Mid Sweden University

This is a published version of a paper published in *Quality Innovation Prosperity*.

Citation for the published paper:
Åslund, A., Bäckström, I. (2012)
"A process towards societal value within a community-based regional development project"
Quality Innovation Prosperity, 16(2): 71-83

Access to the published version may require subscription.

Permanent link to this version:
http://urn.kb.se/resolve?urn=urn:nbn:se:miun:diva-18208

http://miun.diva-portal.org

A PROCESS TOWARDS SOCIETAL VALUE WITHIN A COMMUNITY-BASED REGIONAL DEVELOPMENT PROJECT

ANNA ÅSLUND, INGELA BÄCKSTRÖM

1 INTRODUCTION

The social entrepreneurship area is emerging within the research sector (Smith and Stevens, 2010) and has, for nearly twenty years, been a topic within academic research (Short, Moss, and Lumpkin, 2009). Nevertheless, Social entrepreneurship studies still seem to be in an embryonic state (ibid.). Further research needs to be done (Mair and Martí, 2006; and Short et al., 2009), both within empirical and conceptual areas, to give a comprehensive picture (Mair and Martí, 2006). It is an area that needs to be explained and theories need to be developed about the empirical phenomena that are special for the area (Smith and Stevens, 2010). Social entrepreneurship can take many forms which are controlled by the purpose of those that are taking the initiative, the available and needed resources and the size of the problem (ibid.). The entrepreneurship that is found within social entrepreneurship and the profit are used for social purposes (Fowler, 2000; Harding, 2004) so that the financial benefits are not of paramount importance (Mair and Martí, 2006).

Social entrepreneurship has a strong connection to the place where it is performed (Sundin, 2009; Asplund, 2009), and it should be understood in its time and place (Sundin, 2009; Frankelius and Ogeborg, 2009). It can be seen as a process with social intentions (Sundin, 2009) that creates social value by stimulation of social changes or by meeting social needs (Mair and Marti, 2006). To do that, the actors use new ventures or existing organizations (Zahra et al., 2009), and they combine resources in ways that are new to explore and exploit opportunities (Mair and Marti, 2006, Zahra et al., 2009).

In publications within Sweden, the term societal entrepreneurship is also used when it comes to describing the area of social entrepreneurship (Gawell, Johannisson and Lundqvist, 2009). Some examples of other terms within the field are social entrepreneurship, corporate social responsibility (CSR), social economy, community entrepreneurship, activist entrepreneurship and public entrepreneurship (Gawell et al., 2009). All in all, it seems to be a term that needs further research to arrive at a definition (ibid.). There also seems to be a need of further knowledge both within the area of science and among those active within the societal entrepreneurship area (Åslund, Bäckström and Wiklund, 2011), so

ISSN 1335-1745 (print) ISSN 1338-984X (online)

the area needs considerable attention (Mair and Martí, 2006). Using the Quality Management perspective and studying the processes of societal entrepreneurship allows us to understand the development of societal entrepreneurship and the relationships between the different parts and areas (Åslund et al., 2011).

The purpose of this paper is to study and describe the processes of a community-based area development project compared with a previously developed process map of societal entrepreneurship. The purpose is also to verify the process map.

2 PROCESSES

Processes have always been a part of all organizations, and by making them visible you can reach an understanding and gain knowledge about the work that is being performed within the organization (Ljungberg and Larsson, 2001). The meaning of focusing on the processes is to direct your attention to the chains of activity that create value instead of focusing on the individual product. It also makes it easier to achieve a shared vision (Bergman and Klefsjö, 2010).

