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# Delving into social entrepreneurship in universities: is it legitimate yet?

Ridvan Cinar 

## ABSTRACT

Universities have recently been pressurized to go beyond their economic conceptualization of third-mission activities and contribute to solving grand societal challenges in the regions in which they are located. Social entrepreneurship has emerged as one mechanism by which universities can address societal challenges. Despite a growing awareness of universities' potential and expectations to enhance social entrepreneurship in their geographical vicinities, how these processes become legitimized within a higher education context has received surprisingly little attention. This paper, therefore, explores factors affecting the (de)legitimacy process of social entrepreneurship within universities. Using a single case study design that relies on semi-structured interviews carried out in a Dutch public university, it was found that organizational legitimacy of social entrepreneurship remains unestablished. Furthermore, the legitimacy process is affected by (1) the expectations of stakeholders, the difficulty of measuring social impact and third-mission indicators; (2) an overemphasis on high-tech research and application as an organizational identity; (3) the absence of a leader in the field and lack of organizational recognition; and (4) stringent regulations of public institutions in the Netherlands. In addition, enhancing social entrepreneurs is hindered by the lack of place-based belonging among the student body. Consequently, this paper argues that a holistic approach that focuses on the specificities of universities and the increasing competitive environment in which they have come to function, the potential facilitating role of other organizational actors in the field, and designing appropriate policy instruments and incentives would benefit universities in their efforts to enhance social entrepreneurship.

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## INTRODUCTION

There is an increasing awareness regarding the emergence of a class of large-scale problems challenging contemporary society, such as climate change, inefficient use and lack of resources, urban sustainability, and democratic security, that require concerted and coordinated action from a range of partners. Recognizing the limitations of both the public and private sectors to produce mass, coordinated and flexible responses, there is growing interest in new forms of coordinating mechanisms that allow for solutions to these societal challenges to be developed. Social

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entrepreneurship has been acknowledged as one such potential mechanism where actors create new forms of social organizations, structures and institutions that help solve these challenges (Dees, 1998; Nicholls, 2006).

Social entrepreneurship has recently garnered the interest of policy-makers, particularly in Europe. In its *Entrepreneurship 2020 Action Plan*, the European Commission (EC) stressed the significance of social entrepreneurship as follows: 'We must work on ensuring that being an entrepreneur is an attractive prospect for Europeans. This also includes social entrepreneurs whose potential is often underestimated' (European Commission, 2013, p. 5). The action plan and successive policy briefs as well as official statements have called for a greater contribution of universities to enhance social entrepreneurship. Therefore, it is surprising that whilst universities are expected to make substantive contributions to social entrepreneurship, there is almost no consideration of the way these processes function within the context of higher education.

The key issue for social entrepreneurship in universities is the lack of a clear connection to the core tasks of the university. In more traditional technology venturing processes, university knowledge resources are converted in terms of exploitable assets that may ultimately generate revenue streams, thereby legitimizing university entrepreneurship activities. However, social entrepreneurship processes typically involve changes in social processes and organization, not necessarily in monetized settings, benefiting the poorer segments of society, unable to provide formal returns to the university knowledge input. This raises the question of how universities legitimize their engagement in social entrepreneurship, particularly in terms of choices regarding which social challenges, societal partners and beneficiaries.

Suchman (1995, p. 574) posits that 'legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions'. Institutions shape the behaviour of their members by delineating what is expected of them in numerous social circumstances, the foundations of which lie on constructing values and beliefs over time in order to elicit and shape proper actions (Scott, 2008). Having stated that, it is critical to explore whether contributions to social entrepreneurship have manifested themselves as one of the anticipated proper actions in universities, thereby shedding a light onto its (de)legitimacy. Accordingly, this paper will primarily seek to address the overall research question: Which factors affect the legitimacy processes of social entrepreneurship within universities?

The paper is structured as follows. First, it reflects on the two main strands of social entrepreneurship drawn from the literature and provides a brief account of organizational legitimacy. Second, it focuses on the universities' contributions to social entrepreneurship as a third-mission activity and argues that they seek legitimacy in three phases. Third, it outlines in detail the data and methods. Fourth, it presents the findings, elaborating on factors affecting the legitimacy of social entrepreneurship within a public higher education institution: the University of Twente (UT), the Netherlands, in this case. Lastly, it discusses the findings and concludes with paving the way for new research avenues and implications on academics and policy-makers alike.

