ABSTRACT

The phenomenon of social entrepreneurship, defined as an entrepreneurial activity with the explicit objective of addressing societal issues, has attracted the attention of policy-makers and practitioners around the world. There has been a significant growth in the number of social enterprises around the world. Despite growing interest in the phenomena, academic research is still at a stage of infancy. While the prominence of social enterprises varies across countries, we know very little about how the national institutions of countries (namely financial system, educational system, political system and cultural system) influence social enterprises. Recent literature calls for research to understand how institutional context in a country supports or discourages individual investment of resources towards starting a social enterprise.

In an attempt to address this research gap, I investigate the following research questions in this dissertation:

- 1. What is the influence of individual level resources on social enterprise emergence?
- 2. How does the national institutional context influence the investment of individual level resources into social enterprise entry?

I draw upon entrepreneurship and institutional theory literature to study the key and contingent drivers of social enterprise emergence. The central argument of this dissertation that highlights the relationship between national institutional environment and individual resources is based on Whitley's (1991, 1999) National Business System (NBS) perspective. In addition, I did a qualitative study on four social enterprises in India to understand how the Indian institutional context have influenced their development.

The research was carried out in two phases. Since the study entailed understanding the choice of entry into social entrepreneurship, the first phase employed logistic regression analysis on a multi-source dataset. The results of the analyses suggest that individual and institutional level factors jointly influence social enterprise entry. I also did a comparison of the joint influence of these factors with commercial entrepreneurship entry, and found that the contingent effect of cultural system on social entrepreneurship is in contrast with its effects on commercial entrepreneurship. In order to explore the effect of institutional context on social enterprises in the Indian context, the second phase involved descriptive case studies of four social enterprises in India describing the effect of institutional context on their development.

This dissertation makes a theoretical contribution to the literature on social entrepreneurship and comparative international entrepreneurship. This study is among the earliest studies which jointly explores individual and country-level effects in the social entrepreneurship context. It helps in understanding how institutional context of a country influences individuals' choices of committing resources towards social enterprises. The results of this study will be useful to social entrepreneurs in understanding how institutions across different countries influence social enterprises. The results of the study are also useful for policy makers to frame better policies for the development of social enterprises.