their skills. We try new designs and new ways of using their skills.” She also talks with the people who produce the jewelry about their needs and problems. “People are afraid to talk about it when you knock on their door that when you are making jewelry it is a kind of unthreatening way to speak about subjects like for example human trafficking and at the same time raise awareness” (Interviewee 5).

There are these social enterprises which work to empower people in developing countries by offering employment within crafts, an innovative way of working with manpower which doesn’t require a high education. Then there are social enterprises who in this technological
day and age work with online and mobile based platforms and applications. According to Interviewee 1, the advantage of creating a service is that when you create a service the cost is not as high as when you, for example, are creating a product and have to invest in product development and material. “No one has created this kind of solution as an application so it is innovative and we also try to reach young people and create new solutions and try to create more services around it. We meet up with other social entrepreneurs around the table and create a lot of new ideas and it helps us be innovative and we have a plan to create an advisory board. Many companies use celebrities, but we want young people, no one has that and they young people have new ideas that no one thinks about it” (Interviewee 6).

Interviewee 2 speaks of their innovative product and mission and how suppliers might not have the understanding of why a business would produce something in a certain way while doing it in another would be easier and generate more money. “Regarding the people that help us produce the product, we often have a discussion. Because they are not used to the way we are thinking so they suggest that we produce a more standard product that we can make more money off. But we don’t want a standard product if I would have wanted that I would have done it. And they mean that it makes things difficult, but for us, it doesn’t matter” (Interviewee 2).

Interviewee 7 speaks of their innovative organisation within the social enterprise which leads to flat hierarchies and a more flexible decision-making process, which in turn increases their innovation outcomes. They also use bricolage as a method for problem-solving throughout the processes. “We are very popular when it comes to innovation, and again it is a form of bricolage. Global companies will produce a product that will suit most laboratories and most laboratories around the world may use small companies .... there is generally not a high level in Perth, Perth comes from a mineral mining culture, and when you process a mining sample with a general machine, an equipment manufacturer will not change the way they make the product just to suit the small sample of an industry- so we provide a solution to them by providing help and adjustments of the products. That generally works well, we are 7 people working and we have work. If people walk into a company with a big idea, we can do it, we don’t need to get approval from someone. We can change according to the needs and we do not have any hierarchy. If you can change your business structure and get rid of the hierarchy you can be more successful as a cooperative. If you don’t do it, your competition will and your
business will fail, so there is not much choice and I mean I am optimistic about the future, people will be willing to work in flat hierarchies” (Interviewee 7).

Our findings show that innovation within product development is important for ensuring customer loyalty. Social enterprises emphasize the importance of innovation that is unceasingly maintained in order grow and succeed. “Since we work with young people we need to always follow the trends, go to seminars, tech conferences and talk to people and always be there in order to implement it in our product” (Interviewee 6).

4.4 Connections
Our findings from the field research through interviews have shown connections between social enterprises, bricolage, and innovation. Below we present these connections.

4.4.1 Social entrepreneurship and Bricolage
Social enterprises work under resource constrained conditions, using free and easily accessible resources, assuming that they will with their future projects use easily resources at hand. “That’s how we operate. Next week I have a public trade show, I need a display and everything has to be free, so we build everything ourselves from the material we get for free and I also bring my friends as staff” (Interviewee 5).

4.4.2 Bricolage and Innovation
We observed social enterprises using easily accessible resources and shaping them in innovative ways. “I mean we have a product which is locally produced and we are the only ones doing what we do in the Australian market. The people who work for us are graduates actually, usually university graduates who are trying to find work in Australia. We offer their first working experience and that is a connection to the community, I mean we are part of a community” (Interviewee 7).

Social enterprises use bricolage and solve problems in innovative ways, for example by challenging the traditional approach to buying services in exchange for payment. Rather they use the help of volunteers in exchange for providing help in any other innovative ways. “I mean yes, of course, we do all the time. We always have to figure out- we want to reach a specific goal and we don’t have any money and we don’t have any people so how can we do it? Which I think, is not as frustrating as it sounds, it is quite good because when you start
working in that field you start drawing the same kind of people towards you, which in the end means that you end up with quite a lot of things for free. It is nice and brings back a few the old ways of society that not everything has to cost money like if I do something for you can do something for me and money doesn’t have to be involved but I can fix your problem and you can fix my problem. That is a nicer environment to be in as opposed to always charging people for everything” (Interviewee 2).