Palmberg (2009) conducted a study of about 200 articles concerning processes that were published from 1994 to 2007 and her conclusion from that study was that there was no common definition of processes within those articles. Within the study Palmberg (2009) found six components that were included in the majority of the definitions given in the articles; these are 1) input and output, 2) interrelated activities, 3) horizontal: intra-functional or cross-functional, 4) purpose or value for customer, 5) the use of resources, 6) repeatability. Palmberg (2009) suggests a rough definition with those six components and writes "A net process definition can be condensed to: A horizontal sequence of activities that transform an input (need) to an output (result) to meet the needs of customers or stakeholders" (ibid., pp. 207). Another rather similar definition is Bergman and Klefsjö´s (2010, pp. 42) definition "a repetitive network of activities that are repeated in time, whose objective is to create value to external or internal customers".

Processes can be divided into different categories. Palmberg (2009) divides the different categories into Strategic management processes, Operational delivery processes and Supportive administrative processes and Ljungberg and Larsson (2001) divide them into Management processes, Main processes and Support processes. The categories of Ljungberg and Larsson (2001) can be described as follows. The purpose of the Management Process is to set up targets and strategies for the organization, and it has internal customers (Rentzog 1996; Egnell 1994). The process coordinates and manoeuvres the organization (Ljungberg and Larsson, 2001) and supplies the other processes within the organization with improvements (Rentzog, 1996; Egnell, 1994). The Main Process shows an overview of the most important parts of the organization, and it describes the organization's activity (Ljungberg and Larsson, 2001). The customers of the Main process are external, and its purpose is to fulfil the needs

of those customers (Bergman and Klefsjö, 2010; Ljungberg and Larsson, 2001; Rentzog, 1996; Egnell, 1994) by using and refining the accesses that are supplied to the Main process (Rentzog, 1996; Egnell, 1994). The Support Process purpose is to supply the main process with the resources that are needed and its customers are internal (Rentzog, 1996; Egnell, 1994). The Support processes are not absolutely critical but are needed to help the organization to achieve success. The evaluation of those processes is based on how well they support the main process (Ljungberg and Larsson, 2001).

All the different processes can be divided into levels and put in hierarchical order as follows with the highest level first: process, sub-process, activity and task (Palmberg, 2009). The processes also have five different components, the input, activities, resources, information and output. The input starts the processes; activities which are a series of actions; resources that are needed to be able to perform; information that supports and controls the process; and the output which is the result of the transformation of resources through activities that are performed within the processes (Ljungberg and Larsson, 2001). By identifying the processes and making them visible, implementation of improvements is possible within the activities that are performed as part of the work (Bergman and Klefsjö, 2010). It also gives an opportunity to achieve an overall view (Ljungberg, and Larsson, 2001). Therefore, it is interesting to identify and understand the processes whereby societal value is reached.

The definition of a customer varies. Deming (1986) writes “those who judge the Quality”, Bergman and Klefsjö (2010) “those we want to create value to” and Juran and Gryna (1988) “anyone who is affected by the product or by the process used to produce the product”. There is even a line of argument that the customer can be viewed as a stakeholder (see for instance, Bergquist, Fredriksson and Svensson, 2005; Foley, 2005).

3 THE PROCESSES OF SOCIETAL ENTREPRENEURSHIP

Earlier, a process map of societal entrepreneurship was developed out of a small-scale literature survey (Åslund et al., 2011). The map shows a management process “Management of Societal Entrepreneurship”, the main process “Creation of Value to the Society” and the support process “Support for Creation of Societal Value”. The process map is general and can be used to structure the work and give an understanding of the work within societal entrepreneurship (ibid.).