## SOCIAL ENTREPRENEURSHIP: A CONCEPTUAL BACKDROP

The term 'social entrepreneurship' first appeared in the social change literature in the 1960s and 1970s (Gray, 2012), a period when the demand for change was great across the world and resonated considerably with individuals. The 1990s witnessed a theory-building process for social entrepreneurship that paved the way for its gaining momentum in scholarly literature, and raised its popularity in the policy sphere (Dees, 1998; Leadbeater, 1997). In spite of the fact that firms that intended to help solve socioeconomic challenges sowed the first seeds of the social

entrepreneurship literature (Shintani, 2011), the concept, as well as the literature, has evolved to encompass civil–society initiatives in the form of non-governmental organizations, not-for-profit organizations, community projects, cooperatives and social enterprises (Cunha, Benneworth, & Oliveira, 2015; Dees, 1998; Seelos & Mair, 2005). Various perspectives from several scholarly disciplines, such as business administration, management, sociology, development studies and economics, have led to social entrepreneurship becoming what Choi and Majumdar (2014, p. 365) characterize as ‘an essentially contested concept’. Whereas some researchers regard social entrepreneurship as the establishment of businesses to benefit the poorer segment of societies (Seelos & Mair, 2005), others view it as a means of harnessing social innovations to generate solutions for social problems and thus trigger social change, regardless of whether or not they entail commercial activities (Dees, 1998). Among a variety of descriptions, this paper adheres to Dees’ (1998, p. 4) definition of a social entrepreneur as it corresponds to the contextual setting (legitimization of social entrepreneurship in a public university) of this research:

Social entrepreneurs play the role of change agents, in the social sector, by; adopting a mission to create and sustain social value (not just private value); recognizing and relentlessly pursuing new opportunities to serve that mission; engaging in a process of continuous innovation, adaptation and learning; acting boldly without being limited by resources currently in hand; and exhibiting heightened accountability to the constituencies served and outcomes created.

From this perspective, social entrepreneurs can bring about small-scale changes (economic, cultural and/or political) that echo within the dominant system of structures and trigger large-scale changes in the long run. However, they need to be familiar with the broader social system, its spatial characteristics and the actors involved in order to concentrate on the alleviation of the roots of social challenges (Alvord, Brown, & Letts, 2004). It can be argued that this process would require some sort of place-based belonging, particularly for those who are new to any social system, such as university students who hail from different cities and countries. Place-based belonging is a process whereby an individual’s attachment to a place is constructed through socio-spatial practices, such as participating in local events, relaxing in a park, etc. (Benson & Jackson, 2012), thus creating memories and meaning surrounding the place (Scanell & Gifford, 2010). As such, it is important that potential social entrepreneurs develop place-based belonging if they are to become agents of sustainable, social transformation, especially on a local scale.

The road to sustainable social transformation is not unimpeded and linear, regardless of it being oriented locally or globally. Social entrepreneurs face numerous obstacles ranging from political and economic to cultural and socio-technical. They might overcome the challenges by mobilizing different stakeholders in the process, empowering the people involved and resorting to public, private and non-governmental organizations to use further the expertise required. Universities are regarded as organizations that have made prominent contributions to the regions and societies in which they are embedded (Arbo & Benneworth, 2007), and are understood as possessing the potential to take up the role of being an agent of change in the process of societal transformation, given the knowledge and human resources they contain. Yet, it is surprising that there is almost no consideration of how universities can become an agent of the process of sustainable social transformation, when their members attempt to act accordingly by enhancing social entrepreneurship. As such, it is essential to uncover how social entrepreneurship becomes legitimized (or not) within a higher education context, and how universities can foster social entrepreneurs that will seek effective changes in social systems among the immense, highly qualified, human resources they hold. The new institutional theory, therefore, provides a valuable conceptual lens that helps address the process of organizational legitimacy in a higher education institution.