Innovative solutions and ideas are enhanced in resource-constrained situations. Social entrepreneurs suggest that limitations of resources have a positive impact on creativity and problem solving and therefore also on innovation. On the contrary, limitless resources at disposal might eliminate the drive for innovative solutions within the social enterprise. “If you have a lack of resources, things obviously take longer. But I also think that if you had endless amounts of money you probably wouldn't come up with a good idea, to begin with. I think too much money and too many resources put a damp on creativity, because I would say that creativity is almost like problem-solving and if you don’t have a problem then you are not going to come up with a solution, and you would probably take the easy choice and no one says that the easy choice is the best one. You can for example pay someone a lot of money to market your product or you can come up with something that maybe is a bit of a harder and longer route but the people that then like your product, really like it and then you end up having word of mouth which means you actually did a better job than you would have if you just had the money to pay someone” (Interviewee 2).

Social entrepreneurs tend to use easily or free and available resources in their social enterprise to deal with obstacles and challenges, which results in innovative solutions. They use free resources to adapt to the very specific situations and challenge traditional business models of commercial enterprises, which results in innovation. “There are challenges there, large organisations in the market would prefer that we are not doing what we are doing, the companies who are making the machines, would prefer that people are buying new ones rather than we go searching for solution for customer to repair an instrument, we may need to source the parts to repair in instrument, they will practically make it difficult for us to take the parts from them, I mean that’s not a problem really for us because we are are physicists, engineers and so on, we are quite capable of redesigning our solutions to problems” (Interviewee 7).
Social enterprises seek to find innovative ways to ensure their financial sustainability. They operate in resource-constrained environments in which they are creating innovation and social impact. In other words, gathering easily or free and available resources in a constrained environment drives innovation and sustainability. “You need to be innovative in terms of how to make your money last and create as much impact as possible... and for me also coming back to who you are what business you are trying to create...for me that constraint really drives sustainability. You have to be very conscious of what decision you are making to create sustainability” (Interviewee 3).

Social enterprises face difficulties connected to resources and money when needing employees, therefore social entrepreneurs create innovative ways to gain support within the field of human resources. “I could not afford to pay a team, so it is very basic to create partner connections in the countries where I can scale. If I get sick then there is still value for the people, through for example the advice and mentorship that I have given. So, they are still able to take care of themselves and are not depending on me” (Interviewee 3).

Furthermore, we observed that social enterprises bring innovation into their business models, rather than focusing on one market, they use their resources to adapt into many interrelated areas of the market. “The common view is that successful companies specialize, they do one thing very well, and that is one model and it can work well but is a quite unsuitable model. Things can change and if you specialize in one area... what we do is that we specialize in many areas so if one industry does not perform so well, we can change” (Interviewee 7).

As a way to stay innovative even when the social enterprise grows social enterprises have their mission as a guide to not lose track of why they are doing what they do and keep on innovating. “We try to do that already, to look at the people we want to help and what kind of impact we have. Because then you come from more of a humbled place, otherwise it is easy to get caught up in things like choosing which nuance of a colour in your creativity you get stuck on stupid details. Whereas if you go in with your heart and your true purpose I think you will stay innovative in a very meaningful way regardless of how big you are” (Interviewee 2).

It also is very important for social enterprises to recruit like-minded people to be able to stay innovative even when they grow and have access to more resources. “I think that is the key. You have to find people that are as passionate about it as you are” (Interviewee 2).
3 comments on her suppliers working in resource constrained situations: “They are striving for innovation solutions but also try to reinforce cultural heritage. They want to create broader social impact but also work creatively with very limited means and do well in terms of environmental impact” (Interviewee 3).

Interviewee 9 explains how she utilizes bricolage to make her company grow organically. She does not forget the social enterprise's mission and tries to focus mainly on empowering the communities in the Amazon area. She along with her partner use their own expertise to operate the company in an innovative way by using their social circle and social media extensively for attracting talent and mentors. They try to use their own resources in order to achieve the milestones and their innovativeness could be proved by noticing that they are not searching or applying for funds yet. Instead, they are using their own money to run the business. Also, they use an interesting approach by meeting the artisans and inviting them to regular workshops. Regular workshops indirectly support and enhances the innovative nature of the workers. Their bricolage usage can be seen as a success as they believe that they have slowly started making an impact in the society.