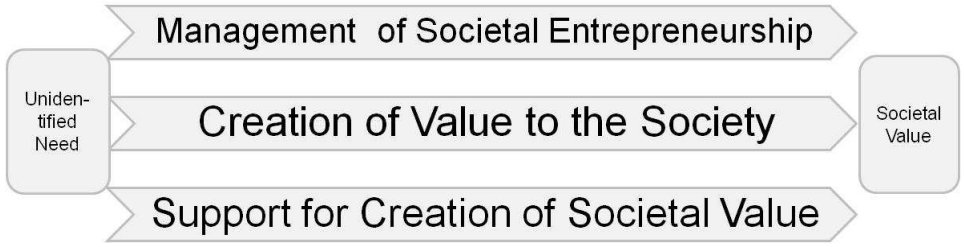

Figure 1 – The proposed model of the societal entrepreneurship processes (after Åslund, Bäckström and Wiklund, 2011)

The main process has been divided into sub-processes and inputs and outputs and different support processes have been identified (Åslund et al., 2011). It seems as if the main process starts with the input of unidentified needs and then develops towards the Societal Value. By being in the context knowledge about the context is gained. This knowledge is then analyzed and a need is identified. After that, a search for a solution begins and an idea or a vision of how the need can be satisfied emerges. When the need has been identified, the organization of the work and the mobilization of resources that are needed to realize the idea or to achieve the vision start. This results in some kind of organization that makes it possible to realize the work and thereby create Societal Value. This means that the sub-processes are ´Being in the Context´, ´Analysis of Knowledge´, ´Searching for Solution, ´Organize and Mobilize´ and ´Realize´ and the output, the result, of the sub-processes are ´Knowledge about the Context´, ´Identified Need´, ´Idea/Vision´, ´An Organization´ and ´Societal Value´ (Åslund et al., 2011).

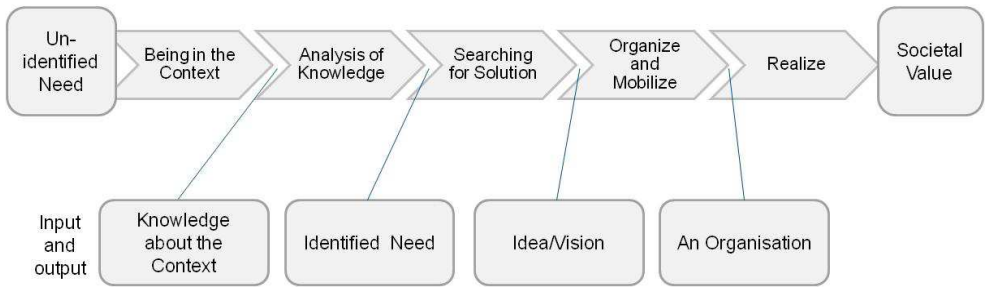

Figure 2 – The Main process "Creation of Value to the Society" and the sub-processes, inputs and outputs (after Åslund, Bäckström and Wiklund, 2011)

To get this work done there also seems to be some support processes that are important. Those support processes are within the areas of developing competence, networking, financing, science, establishment of societal entrepreneurship, politics and media (Åslund et al., 2011). Actors that can be found within the support processes can contribute to the degree of value that societal entrepreneurship is generating. This means the actors do not have to be a part of the main process to influence the value that is created (ibid.).

4 METHODOLOGY

The study started with a literature study within the area of social entrepreneurship, societal entrepreneurship, quality management and processes. Then a case study was conducted on a community-based area development project. The project leader was interviewed, project documents were studied, one participant observation and two observation studies were conducted. The Internet was used to find documentation about what could be found within papers. From the gathered data, the tasks and activities were picked out and analyzed against the different parts of the earlier developed process map to see if they fitted. First, the different data sources were analyzed on their own and then they were merged together according to a time axis into a total result. This was used to verify the process map.

The management process and the support process have not been the main focus of the study. For those processes, data have been recognized and presented in the result. This means that those processes are not mapped out, just those parts that have been identified and can be a part of those processes that are presented.

5 THE RESULTS

First the community-based project is briefly presented, followed by the findings about the processes and finally the verification of the process map. The findings about the processes are presented and divided into “Creation of Value to the Society”, “Management of Societal Entrepreneurship” and the different support processes.

