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Social Responsibility and Altruism in Small- and Medium-Sized Innovative Businesses

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This study examines the interview narratives of owners of 73 small and medium-sized businesses from a large metropolitan area located in the southwestern U.S. Our analysis focuses on owner discussions of their motivations and goals for starting and running their own businesses. Our findings reveal three central motivational narrative themes: (1) traditional business-centered success outcomes—a category we refer to as “Business is Business”; (2) owners’ personal and family well-being and fulfillment, labeled as “Business is Personal”; and (3) social responsibility concerns directed toward the betterment of other people and society more generally that we labeled as “Business is Doing Good.” Owner narratives typically referenced motives in more than one of these three realms. However, relatively, they expended considerably more time and energy discussing altruistic or social responsibility goals compared to strictly business or personal motives. Our study reveals the importance of norms of social responsibility in the discursive constructions of small and medium-sized businesses.

Key words: social responsibility, entrepreneurship, small business, narrative analysis, altruism, business motivations

Until recently, terms such as altruism and social responsibility have not been associated with successful commercial enterprises. Concerns for social welfare have been viewed as inconsistent with capitalist goals of efficiency and profit maximization (Lahdesmaki & Takala, 2012). Some

commentators posit that the primary objective of business owners and managers must be the pursuit of profit, not social concerns (Friedman, 1962; Sudaram & Inkpen, 2004). However, in the past decade, there has been more scrutiny of business ethics and there have been increasing calls for socially responsible business behavior. Such concerns have intensified since the 2008 lending crisis and banking and investment scandals.

Business social responsibility (SR) may be used to refer to activities undertaken by business to further social and/or environmental objectives beyond legal requirements (Fenwick, 2010). The "social" in corporate social responsibility (CSR) has been related to "non-shareholding stakeholders that may include local or even global communities, government, customers, and trade groups" in large corporations (Fenwick, 2010, p.151; Lange & Fenwick, 2008). Growing public demands for responsible conduct suggest that sustainable firms of the future must incorporate social and environmental, as well as economic, considerations (Peterson & Jun, 2006).

Elkington (1997) has called this philosophy the "Triple Bottom Line." When the concept of the triple bottom line was introduced, firms were reluctant to accept it because they feared it would cut profits. Such resistance among the business community endures, but some leaders and scholars have outlined ways in which socially responsible objectives not only can but must be a part of business (e.g., Cameron, Dutton, & Quinn, 2003; Jenkins, 2006; Kell, 2003). Amid increasing government paralysis, business deregulation, and diminishing support for state-funded social welfare functions, it is important to identify niches of support for business social responsibility.

Research on business SR typically has focused on corporations, but a growing body of research now addresses the commitment to and nature of SR in small and medium-sized enterprises (SMEs) (Besser & Miller, 2001; Jenkins, 2006). SMEs are important in today's economy, and research suggests that SME owners' commitment to and definitions of SR vary significantly from that of corporate management (Essers & Benschop, 2007; Fenwick, 2010; Peterson & Jun, 2006). Research also suggests that combining social and commercial objectives requires both extensive commitment and innovation (e.g., Fenwick, 2010). Yet, social and commercial goals are not all that drive entrepreneurs in SME's. Personal motivations, such as

autonomy, creativity, security, and family, also motivate SME owners (Watson, 2009).

This paper is drawn from a larger interview study of innovation in SMEs in a large southwestern metropolitan area. Our focus here is on 73 respondents' constructions of the motivations and goals (past and present) that drive their business operations. These "driving force" narratives detail entrepreneurs' positioning of themselves and their businesses with regard to: (1) traditional business-oriented objectives; (2) personal fulfillment motivations; and (3) social responsibility agendas (SRAs). They offer insight into the ways in which these driving force themes converge and conflict, and the extent to which they are external to or embedded within respondents' views of their businesses. Since innovative SMEs are often identified as *the* hope for future economic prosperity and job creation, it is significant that our study focuses on driving force as constructed by the owner/operators of such firms.

After our literature review and methodology sections, we first describe three broad driving force themes within respondent narratives: business-centered; personal; and social. Next, we provide some broad quantitative indicators of respondent emphasis on driving force themes, followed by a qualitative content analysis of respondent narratives. In the final section of our analysis, we summarize the relative emphasis and qualitative narrative patterns across entrepreneur characteristics (i.e., gender, race, ethnicity, age), and across business characteristics (i.e., business sector, age, and stage). Our findings shed light on the ways in which SR figures into SMEs with community reputations for innovation. We argue that respondent narratives are not simply to be dismissed as symbolic references, but rather serve as a means for constructing entrepreneur and business identities. These identities may be multiple and changing, but they also can frame action and consciousness (Somers, 1994).

Social Responsibility in SMEs

Definitions of business SR vary considerably. A variety of practices have been associated with CSR, including respect for ethical values, intellectual property rights, customer privacy, transparent recordkeeping/reporting, improving quality of life in areas affected by the business, ethical employment

practices, preserving natural resources, and supporting local community. Also included are activities and practices associated with global justice causes (Berthoin & Sobcak, 2004; Crowther & Rayman-Bacchus, 2004, cited in Fenwick, 2010??).

As researchers addressed the importance of moving SR studies beyond corporations to SMEs, they examined topics such as altruism, philanthropy, community involvement, and SR objectives in a variety of countries (e.g., Ahmad & Seet, 2010; Fenwick, 2010; Litz & Samu, 2008; Madden, Scaife, & Crissman, 2006). This research suggests that SMEs merit attention because they contribute to the economic output and employment opportunities of most national economies. Research suggests that SR values are prevalent among SME owners whose views and levels of commitment to SR differ markedly from those of corporate management.