Interviewee 8 uses bricolage to sustain their business and make an impact. Their main goal is to recycle the waste to create beauty and impact effectively. When coming to resource constraints, he says “Getting funding for a startup is very difficult in Western Europe due to risk-averse culture.” He continues further “We tend to use labor (trustworthy people), time and language as resources for delivering a social impact” (Interviewee 8).

4.4.3 Social entrepreneurship and Innovation

Another challenging aspect of innovation is that there are no clear boundaries between innovation and social innovation. We explored these concepts with the social enterprises to get a clear idea. Often, innovation within social areas is associated with social innovation but interviewee 6 contradicted the common notion when he said that they use an app to target issues at schools. An app does not imply social innovation, rather according to literature, it is more of technical innovation. Whereas various other interviewees (9, 8, 1) use more of social innovation in their respective enterprises to achieve the required mission or goal. Interviewee 8 links innovation with social entrepreneurship in a different yet interesting manner. They try to bring about innovation in the operations to carry out business, thereby making an impact in various communities in developing countries. Their innovative approach in consumer business to bring about social change is innovative. Interviewee 8 uses language and people to reach out and
attract artisans and customers. In this way, they use innovative solutions to run their business successfully with making an effective social impact.

5. Discussion

This master thesis provides a significant step forward in combining prior insights regarding the possibilities of innovativeness by for-profit social enterprises with the key role of recombination of variety resources leading to innovative outcomes. By assuming that bricolage is an essential pathway to innovativeness under resource constraints, we translate patterns of behaviors within social enterprises that help to explain what innovative firms actually do, in other words how they create innovation across different fields.

Moreover, due to the exploratory nature of this thesis, we have also come across findings that were not formulated in our original assumptions and research question, but do play a part in the bigger picture of how social enterprises, bricolage and innovation interplay.

Researching the relationship between innovation and bricolage within for-profit social enterprises, our findings provide support that there is an inverted U-shaped relationship between bricolage and innovation. Our findings provide data that resolve the dilemma from the literature review. Scholars, on one hand, state that bricolage encourages innovation and on the other hand, that bricolage has negative effects on innovation.

Our arguments are as follows:

1. Not using bricolage is inimical to innovation because it discourages experimentation

2. Overuse of bricolage is inimical to innovation because it enhances uncritical satisfaction long-term, it creates a deficit of resources that are irreplaceable by other easily available resources

Our findings suggest that due to an inverted U-shape relationship, we should not inspect bricolage from the “positive or negative impact” perspective but rather to what extent bricolage is beneficial to the social enterprise.
Our results show a U-shaped relationship between bricolage and innovation over a long-term period. We do suggest that bricolage lightens the financial burden short-term, whereas in the later stage of the social enterprise’s life cycle the result of using limited resources requires a boost of expenditure to be able to cover inefficiencies. Furthermore, bricolage slows down the operational processes within a social enterprise and therefore limitations from the time perspective occur in their innovation outcomes. On the other hand, we have not proved that bricolage could lead into a dead point of innovation, a point where there is no possibility of innovative progress anymore.

Moreover, we have observed further patterns within social enterprises. First, social entrepreneurs tend to investigate possible interventions of investors that would have an impact on their social mission as well as their innovative actions in a negative way. Second, there are specific challenges associated with social enterprises and gaining capital resources. Since the main focus of social enterprises is to create social impact we have observed that traditional investors seem not to be interested in investing a large amount of money in their social venture due to a lack of understanding and a perception that social entrepreneurship is not as profitable as a commercial entrepreneurship. Third, we have observed a method for working with available resources through craft and design of simple things such as jewelry and accessories and that this can have a role in empowering people with available resources such as material and their existing skill sets. This, in turn, leads to innovation, by using people's existing skills relating to craft and jewelry and together working on new innovative designs. This is an innovative way of empowering people by using the resources that they already have and doesn't take a lot of education to create impact. Fourth, we have also observed the social enterprises working a genuine concern for where the environment is heading develop their innovative products and services by using either resources in form of material from the environment or repurposing products which lifespan have been a doomed waste. Fifth, we suspect that social enterprises with strong hierarchical structure suppress innovativeness due to difficulties with the floatation of information. Flat hierarchical social enterprises adapt faster and can make actions with resources at hand in much effective manner. In other words, social enterprises with flat hierarchies may adapt faster to current environment to treat the resource constraints in an attempt to create innovative outcomes. Sixth, we observed that there are important characteristics that are especially useful for shaping innovation with the use of bricolage. We strongly suggest that a crucial element of skillset needed for bricolage includes elements of
creativity when creating something new and untested. We suspect that there are other
significant elements for shaping bricolage, that may be explored in further research.