5.1 The Project

The case that has been studied is a project that is located in a municipality in the north of Sweden, which can be seen as an example of societal entrepreneurship. The aim of the project is local development. It is a part of a larger project that is being carried out within the municipality, one of the aims of which is to encourage local development and attract more inhabitants to the municipality. The project goals are to create a positive picture of the future of the area and to get people to move there. The target group of the project is local inhabitants, schools, organizations, associations and business managers and there is a special focus on youth. The project work will be focusing on building networks and supporting local meeting points, actors and inhabitants. The project is active at one location in the countryside and one location in the city with a focus on long-term development within those areas. The location in the city is the focus of this study. The area has a level of local engagement that has had its ups and downs. The project will be financed by the municipality until the end of December 2013 which means that that the project still has time to achieve its results.

5.2 The Main Process – "Creation of Value to the Society"

The study of the project showed that the steps of the main process "Creation of Value to the Society" seem to have been followed several times. The first time to develop the project, the second time for the preparatory work before the dialogs were conducted and the third time when the actually dialogs with the inhabitants were carried out, see Figure 3.

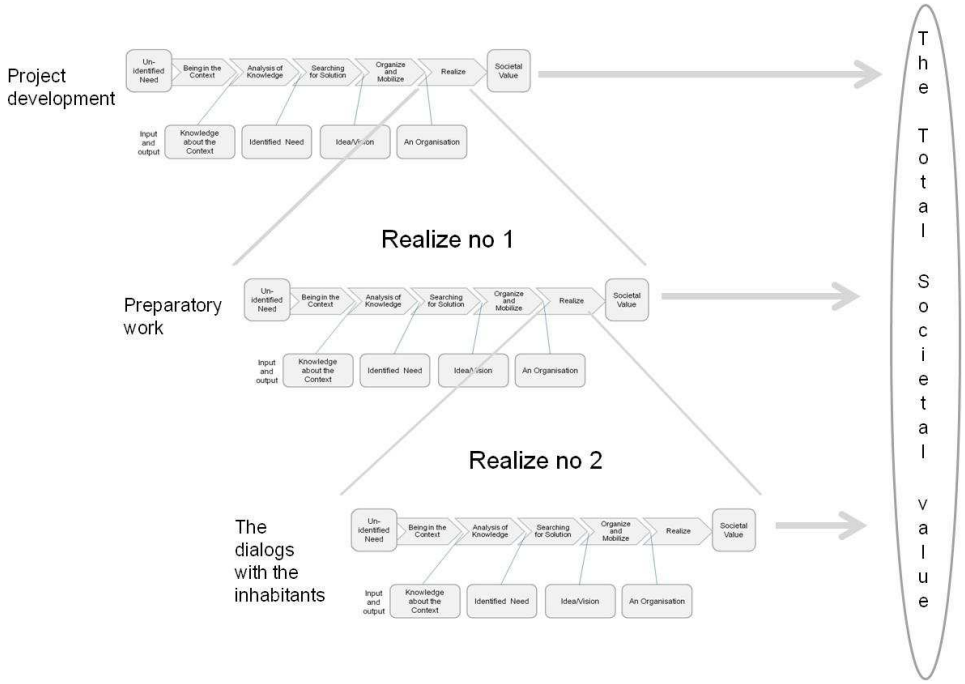

Figure 3 – The three processes within the development project and their input to the total societal value that the project will deliver. To see the text in the in sub processes, input and output for the "Project development"," Preparatory work" and "The dialogs whith the inhabitants" see Figure 2

To go through the main process seems to take different amounts of time. The first time they used the main process, project development, it took years, while the other times the main process was followed, less time was used. When the main process is used, it is filled with different activities and tasks depending on the different purposes, the time and place where it is performed.

Below are the three main processes presented with some of the activities and tasks that have been found, see Table 1. They are sorted under the headings connected to the different parts in the earlier developed process map.