A number of critics have argued that corporate SR goals may be little more than “window dressing” aiming to increase legitimacy and enhance the corporate bottom line (Gates, 2004; Livesey, 2002). Yet, research finds that SME owners are often highly critical of the instrumental orientation that they associate with larger corporate SR displays (Fenwick, 2010; Madden et al., 2006). Some argue that owners and managers of small businesses have more control over the operating values and activities of their companies than do managers of large corporations and that SME commitments may go well beyond the “enlightened self-interest” of hoping for profitable returns to doing social good (Lahdesmaki & Takala, 2012). Motives of SME owners for philanthropy and other SR goals are often characterized as a personal commitment and sense of moral obligation that endure even when not necessarily profitable for the business (Fenwick, 2010). Some common barriers to the incorporation of SRAs into SME practice include balancing SRAs with profit demands, overcoming resistance to SRAs that may arise from partners, financiers, employees, and customers, increased pressures for more commitments from community groups once labeled as an SR firm, and resolving competing ethical goals that may arise in implementing SRAs (Fenwick, 2010; Madden et al., 2006).

Differing definitions and magnitudes of commitment to SRAs have been associated with entrepreneur demographics

and personal values. Based upon her analysis of entrepreneur interview narratives, Tara Fenwick suggests that enduring commitment to SR objectives requires innovative strategies to overcome the challenges to combining SR and financial goals. She and others (e.g., Litz & Samu, 2008) conclude that operating a SR business vision is an emergent process learned through association and experience. SRAs are “not developed a priori and imposed. Instead SR vision emerged through practice as the owners met new opportunities, challenges and resistances” (Fenwick, 2010, p. 165). Thus, we may observe greater SR commitments among maturing business owners.

On the other hand, younger business owners and newer businesses might exhibit more idealism than established and older business owners. Some researchers have hypothesized that SR commitment may be stronger among women entrepreneurs, because women’s business practices often exhibit an ethic of care (Brush, 1992), although tests of this hypothesis are equivocal (Ahmad & Seet, 2010; Peterson & Jun, 2006). Educational levels have been positively associated with SRAs in SMEs. The variations in support for SRAs across entrepreneur characteristics are not surprising because of the close association between an entrepreneur’s personality and values and the nature of the business (Lahdesmaki & Takala, 2012; Lange & Fenwick, 2008; Madden et al., 2006). Similarly, research suggests that definitions, barriers, and strategies for incorporating SRAs were closely tied to the context of the business, including business type, age and profitability (Fenwick, 2010; Peterson & Jun, 2006). For example, the growth of “green” business initiatives might encourage a new generation of business owners who are more concerned with sustainability and environmentally-friendly business policies (Berthoin & Sobcak, 2004).

Given the current emphasis on innovation within SMEs, it is important to consider the presence and nature of SRAs in innovative firms. In reviewing our interview data drawn from locally identified innovative firms, we were struck by the degree to which SRAs figure into entrepreneur narratives about the “driving force” for their businesses. We observed interesting ways in which SRAs interfaced with other motivational themes. We also wanted to consider possible variations in motivations across different entrepreneur demographic

and business characteristics that have been identified in past research.

Consistent with the work of Somers (1994) and others (e.g., Downing, 2005; Ibarra & Barbulescu, 2010), we argue that respondent narratives are not simply symbolic references, fleeting performances, or reflections of experience. We regard the interview context as central to an understanding of respondent narratives (see Presser, 2004), and argue that the social constructions of entrepreneur and business identities that we observed in our interviews, although multiple and fluid, not only reflect but may also shape entrepreneur consciousness and activities. We detail the methodology of our study below.

Methodology

Our data were drawn from a larger study of business dynamics and innovation processes in owner-operated SMEs within a large metropolitan area in the southwestern United States (SWEMA). We employed a qualitative methodology that included techniques associated with in-depth interviewing, grounded theory, ethnographic content analysis, and narrative analysis (Altheide, 1987; Charmaz, 2006; Downing, 2005; Presser, 2004). The larger study focused on owner narratives about innovation in their firms. We also included questions about the firm history, entrepreneurs' motivations, goals, experiences, and lastly, work-life balance issues.

We adopted a non-random, purposive sampling design aiming first to identify firms that were recognized either by local chambers of commerce, business organizations, or business magazines as innovative firms. We generated lists of such locally owned and operated firms scattered around three of the largest cities within SWEMA. We contacted firms so as to vary our sample along several lines including firm size, age, and business sector. We selected firms from industry areas that provided significant employment in SWEMA. In order to understand the business dynamics across a variety of entrepreneur demographics, we varied our interview sample so that to the extent possible, we would obtain narratives from a diversity of owners across gender, race, ethnicity, owner age, and sexual orientation. Fifty percent of the owners approached agreed to participate in the approximately 45 - 75 minute interviews for

our study. Interviews were conducted over a two-year period from late 2008 through the middle of 2010. Six interviews included more than one firm owner.