## LEGITIMACY IN UNIVERSITIES

Institutional theory has taken the academic stage since Selznick (1957) defined institutionalization as a process where practices are imbued with value, overshadowing the technical requirements of the tasks involved in an organization. Selznick's works regarding the institutionalization process laid the foundations for old institutionalism. As a reaction to the great emphasis put upon the internal dynamics within an organization, a new strand in institutional theory was established that directed its focus from the internal dynamics to the external environment. This new strand, traditionally depicted as new institutionalism, underlined the significance of shifting the focus to 'examine[ing] how the external environment socially construct[s] organizations, providing them with templates, for their formal structures and policies, and thereby increasing an organization's legitimacy in the wider world' (Powell & Bromley, 2015, p. 764). DiMaggio and Powell (1991, p. 8) provided the new strand of institutional theory with the following definition:

The new institutionalism in organization theory and sociology comprises a rejection of rational-actor models, an interest in institution as independent variables, a turn toward cognitive and cultural explanations, and an interest in properties of supra-individual units of analysis that cannot be reduced to aggregations or direct consequences of individuals' attributes or motives.

A stream of research emerging out of developments in the new institutional theory is legitimacy. It is generally accepted that Max Weber introduced the concept (Johnson, Dowd, & Ridgeway, 2006). Legitimacy is one means by which universities inaugurate congruence between the norms and values of their behaviours and the expected proper actions of the broader social system in which they are embedded (Deephouse & Suchman, 2008). Maurer (1971, p. 361) argues that 'legitimation is the process whereby an organization justifies to a peer or superordinate system its right to exist, that is, to continue to import, transform and export energy, material or information'.

The organizational legitimacy is threatened when there is a prospect of disparity between the two systems of values, and consequently, the organizations either undergo required changes to harmonize their values with the subordinate system of which they are a part (Boxenbaum & Jonsen, 2008), or strive to alter the value of that particular subordinate system itself (Dowling & Pfeffer, 1975). However, Perrow (1970) notes that inasmuch as changing social values in a superordinate system is generally an arduous and risky journey to undertake, organizations are more likely to prefer adapting to the social system for legitimacy. This preference may have several consequences such as constraints on organizational behaviour. More specifically, when organizational practices do not conform to social norms and the values of the broader social system, these practices cease to exist (Dowling & Pfeffer, 1975).

Universities have sought legitimacy in numerous areas to be relevant for the social system in which they are embedded and to sustain their right to exist (O'Kane, Mangematin, Geoghegan, & Fitzgerald, 2015). The seeking and establishment of the process of legitimacy is manifest mostly through the practices imbued in third-mission activities, particularly when universities aspire to substantiate that they can collaborate with external stakeholders and contribute to addressing the wicked, global issues (Benneworth & Cunha, 2015). Third-mission activities – occasionally referred to as 'third stream' – correspond to links universities establish with actors of external environments such as firms, government bodies, the public, social enterprises and non-governmental organizations, in addition to their first and second missions: teaching and research (Laredo, 2007). Earlier understandings of the third mission centred around commercialization activities, which led to a wave of technology transfer offices in the 1980s and 1990s.

However, recently universities are being expected to go beyond pure commercialization activities, in their understanding of the third mission, and adopt a more developmental role by reaching out to civil society (Goddard, Hazelkorn, Kempton, & Vallance, 2016; Uyarra, 2010).

The contribution to social entrepreneurship can be characterized as one of the many third-mission activities through which universities can reach out civil society. Nevertheless, if social entrepreneurship is to be enhanced, the establishment of an organizational legitimacy is necessary. These processes require close monitoring of internal behaviours and external values. Scott (2008) has identified three institutional pillars, namely: regulative, normative and cultural–cognitive. Whereas the regulative pillar entails setting rules, monitoring members' conformity and, if necessary, a sanction/rewarding of them, the normative pillar elicits proper actions through norms and values. The cultural–cognitive pillar focuses on the cognitive dimension of an individual's perception of his/her environment, articulated as 'what a creature does is in large part a function of the creature's internal representation of its environment' (D'Andrade, 1984, p. 88). The basis of legitimacy for each pillar is 'legally sanctioned' (regulative), 'morally governed' (normative) and 'comprehensible, recognizable, culturally supported' behaviours (Scott, 2008, p. 60). Based on the three pillar-framework of institutions, it is argued here that the legitimacy in universities occurs in three phases, particularly if the normative or cultural–cognitive pillars are the dominant models inside.

### Phase 1: Assessment of organizational values vis-à-vis the norms of a superordinate social system

In this phase, universities closely monitor the changing values and external expectations of the broader system in which they participate. They engage with external stakeholders and map out the potential change in the discourse of values and expectations. Further, they try to identify if there is congruence between the two value systems. If not, universities either prefer to adapt and incorporate the changing values (starting the organizational legitimacy process) or attempt to alter the values of the superordinate social system (promulgating their own legitimacy process). When universities prefer the former, the second phase is put in motion. As for the latter option, there is a leap directly towards the third phase.