Table 1 – The main processes within the case with its tasks and activities

Parts in the Main Process	Main Process no. 1 Development of the Project	Main Process no. 2 Preparatory Work	Main Process no. 3 The Dialogs with the Inhabitants
Unidentified Needs	It seems as if the needs were already there but not identified when the work started to create growth in the municipality.	The needs were not identified when the meeting started. The project leaders wanted to identify them.	When the work with the dialogs started, the exact needs of the inhabitants were not known.
Being in the Context	Information was collected about facts that showed central development areas and threats and opportunities for the municipality.	Different representatives were invited to the meeting, persons that had been in the context of the area.	Those that were invited were living in or were active in the area.
Knowledge about the Context	Knowledge about trends in the surroundings was collected.	The participants brought different knowledge about the context to the meeting	Those who participated had knowledge about the context that came from being in the context.
Analysis of Knowledge	An analysis was made of the trends that had been found, the connections between the trend and the competition that the municipality was exposed to.	During the meeting, discussions and brainstorming sessions were held in which the participants' knowledge was utilized.	Based on the participants different knowledge, discussions and brainstorming sessions were held.
Identified Need	A written report showed parts that have been identified. Those parts can be seen as needs to be considered.	Different needs were identified in the discussions and brainstorming.	During the discussions and the brainstorming, the needs emerged.
Searching for Solution	Analysis of the surroundings, policy documents and information from close cooperation and dialogs with thousands of representatives from trade and industry, the university, the student union, the Youth Council, tourism, commerce and non-profit organizations to find out what to do.	Needs and ideas were discussed back and forth to find the ideas to go on with.	To find a solution to the needs, discussions and brainstorming were held and the needs and ideas were discussed back and forth.

5.3 The Management Process – "Management of Societal Entrepreneurship"

The different parts that can be connected to leadership within the project are presented below. The study has shown that the leaders focus on positive attitudes and the opportunities instead of the problems. The project leaders are trying to be

as open as possible and not be in too much control and point out which way to go. Instead they are carefully going forward and letting those who are a part of the project come up with the ideas about what they would like to be done in their area. The leaders try to have a humble attitude with considerable citizen democracy and a right balance in their work. They try to take into consideration the thoughts and opinions of the inhabitants and actors within the area. The vision and goals are present in the leadership and influence the work. They are constantly going back to the vision and the goals and telling the participants about them. Despite all this, they do not know exactly what the project will lead to. The results will depend on the citizens, organizations and the municipality.

The leaders have to consider both what the inhabitants and the politicians want. Some of the decisions have been and will be made by politicians and some of the decisions might be made by some associations when it comes to what will be done to reach the goals. The leaders let the inhabitants participate in the work that is being performed and the decisions as to what will be done. The project leaders hope that the leadership and the work will result in those who have been a part of the work, feeling in the end that they have had some influence. Most of those that have been a part of the process so far have felt that they have been able to influence the work that has been done.

The observations have shown that the leaders of the project have had a very open mind and are letting the participants in the project really participate in the work to find ideas to meet the needs. As a part of the leadership, the leaders have used tools to find out the needs and the ideas and that gives opportunity to be a part of the work. A great challenge for the project is not only how to create engagement but also how to keep it.

5.4 The Support Processes - "Support for Creation of Societal Value"

The different support processes that can be connected to the project are Financing, Politics, Networking, Establishment, Media, Science and Development of competence, see Figure 4.

