

Paper Symposium Title: Sustainability, Ethics and Entrepreneurship

Organizers

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We, the symposium organizers, received written commitments from all parties that they will register and attend the 2017 SEE Conference, should the symposium be accepted.

Paper Titles and Authors

Paper 1: Crowding Out Effects of Well-Intended Environmental Policies

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Paper 2: Environmental Entrepreneurship: Identity Coupling, Venture Goals, and Stakeholder Incentives

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Paper 3: Social Enterprise Emergence from Social Movement Activism: The Fairphone Case

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Paper 4: How Social Entrepreneurs Facilitate the Adoption of New Industry Practices.

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Paper 5: Selling Issues with Solutions: Igniting Social Intrapreneurship in For-Profit Organizations

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Key Words: Sustainability, Business Ethics, Entrepreneurship

SYMPOSIUM FORMAT and FLOW

This symposium features five papers. Following 3-5 minutes of opening remarks from the co-chairs, the authors of each of the papers will have exactly 5 minutes (and 10 slides) to give an overview of their studies. This 45-minutes part will be followed by an interactive discussions, perhaps even in a roundtable format, with substantial emphasis on audience-author engagements.

The theme-focused discussions allow the audience and authors to engage; here are three prompt questions:

1. What are the main takeaways from each paper?
2. What key research and practical questions should the domain ask next and why?
3. What research designs and practices are called for to address the above questions?

The Recapped Timeline:

1. Co-Chairs to articulate the purpose of the format of the symposium: 3 minutes.
2. Paper Presentations: 25 minutes (5 papers x 5 minutes each).
3. Transition into group/roundtable discussions: 2 minutes.
4. Group/Roundtable Discussions: 45 minutes.

Total Time: 75 minutes

SYMPOSIUM OVERVIEW

Environmental stewardship, social responsibility, and ethical decision-making are critical in many, if not all, business activities and ignoring these principles is detrimental for the enterprising effort of every firm—cause-based startups, for-profit ventures, family businesses, nonprofit companies, and public firms. For example, firms often combine inputs through incrementally sequential and well-synchronized procedures. This means that even small unethical choices in early value-chain activities can trigger devastating cascading effects that bring an otherwise smooth-running operation to a grinding halt, while undermining the reputation of a single firm, or worse, ravaging entire industries (e.g., tobacco industry). Of course, for startups and small family firms, the same poor choices might bring business disbandment, and losses that might affect families for generations. At the other end of the spectrum, social entrepreneurs and the sustainability movement are increasingly fashioning—and perhaps even leveraging on—businesses that are based on superior sustainability standards, strong social considerations, and deep ethical principles. These businesses are attractive to a significant, and growing, slice of consumers because the values of such companies resonate with their own. Although it is clear that these are tectonic shifts

that alter economic systems and social structures (e.g., social media and the Arab Spring), scholarly research and theory development on this tripartite topic are only recently gaining momentum.

The areas of sustainability, society, ethics, and entrepreneurship motivates scholarship from diverse disciplines—e.g., management, finance, accounting, marketing, operations, supply chain, political science, sociology, psychology, and economics, to name a few. Each discipline makes significant contributions to this topical area. Also, most scholars recognize that cross-disciplinary research can be highly revelatory, but surprisingly, the number of truly cross-disciplinary studies, including in special issues, suggests the more can and should be done to intensity cross-boundary research. We think that—given the complexity and overlap of and interrelations between sustainability, society, business ethics, and entrepreneurship—it is even more important to feature research that is dedicated to exemplary cross-disciplinary studies on this multilateral topic.

This symposium features scholarship that is less concerned about disciplinary boundaries and more inspired to advance knowledge that sheds light on big questions related to these topical areas. The papers are radical, controversial, novel, useful, and non-obvious; they challenge research dogmas and are highly revelatory—even if not fully grounded in well-studied or well-validated theory. At the same time, however, our papers are not merely descriptive or phenomenally driven, but also exhibit strong theoretical contributions.

WHY THE SYMPOSIUM IS NEEDED

The symposium is needed for several reasons, but three deserve greater attention: *First*, not every scholar, manager, or company agrees on the connection between sustainability, ethics, and entrepreneurship. Recent research on the “green to be seen” perspective suggests that consumers are willing to pay extra for sustainable offerings, but only if there are overt status incentives or reputational outcomes that associated with such purchases (Griskevicius, Tybur, & Van den Bergh, 2010). Similarly, firms—large and small—are struggling with the concept of transparency; would the benefits of touting ethical practices be outweighed by the risk of revealing product provenance (e.g., the mêlée of U.S. food companies on whether to label genetically modified products)? We feature conflicting perspectives on the areas of sustainability, ethics and entrepreneurship, because such conflicts offer fertile and provocative new areas of scholarly research.