6. Limitations

We would like to highlight some limitations of our master thesis that should be considered
when interpreting our findings. The main limitation when writing this thesis has been the time
constraints that we have experienced when writing a master thesis in two months. We chose a
qualitative methodological approach which makes the material time to consume to process.
Although there has been a clear enthusiasm towards the choice of subject from many social
enterprises due to it being a very relevant topic to them, gaining access to the 9 interviewees
took some time, time that many social enterprises working under social constraints cannot
offer. Our samples are relatively young social enterprises so to get a broader insight,
researching enterprises which have stayed or moved away from the bricolage approach over
the years would be something to develop in future research. With more time, we could have
increased and processed a larger number of interviews to get even more accurate results.

Limitations of the available literature are regarding, first social entrepreneurship when our
focus is the social enterprise. This also applies to the literature regarding bricolage where a lot
of references are to for example the individual utilizing bricolage. We do however interpret it
as the process of social entrepreneurship affecting these social enterprises everyday operations
and output. Secondly, the already compared to other fields limited research within social
entrepreneurship is narrowed down to even more limited research regarding for-profit social
enterprises.

The geographical limitations regarding our interviewees affect our results since they are based
in Sweden, Canada, Peru, Switzerland, and Australia. Although we cannot generalize and the
material from the interviews have touched on external factors that are different in different
locations such as the environments understanding of what social enterprises actually do, it is
also common for social enterprises in themselves have a global approach by being based in one
country and operating in one or several more. Our research question does target the internal
processes of these social enterprises and how they utilize bricolage to create innovative
products and services so we have still been able to build a basic insight of these processes.
When it comes to industries and areas, our data slightly differed for social enterprises operating as digital platforms or mobile application. These social enterprises do not have the same type of needs, for example, require inventory and other recourses to develop their service. Bricolage might not restrict their innovation outcome to such a large extent as social enterprises with a tangible product and this creates limitations in our research.

7. Conclusions & Further research

This master thesis has been of an exploratory nature and we have sought to understand mechanisms within social entrepreneurship, relating to the connection between, and how bricolage affects innovation outcomes. Valuable insights have been gained from both our desk and field research, but general and universal conclusions can of course not be drawn due to the limitations that we have presented. We have found many challenges which affect social enterprises, but the very nature of the entrepreneurs who engage in this field is that of a “glass is half-full” view, and if something is a challenge, they see it as an opportunity for growth or move on and find another solution regardless of a number of resources at hand. Our findings of the inverted U-shaped relationship between bricolage and innovation has also a practical significance. The current market is very demanding in terms of innovation and effectiveness. Social enterprises generally work under resource constraints and bricolage was used by every social enterprise that we interviewed.

Our implications for practice builds on, in a wider sense, establishing a support system that can back up mission-driven for-profit social enterprises in their creation of innovative products and services. It will take an environment where customers, investors and different types of funders understand that there are social enterprises which can combine business with profit and deliver social impact while sustaining their operations. In the changing climate of the world, social enterprises do have the potential to through innovative products and services solve some of the world’s most pressing social problems on a local as well as global level. Furthermore, we believe that there are significant elements and tools that shape bricolage and its innovation outcomes. Therefore, we suggest that the further research should observe creativity and other tools that boost innovation.
8. References


47. Leadbeater C., 2007, Social enterprise and social innovation: Strategies for the next ten years, Office of Third Sector.


57. OECD 2010. Social Entrepreneurship and Social Innovation, SMEs, Entrepreneurship and Innovation, Chap. 5.


71. Senyard, J.M. 2015, Bricolage and Early Stage Firm Performance PhD, Queensland University of Technology, Brisbane.