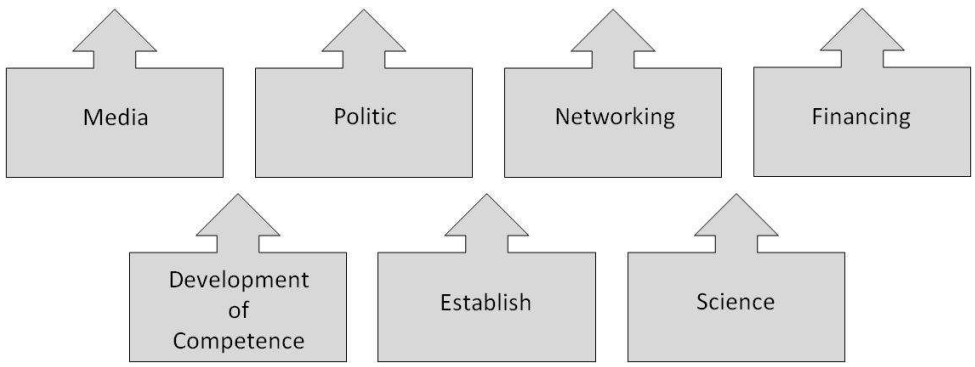

Figure 4 – Support processes that seem to be found within the area of societal entrepreneurship

Some of the tasks and activities found in the project and the connection to the different support processes are presented below.

Financing - The project is financed by the municipality. There are some associations that are willing to finance some of the activities.

Politics -The project is being performed within the area of an organization that is governed by political decisions. Politicians have participated in the meetings to find ideas within the project.

Networking - The project leaders are working to create contacts and relations with key figures.

Establishment - Those within the project are hoping that the ideas will be realized, even though some of them might take a long time. They are still aware that there are ideas that might not be realized.

Media - The radio and different papers have reported about the project's work.

Science and Development of Competence - By performing research within the area of the project, it has been possible to identify the processes and to provide opportunities to gain an understanding and/or to make improvements within the area of societal entrepreneurship.

5.5 Verifying of the Process Maphe Support Processes – "Support for Creation of Societal Value"

The earlier developed process map was confirmed by analyzing the activities and tasks in the examined project against the process map. Different data have confirmed the different parts within the processes. Most of the parts in the processes have been confirmed by several data sources but some of them have only been confirmed by one data source.

The data sources have confirmed that the main process "Creation of Value to the Society" seems to have been used three times. The last time the main process was used, there were no data that showed that any societal value had been created, because the project is not so far advanced. The process "Management of Societal Entrepreneurship" seems to be a process that can be found within the area of societal entrepreneurship since different sources show activities and tasks that can be connected to the leadership. The different support processes that were found in the process "Support for Creation of Societal Value" within the area of societal entrepreneurship seems to exist in the area of societal entrepreneurship.

6 CONCLUSIONS

The studied project matches the process map that was developed earlier (Åslund et al., 2011) and it indicates that the process map is general. A new finding was that the main process "Creation of Societal Value to the Society" was used over and over again within the project. The different "turns" or "loops" in the main

process “Creation of Value to the Society” are creating the total result of the societal entrepreneurial initiative, see Figure 5.

The main process map seems to be presented at an appropriate level since it can be used at different times and with different purposes. The project that has been studied seems to fit the main process three times with different purposes and in different times when it is presented on the level that it is. If the main process were to be divided into a level that is presented with activity and tasks, it seems as if it would not be possible to find a common ground within societal entrepreneurship. That is because every different time the main process is used, it presents different actives and tasks.

The use of a Quality Management perspective and the process mapping of the case can contribute to the understanding of societal entrepreneurship and the relationship between the different areas and parts.