Interviews were topically oriented, but allowed for open-ended discussions between the interviewer and the entrepreneur(s) about entrepreneurship history, motivations, and innovations. Questions elicited a history and description of the business; entrepreneur background, motivations and goals; nature of business innovations; barriers and opportunities to business success; work–life balance; and future plans. Responses provided insights into entrepreneurs' driving force and business experiences. Our original sample was 82 firms. In order to focus on SMEs, we eliminated cases in which the owners employed more than 100 people (full- or part-time). Our subsample for this analysis is comprised of 73 interviews.

We began data analysis by coding according to interview topics, examining areas most emphasized and identifying unanticipated themes. Respondents' focus on socially-oriented objectives was an emergent theme. In order to identify the relative degree of stress on different motivation types, we examined the average number of words and references and the percentage of words that respondents devoted to each driving force thematic group. Additionally, we ran correlations and tests of significance between different respondent/business characteristics and each driving force theme. We view these quantitative measures as providing a rough overview of narrative emphases. After reporting these frequency measures, we provide a qualitative overview of respondents' driving force narratives. Our approach was consistent with ethnographic content analysis techniques that include both numeric and narrative analyses (Altheide, 1987). In analyzing the significance of our findings, consistent with Presser (2004), we reflect upon the interview and societal context in which these narratives were presented and the importance of narratives for framing SME consciousness and behavior.

Sample Demographics

Table 1 lists the demographics of the respondents. Consistent with our sampling plan, respondents included 49 percent male and 43 percent female owners. Six interviews

(8 percent) included multiple owner respondents. Respondents were mostly college educated; only 22 percent of interviews included owners that had less than a college degree. Despite considerable efforts to develop a racially diverse sample, respondents were primarily white (77 percent). Ten percent were Black; 10 percent were of Latino/a origins; 3 percent were Asian Americans. Most respondents fell in the 40-50 and 51

Table 1. Respondent Demographics n=73*

Demographic Categories	Total	%
Respondent Gender		
Male	36	49%
Female	31	42%
Multiple respondents of different genders in these interviews	6	8%
Respondent Race & Ethnicity		
White	55	76%
Black	7	10%
Latina/o	7	10%
Asian	3	4%
Missing/multiple respondents	1	
Respondent Education		
High School - Some College	15	21%
College Degree - Post-Graduate	58	79%
Respondent Age		
Ages 18-39	13	18%
Ages 40-50	33	45%
Ages 51 and older	27	37%
Respondent Primary Business Orientation		
Serial Entrepreneur	16	22%
Growth-Oriented Entrepreneur	22	31%
Life-Style Entrepreneur	34	47%
Overlapping/hard to categorize	1	

*If more than one respondent present in a single interview, demographic was left blank where respondents differed or coded once if respondents shared same demographic category.

and older age categories. We asked respondents to describe their orientation to entrepreneurship. Twenty-two percent described themselves as serial entrepreneurs who moved from business to business, selling their businesses once they became profitable. A second group (31 percent) described their major focus as business growth or expansion. The third group (37 percent) focused on blending business with their lifestyle needs.

Table 2. Respondent Primary Business Characteristics*.

Business Sector		
Hi-Tech/Biotech/Software	12	16%
Manufacturing	8	11%
Creative/Professional Services	9	12%
Service	30	41%
Sales/Distribution/Retail	14	19%
Business Age		
Less than 2 years old	16	22%
3-5 years old	15	21%
6-15 years old	29	40%
over 15 years old	12	16%
Business Stage/# Employees		
Sole Proprietor (0 employees)	13	18%
Stage 1 (1-9 employees)	32	44%
Stage 2 (10-100 employees)	28	38%

*If respondent owned multiple businesses, they were asked to select their primary source of business income for this coding.

Table 2 presents respondent business characteristics. We drew on U.S. Census categories to classify business stages based upon the number of employees, and the largest percentage (44 percent) was in the first stage (1-9 employees). Most (41 percent) were service sector, followed by sales/retail businesses (19 percent) and high tech/bio-tech sectors (e.g., software engineering, biopsy processing) (16 percent); 12 percent offered professional or creative services, including businesses

such as language tutoring, personal makeovers, defensive training classes, or advertising design. Most respondents operated mature businesses. Our largest business age category was 6-15 years (40%) followed by 3-5 years (21%), and 16 percent of respondents fell in each of the youngest and oldest business age groups.

Findings: Emergent Themes

We asked respondents to describe their business history and primary motivations/goals for operation (past and present). For this analysis, we focused on respondents' narratives about what some referred to as their "driving force" in the business. We reviewed the interview transcripts and coded all discussion of entrepreneur motivations and business goals. Because discussions about motivations and goals tended to blur in respondent stories, we selected the term "driving force" (DF) as the best overall descriptor for such narratives. Respondents made a total of 682 references and used a total of 139,084 words in these narratives.

We developed an emergent DF coding scheme and observed that the detailed references coalesced around the three general DF themes. First, Business is Business (BIB) narratives contain motivations and goals dealing with the success of the entrepreneurial enterprise in the marketplace (e.g., profitability, growth opportunities) and its product/service contributions to the market. Sixty-nine of the sample of 73 entrepreneurs (94 percent) spoke of BIB motivations (377 references and 48,860 words).

The next motivational grouping clustered under a category that we called Business is Personal (BIP). These emergent themes arise from the entrepreneurs' expression of needs/desires to glean something personal for themselves or their family from their entrepreneurial endeavors. These motivations range from employing family members, to creating personal financial stability, to developing professional autonomy, and to expressing their creativity in their work. Sixty-one of the 73 respondents (84 percent) spoke of BIP motivations driving their efforts, making 216 references and using 53,864 words to describe these personal drivers.