### Phase 2: Building the legitimacy process

Upon the identification of nonconformity in the two value systems, and the taking of a decision preferring the implementation of the former option, universities communicate the argument for adaptation to their members. Furthermore, they initiate organizational arrangements, which would allow the members to exercise the proper actions anticipated of them. In other words, organizational change commences.

### Phase 3: Completion of organizational change and the dissemination of the legitimacy process

This phase involves the finalization of a series of internal arrangements in universities regarding the adaptation to the changing external environment and value systems. Organizational change is completed and the legitimacy process, to a large extent, is established. There is one last step moving forward; the dissemination of this process to external stakeholders. Universities convey the message that they can adapt to changing values and expectations and that they have taken the necessary steps to do so via several means of communication. In case of the latter, universities do not necessarily undergo a process of organizational change; rather, they disseminate the significance of their values to alter the superordinate social system and its expectations. In this scenario, legitimacy is completed when external stakeholders finally recognize the values of universities and their relevance in the broader social system.



## DATA AND METHODS

The research reported here has adopted a qualitative exploratory case study design. Case studies are necessary when the intention of the research is to explore a certain phenomenon on a deeper level and gain a better understanding of its ramifications (Stake, 1995). The University of Twente (UT), a public university in the Netherlands, was selected as a case. What makes the UT an interesting case is its long commitment to the development of its region since its establishment and efforts to reach out to society. Realizing the prevalence of grand societal challenges, particularly in the last decade, the UT has been searching for ways to mobilize its resources when tackling these challenges. It is the serious commitment and dynamism that has been going on there for some time and its targeted contributions to the socioeconomic development of its geographical vicinities that facilitates the UT to be dwelled on as a case study.

To gather accurate and insightful data, criterion sampling was administered. In this regard, the research had two prearranged criteria in selecting the samples:

- Participants would have experience (academic, managerial or practical level) in either social entrepreneurship or higher education, or both. Academic experience refers to publications on social entrepreneurship and/or higher education studies, while managerial and practical experience corresponds to being part of the university management team and/or being social entrepreneurs/leading social entrepreneurship initiatives, respectively. Moreover, the focus of social entrepreneurship initiatives range from refugee entrepreneurship to cost-effective organic farming and the reduction of the generational divide in citizen engagement.
- Participants would have been working or studying in the UT for at least one full academic year. The reason being that this might allow individuals to observe the institutional environment for both semesters, become familiar with organizational culture and thus make better judgments.

An interview document, which consisted of 13 semi-structured questions, was sent to two experts (academics) in the field. Upon receiving feedback, the interview document was revised, and the potential informants were contacted. Seventeen interviews with individuals such as academics, executive board members and social entrepreneurs (academics/students) were conducted between December 2017 and January 2018. Descriptive information regarding the interviews and interviewee characteristics are outlined in Table 1.

Each interview was tailored to the professional background and experience of the participant. Interviews were recorded, transcribed and analyzed thematically (Fereday & Muir-Cochrane, 2006).

## THE CASE: UNIVERSITY OF TWENTE IN THE TWENTE REGION, THE NETHERLANDS

The Twente region is an area in the eastern Netherlands, part of Overijssel province, bordering Germany. It comprises of 14 municipalities with Enschede, Hengelo and Almelo being the

**Table 1.** Interviews and interviewee characteristics.

Informant characteristics	Academic staff: 9; administrative staff: 6; students: 2
Number of years in the University of Twente	1–4 years: 4; 5–9 years: 6; 10–19 years: 3; 20–29 years: 2; ≥ 30 years: 2
Relevant experience	Academic: 7; managerial: 5; practical: 5
Interview duration	Minimum: 37 min; maximum: 73 min
Gender	Male: 12; female: 5

major cities with a considerable size of rural hinterland. It hosts 3.6% of the Dutch population (approximately 626,500 inhabitants). Since the demise of the textile industry in the 1960s, the unemployment rate in the region has generally been higher than the national average. Considering all the relevant socioeconomic indicators, Twente can be characterized as a peripheral region (Benneworth & Pinheiro, 2017) (Figure 1).