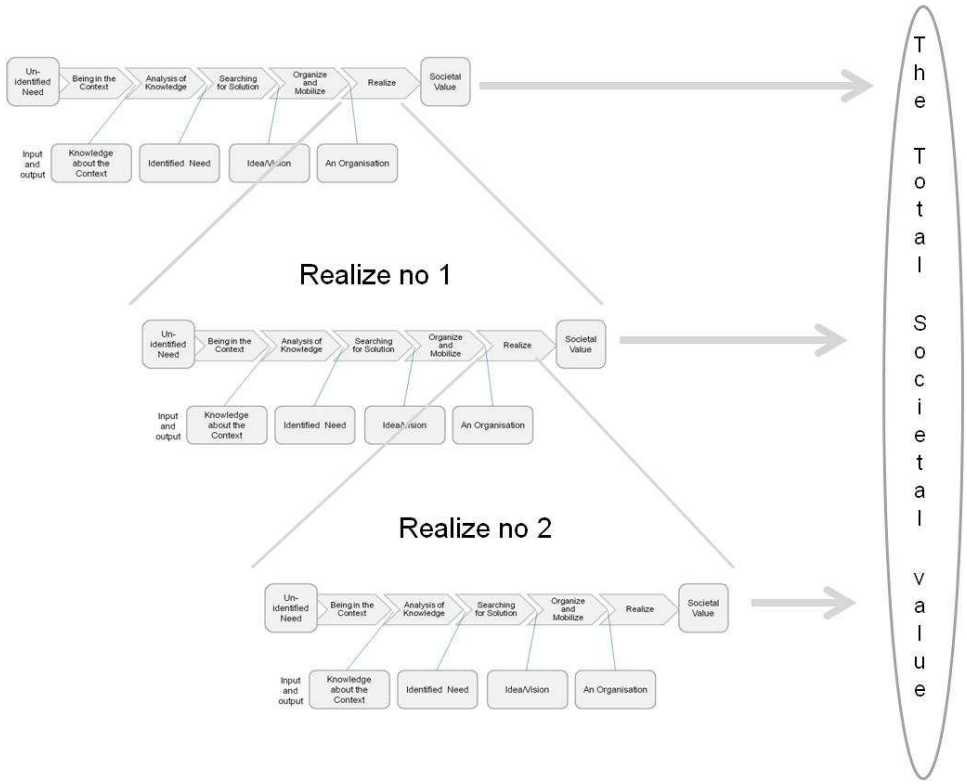

Figure 5 – A suggestion for a general visualization of realization of societal entrepreneurship. To see the text in sub processes, input and output see Figure 2.

7 DISCUSSION AND FURTHER RESEARCH

Societal entrepreneurship is controlled by the purpose of those that are providing the initiative for the work, the available and necessary resources, and the size of the problem. The fact that it can take many forms (Smith and Stevens, 2010) might also be a reason to present the map at this level. The fact that Social entrepreneurship has a strong connection to the place where it is performed (Sundin, 2009; Asplund, 2009), and that it should be understood in its time and place (Sundin 2009; Frankelius and Ogeborg, 2009) are also factors that indicate that the main process should not be presented in greater detail. There seems to be a need to be able to fill the different parts with activities and tasks that are appropriate for the societal entrepreneurship that is being performed. It might also be that the quality of "knowledge about the context", "identified need", "idea/vision" and "an organization" influences the total quality of the societal value created.

This study has its limitations and further studies of initiatives looking at other cases within the area of societal entrepreneurship are needed to see if the developed process map can be further confirmed. Further studies are also needed to be able to present a better picture of what the different parts in the process mean. The project is not very far advanced, so the result of the study has not therefore been able to show the complete output, the Total Societal Value, that the project will deliver. The question of what the complete output will be in the end could be studied in further research. That could be done through interviews with the inhabitants of the area where the project is active.

REFERENCES

Åslund. A. Bäckström. I. and Wiklund. H. (2011), "Soci(et)al entrepreneurship from a Quality Management perspective", in *Proceedings of the 56th annual ICSB world conference, Back to the future, Changes in perspectives of global entrepreneurship and innovation*, June 2011, Stockholm.

Asplund, C. (2009), "Samhällsentreprenörer för lokal och regional utveckling", Gawell, M., Johannisson, B. and Lundqvist, M. (Eds.), In *Samhällets entreprenörer En forskarantologi om samhällsentreprenörskap* (in Swedish), KK-stiftelsen, Stockholm, pp. 197—213.

Bergman, B. and Klefsjö, B. (2010), *"Quality from customer needs to customer satisfaction"*, Studentlitteratur, Lund.