Second, many manuscripts that survive the typical review process are often not too novel; their expansion of theory quite limited, and their empirical insights are usually narrow. This is not a criticism of the review process or published manuscripts. Far from it; this process is rigorous; it yields highly disciplined scholarship that collectively builds an important

and trustworthy body of knowledge. Moreover, we used the same rigorous review process and carefully vetted each paper in this symposium. The difference, however, is that we sought manuscripts that offer new, even radical theoretical perspectives; those that significantly expand existing theory; and/or those that bring breakthrough empirical insights by triangulating the domains of sustainability, ethics, and entrepreneurship.

Third, we also noticed that published studies tend to homogenize; they usually follow similar empirical methodologies, converge around a dominant conceptual lens, and predictably, tackle similar research questions. This symposium, however, features cross-disciplinary research and early-stage scholarly work that clearly shed light on both big conceptual questions and significantly practical problems that are related to these topical areas. Our manuscripts challenge research dogmas; they offer scholarship that opens up new research frontiers or new insights that significantly enrich discussion and discourse, as well as research that addresses timely, and revelatory topics. Finally, we present a variety of theoretical, empirical, and cross-disciplinary approaches.

SUMMARIES OF THE SYMPOSIUM PAPERS

The first paper, by Richard Hunt and Bret Fund, explain that sustainability involves the drive to ensure intergenerational fairness. They worry, however, that the results of actions taken to achieve sustainability often lie far into the future and efforts to promote the welfare of distant generations may or may not ultimately be successful. While both governmental policies and entrepreneurial innovation are indispensable to the achievement of sustainability, the manner in which they co-exist and interact over long periods of time remains unclear. Using a computational model spanning more than two centuries, they asks: Do well-intended environmental policies *facilitate or inhibit* environmental entrepreneurship? By simultaneously considering both the ethical and economic consequences of efforts to arrest environmental degradation, their study answers the call to develop multi-disciplinary perspectives and integrative frameworks when addressing the challenges of sustainable existence. Contrary to widely held perceptions, their findings suggest that policy actions may—in the long run—result in less intergenerational fairness by *crowding out* environmentally desirable innovations and organizations. Their examination of the long-term interactions between policies and markets offers insights and opportunities for scholars, entrepreneurs, environmentalists, ethicists and policy-makers to develop solutions that preserve and extend the essential contributions of both policy actions and entrepreneurial innovations.

The second paper, by York, O'Neil, and Sarasvathy applies a qualitative study of 25 renewable energy firms, to ask why and how individuals engage in environmental entrepreneurship. The study shows that environmental entrepreneurs: (1) are motivated by identities based in both commercial and ecological logics, (2) prioritize commercial and/or ecological venture goals dependent on the strength and priority of coupling between these two identity types, and (3) approach stakeholders in a broadly inclusive, exclusive, or co-created manner based on identity coupling and goals. Their study and findings contribute to literature streams on hybrid organizing, entrepreneurial identity, and entrepreneurship's potential for resolving environmental degradation.

The third paper, by Akemu, Whiteman, and Kennedy develops a model of social enterprise emergence. Using a 15-month longitudinal case study of Dutch social enterprise Fairphone, their paper shows that entrepreneurial agency is co-constituted by distributed agency in the wake of social movement contestation. Distributed agency, the accretion of resources and legitimacy, enables effectual entrepreneurial action and convening of a self-selected effectual network of stakeholders. The effectual network pre-committed resources to an inchoate social enterprise to produce a material artefact because the artefact embodied and symbolized moral values of network members. This paper theorizes on the role of material artefacts in convening the effectual network and it suggests that the material artefact serves as a boundary object, present in multiple social worlds and triggering commitment from actors not governed by hierarchical arrangements.

The fourth paper, by Waldron, Fisher, and Pfarrer explores how social entrepreneurs use rhetoric to facilitate the pervasive adoption of new, socially focused, industry practices. Their conceptualization proposes that the nature of social entrepreneurs' rhetoric hinges on perceptions of their relationships to the industry members they seek to influence. They then develop a novel and useful framework that explains the effects of two cognitive structures—identity and power—on social entrepreneurs' perceptions of industry members and, in turn, the social entrepreneurs' rhetorical strategies for persuading the industry members to adopt new practices. Their conceptual framework also specifies mechanisms through which social entrepreneurs facilitate systemic social change and, in doing so, informs theory at the intersection of social entrepreneurship, sustainable social change, and rhetoric.

The fifth paper, by Alt and Craig offer explains the selling process when issues deviate from the dominant logic of organizations. Their paper articulates the multiple ways in which socially oriented innovations can be legitimated in for-profit organizations through the work of bottom-up change agents, also known as social intrapreneurs. To unpack this complexity,

they draw on institutional theory and the framing perspective in social movements. Specifically, they propose how sellers may advance social issues with solutions by drawing on the logic composite of both organizations and selling targets. By providing an account of the social issue selling process in for-profit organizations, they consider how the nature of an issue shapes selling efforts when it diverges from the dominant logic, and they shed light on how the content choices of sellers relate to the meaning systems of organizations and targets.