The most elaborated of our three general DF groupings was

best encapsulated as Business is for the Greater Good (BIG). This BIG category was referenced by 62 of the 73 entrepreneurs (86 percent). Although the number of references to BIG themes ($n = 290$, or 43 percent of references) was smaller than that for BIB themes, the number of words devoted to discussing BIG themes (73,201 words) exceeds the numbers of words that referred to either BIB or BIP motivations. Moreover, these numbers reflect the uniform impression of interviewers that respondents became most impassioned when speaking about BIG themes. The BIG category includes socially-oriented DFs including contributing to a broader community (Community Building), creating a positive Company Culture, supporting social and charitable causes (General Altruism, Specific Causes), and dedicating their efforts to spiritual issues or a higher being (God/Spirituality). The emphasis on this BIG grouping is a significant finding with important implications about the role of SMEs in leading the way to more socially responsible businesses in the future. It is also consistent with prior research stressing the social responsibility of SMEs.

Because some respondents spoke more total words in their interviews than did others, we also computed a ratio of the number of words devoted to each DF theme and the total number of interview words spoken by each respondent. This analysis suggests that the differences just reported were not merely the manifestation of a few BIG-oriented respondents talking more than others. The mean percentage of BIB words spoken by our respondents was 7 percent and the median percentage was 4 percent of the total number of interview words. In contrast, the mean percentage of BIP words spoken was 12 percent of total interview words with a median percentage of 10 percent. The mean percentage of total words addressing BIG themes was the largest at 15 percent and with a median of 14 percent. Thus, even when controlling for the talkativeness of respondents, findings about the relative salience of BIG themes are robust.

Of course, specific passages of driving force narratives sometimes referenced more than one DF theme. For example, a single sentence may have included a reference to two or three DF themes. As a result, some driving force passages have been coded under more than one BIB, BIP, or BIG thematic category. For this reason, a tally of BIB, BIP, and BIG words

(i.e., 175,925), as well as the words within each sub-theme category, exceeds the overall number of DF references and words listed in Table 3 (i.e., 139,084). The overlap among BIB, BIP and BIG

Table 3a. Phoenix Innovation Study Driving Force Analysis
Categories N = 73

Driving Force Theme	N	# References	# Words	Node Description
Total for Driving Force References - DF	73	682	139,084	Mention by respondents as their motivations for business
<i>Business is Business (BIB)</i>	69	377	48,860	Business is Business: Motivations focused on business objectives
Profit/Money	55	142	10,760	Making money or profit
Growth	50	166	9,345	Growing business
Something New	27	43	18,722	Contribute something new to marketplace
Quality product	31	47	15,520	Provide high quality products/ services to customer
Fill Gap	17	22	9,710	Fill a gap in marketplace
Revolutionize	12	18	10,310	Create dramatic change in their business sector
<i>Business is Personal (BIP)</i>	61	216	53,864	Motivations more closely related to the personal life and fulfillment of the entrepreneur
Family	41	101	27,242	Help, employ, or strengthen family
Autonomy	28	48	16,514	Be one's own boss, have flexibility or freedom
Creativity	17	37	13,828	Fulfill one's creative potential
Money Stability	24	26	7,354	Create steady income for self or family
The Challenge	20	26	12,228	Challenge of building successful business
Hobby/Interest	16	24	11,341	Follow a personal hobby/interest through business or because business allows time to do so

references illustrates the interplay among the profit-driven needs of the business, entrepreneur concerns about their own sense of well-being, and overall contributions to social welfare.

Our DF analysis in Table 3 details sub-theme areas that comprise the more general BIB, BIP, and BIG thematic realms. Interview narratives indicate that both for-profit and

non-profit agendas are central to SME entrepreneurial identities. A few such sub-themes include environmentalism, global poverty, and more general altruism. In the next section, we provide narratives that illustrate the array of driving force motivations.

Table 3b. Phoenix Innovation Study Driving Force Analysis
Categories N = 73

Driving Force Theme	N	# References	# Words	Node Description
<i>Business is Doing Good (BIG)</i>	62	290	73,201	Altruistic, Political or Community Centered Goals for Business
Community Building	48	113	32,322	Strengthen local community of customers, businesses or geographic area
Company Culture	36	77	22,875	Create a positive work environment for employees and customers
Help Customers	33	73	19,098	Provide products services that help customers
General Altruism	16	18	10,534	Give back, do good, promote nonprofits
Political Engagement	08	19	9,477	Use business or position to effect positive political or social change
Environment	09	16	8,970	Help environmental causes
God/Spirituality	09	18	9,373	Promote religious values or fulfillment
Specific Causes	23	40	12,759	Via business promote specific cause not already mentioned

Findings: Three Driving Force Themes

In order to better detail Driving Force narratives identified in our analysis, we present numerical summaries and quotations from the BIB, BIP, and BIG thematic areas. In the interest of space, we do not present the sub-theme details in tabular form but rather summarize overall thematic totals and percentages and provide qualitative quotations. The quotations from narratives provide a window into entrepreneur rationales for entering and remaining in business. We compared these percentages across BIB, BIP, and BIG thematic areas and also correlated these percentages with the various respondent or business characteristics using Pearson's r correlations

measures. These findings (not shown) were consistent with those reported in the table for average number of words.