Bergquist, B., Fredriksson, M. and Svensson, M. (2005), "TQM- terrific quality marvel or tragic quality malpractice", *The TQM Magazine*, Vol. 17, No. 4**,** pp. 309-321.

Deming, W. E. (1986), *"Out of the crisis"*, Mass.: Massachusetts Institute of Technology Center for Advanced Engineering Study, Cambridge.

Egnell, P.O. (1994), *"Processledning en arbetsmodell samt erfarenheter från svenska organisationer*" (in Swedish). Division of Quality Technology and Statistics., Sweden, Luleå University of Technology, Luleå.

Foley, K. (2005), "*Meta Management: A Stakeholder/quality Management Approach to Whole-of-enterprise Management"*, Standards Australia International Ltd., Sydney

Fowler, A. (2000), "NGDOs as a moment in history: Beyond aid to social entrepreneurship or civic innovation?", *Third World Quarterly*, Vol. 21, No. 4, pp. 637-654.

Frankelius, P. and Ogeborg, J. (2009), "När samhällsentreprenörskap lyfter en hel nation – fallet Irland", Gawell, Malin, Johannisson, Bengt, and Lundqvist, Mats (Eds.), In *Samhällets entreprenörer En forskarantologi om samhällsentreprenörskap* (In Swedish), KK-stiftelsen, Stockholm, pp. 115—134.

Gawell, M., Johannisson, B. and Lundqvist, M. (Eds.) (2009), "*Samhällets entreprenörer En forskarantologi om samhällsentreprenörskap (*In Swedish*)*, KK-stiftelsen, Stockholm pp. 75—95.

Harding, R. (2004), "Social enterprise: the new economic engine?" *Business Strategy Review*, Vol. 15, No. 4, pp. 39-43.

Juran, J.M, and Gryna, F.M. (1988), *Juran's quality control handbook*, McGraw-Hill, New York.

Ljungberg, A., and Larsson, E. (2001), *Processbaserad verksamhetsutveckling*, Studentlitteratur, Lund.

Mair, J. and Martí, I. (2006), "Social Entrepreneurship Research: A Source of explanation, prediction, and delight", *Journal of World Business*, Vol. 41, No. 1, pp. 36—44.

Palmberg, K. (2009), "Exploring process management: are there any widespread models and definitions?", *The TQM Journal*, Vol. 21. No. 2, pp 203-215.

Rentzhog, O. (1996), "*Core process management*", Linköping studies in science and technology., University of Linköping, Linköping.

Short, J. C., Moss, T. W. and Lumpkin, G. T. (2009), "Research in social entrepreneurship: past contributions and future opportunities", *Strategic Entrepreneurship Journal*, Vol. 3, No. 2, pp 161-194.

Smith, B. R. and Stevens, C. E. (2010), "Different types of social entrepreneurship: The role of geography and embeddedness on the measurement and scaling of social value", *Entrepreneruship & Reional Development*, Vol. 22, No. 6, pp. 575-598.

Sundin, E (2009), "Det dolda samhällsentreprenörskapet – omsorgsmotiv i småföretag", In *Samhällets entreprenörer En forskarantologi om samhällsentreprenörskap*, Gawell, M., Johannisson, B., and Lundqvist, M. (Eds.) KK-stiftelsen, Stockholm, pp. 96—114.

Zahra. S. A., Gedajlovic. E., Neubaum. D. O., and Shulman. J. M. (2009), "A typology of social entrepreneurs: Motives, search processes and ethical challenges", *Journal of Business Venturing*, Vol. 24, No. 5, pp 219-532.

ABOUT THE AUTHOR

Anna Åslund is PhD student within the area of societal entrepreneurship and Quality Technology and Mangement, Mid Sweden University, Östersund, Sweden
e-mail: anna.aslund@miun.se

Ingela Bäckström is a senior lecturer and PhD at Mid Sweden University, Östersund, Sweden within the area of Quality Technology and Management,
e-mail:ingela.backstrom@miun.se