The interview setting itself is important for analyzing respondent narratives. Interview responses were sometimes similar to the ways that entrepreneurs might portray their businesses to clients, employees, competitors, and investors in their professional networks. Some respondents said that they enjoyed the interviews as an opportunity to “pitch” their business. Some respondents remarked that the interview provided an opportunity to rethink some aspect of the business. Thus, many parts of our narrative reflect the respondents’ desire to construct their image in a positive light for researchers and perhaps the public at large, but they also suggest that the interview provides a forum for respondents to reflect upon their businesses. We argue later that regardless of whether or not respondent narratives are a 100 percent reflection of actual practices, these interview constructions reveal much about contemporary discourse in SMEs. These narratives help better describe entrepreneurial goals and how owners conceptualize their business identity, business plan, and place in the larger community (Downing, 2005).

Business is Business (BIB)

It is not surprising that entrepreneurs referenced motivations directly related to the utilitarian functions of their business—products, markets, profits, and growth. These comments focused on concern with business niche, competition, management, clients, employee costs and other elements they saw as integral to their enterprise. Issues of profitability or making money were the most frequently referenced BIB concerns. An information technology entrepreneur candidly captures the profit motivation as his main driving force: “[B]eing a numbers guy, ... really just the idea of the prosperity... it ultimately came down to being financially well off” (332). A second said, “My goal when I first started this business was \$400,000 a year ... after expenses, and that goal is still the same” (311). Another said, “[W]hen there’s money flowing, things tend to be alright. You can pay your bills and you’re not so much worried about the little nitpick things that go on in your life .. [W]hen you have no money, those things tend to magnify” (329).

Yet, as they expressed concern about the bottom line, over

80 percent of those who stressed profit also cited less pecuniary motivations. A respondent said: "Luckily, we're a profitable company, but what we're really about is making sure that we're making a difference in people's lives" (308). Another respondent said, "I can be making money but I can also be building relationships with people and the community" (333).

Growing the business was the second most popular BIB sub-theme, with more references, although in fewer words than the Money/Profit theme. One growth-oriented entrepreneur said that in the next five years, "either the company will be much, much, much larger, or I will have sold it" (102). Another respondent said, "There's no reason why if we had 200,000 students this year, why in five years we can't have a million" (113).

Others saw fast growth as problematic. One said that his company's major weakness was "the incredible growth that we're experiencing. It makes it all hard to keep up with" (114). Another said, "What we first thought was successful was to grow your business and have a lot of employees... [T]hat wasn't the way we should grow in a healthy manner" (103).

Whether in addition to or apart from profit and growth concerns, many respondents stressed that they wanted to provide Quality Product/Service concerns. For example, the co-owner of a home building company said:

We have a core set of values that we set, maybe 10 years ago, that really is a living document. And everybody is acutely aware of it, and it does govern our day-to-day operations. When we have to make tough decisions, it's where we look for inspiration. And the dollar isn't the bottom line in our company, it's doing the right thing for the project.... It doesn't pay off immediately... but ... we get it down the road. (115)

Some entrepreneurs went beyond tying their business identities to offering a product or service in the marketplace. Their BIB goals focused on developing a product or service that filled a gap in the market (i.e., Fill Gap), or developed a new type of product or service (i.e., Something New). Some respondents discussed creating a market revolution or transforming the nature of their business sector. These narratives led us to create a BIB sub-theme called, Revolutionize Sector.

[T]he basic goal of our business is ... to fundamentally change the way education is done, so that we can blend technology with the good parts of traditional classroom and teachers ... But we also believe that it's very important to give teachers the best possible tools, so that they can have ... more options for helping students achieve their goals. (113)

These quotations reveal a range of BIB concerns, and they begin to suggest how one DF theme might converge with another. However, as noted, a large majority of respondents went beyond strictly the business approach to stress personal and social responsibility goals.

Business is Personal (BIP)

Respondents devoted considerable numbers of words and references to what they personally gained from their business experiences. We coded these BIP responses into six sub-theme areas that are listed in Table 3. These DF sub-themes might also be thought of as consistent with Schumpeter's (1982) hedonistic type of motivation for entrepreneurship.

Some respondents stressed the personal rewards associated with overcoming the challenges of entrepreneurship. For example, "I got my work ethic from people like Patton. With a model that you don't back up, you just keep moving forward" (311). Others described the lure of autonomy, or of making a living with their creativity, or expanding on a hobby or interest.

I'm an MD, and a researcher of diabetes. But as a hobby, I started, sort of on the side, doing DNA sexing [on animals]. I started doing that because people were mailing samples to Florida; there were not many labs doing it. I thought it'd be a good idea for retirement ... I started to do tests; it kind of grew. Eventually I had to quit my job! (200)

Some entrepreneurs spoke about making money for personal income stability and what this implies. This motivation—Money/Stability—was not the most prevalent among BIP motivations, but it was important for 24 out of 73 respondents, and represents a slightly different take on typical BIB profit

motives. The following quotations describe money for stability concerns:

As far as my marriage and my husband, we're pretty free to enjoy life when we want to. ... Some people make more money and then buy more things. I think more about the comfort and stability. (112)

My goal was always to start my own business and nothing else matters. It was just a matter to convince [my wife] that we are secure. (202)

The most frequent BIP motivation among our respondents was the desire to use their business owner position to strengthen and/or employ members of their families. The Family BIP sub-theme combines personal and altruistic motivations for family. This driving force is exemplified by a home builder who was intent on integrating family life with business activities:

I do ... try to drag my kids along with me whenever it's possible and whenever it's appropriate. I remember I took my youngest daughter, the 14-year-old, to some event and this short, very enthusiastic, funny, little White guy walks up and shakes her hand; he walks on, and she says, "Daddy, who was that?" "Oh, that was the mayor." (314)

The BIP grouping of entrepreneurial DF themes captures myriad personal returns to entrepreneurship for what is almost always a costly investment of time, energy, and capital.

Business is Doing Good (BIG)

As noted, the business community has come under pressure from government and the public to use their position as wealth and employment creators, to forward altruistic agendas and improve the well-being of society as a whole. This push resonated with our emergent finding of respondents' strong emphasis on social responsibility and altruistic goals (BIG category). Overall, respondents devoted more words to discussing their BIG motivations (73,201 words) than they did to either utilitarian business BIB motivations (48,860 words) or the hedonistic personal BIP factors (53,864 words) driving their

business endeavors. Although fewer entrepreneurs referenced BIG themes ($n = 62$) (relative to the 69 referencing BIB themes), the numbers of words expressing BIG concerns are higher than those associated with BIB or BIP themes across different entrepreneur and business types. Even when we computed the number of BIG words for each respondent as a percentage of the total number of interview words (i.e., #BIG Words/#Total Interview Words), the prevalence of social responsibility and altruistic themes in the interviews remained.

Respondents detailed many examples of responsibilities that they assumed as members of the local business community. Such an ethos is exemplified by the owner of a tea house/restaurant who takes seriously her role as mentor of other business owners.

There are two women who are opening their own gelato shop; they came in and showed me their floor plans and talked to me about the direction they were going in to get my opinion ... I've got to do that so they don't make the same mistakes I made ... That's one of my favorite parts of the things that I do right now. (312)

When it came to dedicating their efforts to helping others through their business operations, respondents spoke of drawing on their life philosophies, religious beliefs, or value systems. While the specific ways in which they operationalized their human resource concerns varied widely and were rooted in the type of business they ran, more than half our sample proudly spoke about the positive work environment that they created for employees. Narratives about shaping the work environment were integrally linked to the type of business they operated. The following quotation is from the owner of a post-secondary holistic medicine trade school:

We have a unique ... idea ... that people can work 32 hours per week so that they can pursue their own goals and aspirations outside of here. We encourage entrepreneurship. ... We have a real big value of being able to provide people with health insurance. We set it up that if you work over 25 hours per week, we pay your full health insurance. ... In some companies, 25 hours would be considered part-time. ... We encourage

holistic health coverage so they can really take care of themselves. And have a little creative outlet. Have some kind of little business, coaching or practice on the side. (308)

Although a focus on the care of clients and employees may not be purely altruistic, the tone of such discussions suggests that consistent with literature (e.g., Fenwick, 2010), our respondents had incorporated these agendas as principles of operation and moral imperatives in ways that transcended mere utilitarian objectives.

Of course, entrepreneurs also sought to impact the world outside their own companies and business networks. This more general altruism spirit espoused by respondents led to an array of specific social contributions. Such contributions were often closely connected to the for-profit core of the business.

In some cases, BIG themes were framed as integral to running the business, as seen in a janitorial service owner's comments coded under Environment motivation:

We do commercial cleaning and we specialize in green products, everything from the chemicals we use are green certified, to the trash liners we use are recycled, to the vacuums that we use, the filters they have in them are used to reduce the pollen in the air, things like that. (336)

Some entrepreneurs focused on political engagement. The following respondent was a male architect who ran a consulting business focused on affordable housing:

I will continue designing and doing research.... I would like to grow my practice a little more ... We are very committed to increasing the quality and the quantity of affordable housing, healthier communities, sustainable communities, and that mission is one of the most important missions of my own personal beliefs. (328)

In addition to social change-oriented DFs, there were also narratives about using business position and resources to further owners' particular altruistic causes. These

included a range of activities, from work with specific charities, to following a spiritual or religious mission such as promoting holistic healing or strengthening families through a Christian childcare service.

It is not surprising that entrepreneurs spoke about motivations to create successful businesses (BIB) by offering novel and/or quality products and services. It is also not surprising that they described motivations for personal fulfillment. Providing opportunities for their families and an income for themselves are obvious reasons to assume the risks of entrepreneurship. Yet, consistent with the growing literature on social responsibility and altruism in SME's, our respondent narratives stressed BIG concerns. Our interview data indicate the prominence of SR goals in the discursive framing of selves and businesses by SME entrepreneurs, despite knowing that their statements would remain anonymous. Even if critics argue that these narratives are no more than a by-product of impression-management rhetoric, rather than a shaper of social practice, it is significant that SME owner discourse follows a socially conscious direction. This tendency bodes well for entrepreneurs who may be pressured by the discomfort of cognitive dissonance and do more to enact their socially responsible narratives. Previous research concludes that narratives help people revise and reconstruct identities during actual work role or career transitions (Ibarra & Barbulescu, 2010).

Driving Force Narratives and Entrepreneur/Business Characteristics

After our initial assessment of the salience of driving force themes for our sample, we examined variation across selected entrepreneur and business characteristics that have been shown to affect altruistic and social responsibility orientations in previous research. In the interest of space, we provide only a brief summary of our findings as a guide for future research.

We first considered the correlations between respondent demographics of gender, race, education, and age with the proportions of interview words spoken about each of the BIB, BIP, and BIG themes. We treated gender (male = 0; female = 1) and education (college degree or higher = 1; high school and some college = 0) as dummy variables. Because of the small number

of Black and Latino/a respondents, we created a dummy variable for selected categories of race and ethnicity (e.g., Black/Latino/a = 1; White = 0), and because we only had three Asian and East Indian respondents, we excluded these groups from race comparisons.

We next considered the correlations and their significance for selected business characteristics with the proportion of total interview words devoted to BIB, BIP, and BIG themes. We created dummy variables for categories of business age, type, and business stage/size. These findings are shown in Table 4.

Table 4. Pearson's *r* Correlations between Percentage of Total Words Devoted to DF Themes by Selected Respondent Demographics and Business Characteristics^a

Characteristics	% BIB Words	% BIP Words	% BIG Words
<i>Respondent Demographics</i>			
Female = 1	-.254**	.121	-.030
Black or Latina/a = 1	-.325**	-.024	-.068
Years of Age (numeric)	-.137	.019	-.191
Bachelor's Degree+ = 1	.054	-.022	-.045
<i>Business Characteristics</i>			
Hi-Tech/Bio-Tech Type = 1	.303***	-.127	-.147
Sales/Service Bus = 1	-.259**	.049	.194*
Manufacturing = 1	.111	.081	-.103
Youngest Businesses = 1	-.151	-.052	-.058
Oldest Businesses = 1	.222*	-.012	.003
Sole Proprietorship = 1	-.356***	.066	-.075
Stage 1 Businesses = 1	.259**	.149	-.077
Stage 2 Businesses = 1	.023	-.205*	.141

Notes. ^aSignificance tests are two-tailed. We include .10 level because sample was small, making it more difficult to attain statistical significance and we wished to include these borderline differences for further investigation.

*Kendall's tau b significant at .10 level; **Kendall's tau b significant at .05 level;

***Kendall's tau b significant at .01 level

We utilized Pearson's *r* and associated tests of statistical significance to examine the magnitude and significance of association between respondent demographics or business

characteristics, with the ratio of words spoken about each thematic area to total interview words.

We found no significant differences across respondent educational or age groups. However, because the vast majority of our respondents had high levels of education (i.e., bachelor's degrees or higher), this sample does not provide a satisfactory test of differences across educational groups. We were surprised not to see more differences across age groups, because we expected younger entrepreneurs to be more idealistically committed to SR causes. However, we did have such individuals in our sample. A respondent in her early 30s created a thriving local business and social networking website tailored to commerce surrounding the local gay/lesbian/bisexual/transgendered and allied communities:

As my partner and I have gotten older, our want for equality and fair and equal treatment under the law has definitely grown. We saw an opportunity to be activists through consumer activism ... and it really heightens and empowers what we, as members of this community, are offered.... And the more choice we have, the better buying decisions we're going to have. Not only that, but when a company does business with us, it's much harder to vote against us because you get to know us. And so we're not this big, scary group in any way, shape, or form. Many of us are kind of boring. (315)

However, there were an almost equal number of respondents in their sixties who had also incorporated SRAs into their businesses. The following quote is from an owner of a bookstore that had been in business for well over a decade:

[O]ur goals are to make a profit, and continue the business. Beyond that, to create a good working environment for our staff, to treat them fairly and to give them a living wage—and that's a goal that has not been reached, but it's always one we are shooting for. We like to support education and the arts. A number of us came from an education background. We know that teachers and schools are an essential part of our culture, and a part that's in great need of support. We're happy to do that. And we're lovers of the arts, and we

are unashamedly politically to the left, and we don't mind supporting both speakers and authors who carry that message, which we think is a healthy message. But we also believe in diversity of opinion. (118)

Some research has suggested that women are more focused than are men on altruistic and social responsibility agendas (Ahmad & Seet, 2010). However, we found no significant gender differences in the proportion of total words allocated to BIG themes. We did find that men's percentage of words about BIB themes was significantly higher than that of women. There were some women who exhibited considerable interest in BIB themes, but their discussion was usually linked back to BIG concerns. One woman in a computer software business described her goal as, "To be able to grow so that every city and school district and all four branches of the military use it" (their product) (100). Interestingly, her business product grew out of a history in work for nonprofit organizations, and she planned to return to the nonprofit sector after the sale of her business. This interweaving pattern occurred with men too, but again, men focused a greater proportion of words on BIB than did women.

African American and Latino/a respondents also devoted significantly smaller percentages of words to BIB themes than did White respondents, but there were no significant differences in the proportion of words devoted to BIG themes across racial groups. It is difficult to evaluate these patterns, however, because of the small size of our African American and Latino/a sample. Only one Latino/a respondent referenced BIB themes whereas six African American respondents spoke of BIB themes. Latino/a respondents spoke most often about BIG themes of community—contributing to it and building it—but such themes were not entirely absent from African American and White respondent narratives.

Turning to business characteristics, we observed that sales and service-type business owners (including professional and all other services) devoted a greater percentage of words to BIG themes and a lower percentage to BIB topics than did other types of business owners. In contrast, hi-tech/bio-tech business owners seemed more focused on BIB themes than were other businesses. Although this latter correlation was

only significant at the .10 level for a two-tailed test, we note it because our qualitative analysis suggested that hi-tech/bio-tech businesses were those generally most hopeful about significant expansion and profit opportunities. It was also the case that White women and people of color were significantly less likely to be located in hi-tech/bio-tech businesses. Thus, business sector may explain some of the variation in BIB words along gender and race and ethnic lines. Two White male respondents, one who was in his 20s and another in his mid-40s, focused on expanding their hi-tech/bio-tech businesses:

We need to continue developing our products, to keep improving our products, and what we need is ... a couple of successes in the market, right? And then ... one of two things will happen: either the value proposition we have is so great that somebody will buy us, or scenario two is that we believe we can create more value by staying where we are and just grow.
(204)

Respondents in older businesses (5+ years) devoted a greater percentage of words to BIB themes when compared with the newer business age groups, although this correlation ($p < .10$) does not reach conventional levels of statistical significance, and the older age category collapses a long business age span. Stage 1 business owners (1 - 9 employees) focused more than the other two business stage categories on BIB talk ($p < .05$ level), and sole proprietors focused a significantly smaller percentage of words on BIB themes on average when compared with the two other business stage groups. Interestingly, it was the Stage 2 business owners (10 - 100 employees) who devoted the greater percentage of words to BIP themes. This correlation was not significant but came close enough to make it worth mentioning for future research ($p < .10$). This is interesting and reflects a tendency that we noticed qualitatively: the most established businesses perceived more leeway and "earned right" to enjoy work. A woman with a Stage 2 toy manufacturing business illustrates a convergence of BIP, BIG and BIG motivations:

When you're fully invested in your company, you're working 24-7 on it. My mind is always thinking. I can look at a little girl playing on the beach, I think, oh this would be so cute if I drew a little girl doing this. So my mind is always thinking and creating, I don't ever turn it off. It's part of the way that I live ... Where I'm at right now, I really want to make a difference in children's lives, and create things that build positive self-image ... I think if we do this thing right, we'll have enough money to last us the rest of our lives. (104)

Overall, we found few significant differences in the proportions of BIG words allocated across demographic and business characteristics, and this is likely the case, in at least part, because of the emphasis on BIG themes that ran through almost every interview.

Summary and Conclusions

Recent decades have seen declines in spending for social welfare programs, education, and infrastructure. There has been increasing pressure on the nonprofit sector as a source for charitable work and the development of social economy enterprises, functions that were formerly the domain of government (Giddens, 1988; Gonzales, 2007). Yet, the nonprofit sector is increasingly overburdened and operating beyond capacity in the face of diminishing governmental contributions (Bridgeland, McNaught, Reed, & Dunkelman, 2009). At the same time, we have also witnessed the decreasing regulation of business and increasing reports of corporate wrongdoing on a grand scale. The confluence of these trends is generating pressure on corporations to adopt more socially responsible objectives (Peterson & Jun, 2006). However, many question whether these corporate SRAs are anything more than window dressing designed to appease critics and capture socially-minded consumers (e.g., Gates, 2004).

Recent research on the business ethics and concerns of SMEs (e.g., Fenwick, 2010; Jenkins, 2006) has suggested that many owners adopt altruistic or socially responsible business goals. Researchers have argued that SME owners have more power to adopt and implement SRAs, and if strongly committed to such values, persist even when they are less profitable

than purely profit-oriented objectives (Lahdesmaki & Takala, 2012).

Our study contributes to this growing body of research by analyzing the driving force narratives of 73 owners of SMEs that have been defined as innovative and successful in a large southwestern metropolitan area. It is noteworthy that the setting for our research is a fiscally conservative community that is highly oriented to “free” and unregulated markets. It is also important to note that our interviews took place in a recessionary period, a time when many businesses might feel pressured to reduce SRAs.

It is not surprising that our findings revealed that respondents attended to traditional business is business (BIB) goals of profit, growth, and competitiveness. Respondents also spoke of the many personal motivations (BIP) they held for operating a business, which is not surprising given the attention that personal fulfillment has received in past literature about entrepreneurs (Schumpeter, 1982). What was impressive, however, was the strong emphasis that most respondents placed on goals of doing good (BIG) in ways that included improving the community, environment, and promoting positive political and social change. Consistently, across demographic and business type categories, respondents directed greater percentages of words on average to BIG topics than to BIB or BIP motivations. Although many offered examples of how concerns with profitability guided their operations, they typically devoted more time and energy to discussions of socially responsible objectives—objectives that in many cases, were a defining feature of the enterprise.

There were also numerous examples in which individuals expressed a willingness to forgo growth or profit objectives in order to maintain a commitment to workers, clients, and/or communities. Although we interviewed some younger respondents who had organized their businesses around SRAs, age was not significantly associated with the percentage of total words devoted to BIG themes. Indeed, there were several older respondents for whom social responsibility was a defining business goal. Men were significantly more attentive to BIB agendas than were women, but men and women both devoted more words to BIG themes than to the other two DF types, on average. High Tech/Bio-Tech businesses also appeared more

concerned with BIB motives than did other business types. Because of our small and non-representative sample, more research is needed to uncover further insights into the generalizability and bases of the differences observed here.

Although our study does not measure actual business practice, we regard it as significant that these SMEs identified as innovative firms in their communities so strongly stressed "doing good" as a driving force in their business (BIG). This was an emergent and unanticipated finding of our research on business innovation. Because we did not specifically ask about social responsibility in our interview schedule, it is all the more impressive that respondents spoke about it so much. It may be that part of their innovativeness and success is associated with a stronger commitment to SR than that of other firms. Nevertheless, we find these SME narratives offer a ray of hope in an otherwise dismal era of support for socially responsible agendas in government, business, and society more generally. Speaking and thinking positively about business social responsibility may be a vital first step to framing positive social change.

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