Established in the 1961, post the decline of textile industry, the UT is one of the four technical universities in the country. Located in Enschede in Overijssel province, the UT originally set off on its journey with the hope of contributing to its region economically. Starting off as the Technische Hogeschool Twente, primarily a technical applied university, it later gained full university status around the mid-1980s. Beginning the journey with an entrepreneurial mindset, the UT placed paramount importance on the valorization of knowledge, generating over 1000 spin-off companies since 1984, thereby contributing to the socioeconomic development of the Twente region, mostly, but not limited to, the cities of Enschede and Hengelo. It employs 3074 academic and administrative staff (including doctoral students employed by the university) and enrolls 10,435 students as of 2017. As far as social entrepreneurship is concerned, the UT is involved in Novel-T, formerly known as Kennispark – an incubation and acceleration centre for start-ups – and Design Lab – a creative and interdisciplinary centre that encourages UT members (both students and academic/administrative staff) to work together to develop scientific ideas, later to be implemented for addressing complex societal challenges. Furthermore, the UT hosts the PC3 (Product Co-Creation Centre for Bottom of the Pyramid) initiative, which facilitates the interaction of novice social entrepreneurs with specialists in the field for the co-creation of products, and VentureLab, which offers business development programmes for technology-based start-ups. These centres and initiatives are platforms through which social entrepreneurship, mostly commercial based (start-ups with a social purpose), takes place.



**Figure 1.** Geographical location of the Twente region in relation to the Netherlands and Europe. Source: ITC (2005) (courtesy: Faculty of ITC, University of Twente).



## RESULTS

This section entails a number of factors affecting the legitimacy process of social entrepreneurship within a higher education context, and a preliminary discussion in relation to them. The factors that impact the legitimacy process of social entrepreneurship are as follows:

- Expectations of external stakeholders, the difficulty of measuring social impact and third-mission indicators.
- Overemphasis on high-tech research and application.
- Absence of a leader in the field and organizational recognition in the UT.
- Stringent regulations of public institutions in the Netherlands.
- Lack of place-based belonging among student body, a barrier to fostering social entrepreneurs.

The factors are further elaborated upon in the following section.

### Expectation of external stakeholders, difficulty in measuring social impact and third-mission indicators

Five primary actors constitute the superordinate social system of the UT: the cities of Enschede and Hengelo, the Twente region with its administrative bodies – Regio Twente, Overijssel province, the Dutch government and the European Commission. Among these, the municipality of Enschede, the Twente region and the Dutch government can be considered as stakeholders, forming the biggest segment of the UT's superordinate social system. These actors expect the UT to contribute to its region socially and economically; however, they deem these outputs measurable. More specifically, they expect a short-term and immediate outcome of the UT's actions that is quantifiable in socioeconomic terms, as perceived by the UT members. The narrative of an academic staff mirrors the commonly shared perception in the UT: 'Everybody outside, the municipality (Enschede), the province or the government. ... They want something tangible. Something they can see and that can be observed in numbers like jobs, start-ups or money generated' (Academic staff, 2).

In addition, indicators aiming to evaluate third-mission activities of higher education institutions are rather biased towards economic and quantifiable outputs such as the number of licences granted, number of patent applications, spin-offs, research contracts and companies in incubators, revenue of external income, etc. The indicators certainly undermine the impact of certain disciplines, particularly in the social sciences and humanities. For instance, indicators value the amount of income a university receives whilst conducting research, but some disciplines within the social sciences and humanities are less costly compared with life and engineering sciences as they may require less equipment. This reinforces the perception that the level of income mirrors impact, which can be highly misleading (Rossi & Rosli, 2014). The indicators not only fail in reflecting the full picture of third-mission activities but also lead to the incentivization of certain types of behaviours among faculty members.

The lack of an efficient measurement of social impact and value further prompts the UT to canalize its members' efforts towards quantifiable third-mission practices, such as the creation of start-ups and spin-offs, patenting and licensing, rather than towards social entrepreneurship. An academic staff expressed it as follows: 'Of course you are free to contribute to it (social entrepreneurship) but sooner or later you will realize it does not have an impact on your career. Rather, industry income, establishing start-ups and spinoffs has' (Academic staff, 4). Unlike the outcome of social entrepreneurship, in many cases it is possible to quantify the effects of start-ups, spin-offs, patenting and licensing by simply indicating the number of these activities, the revenue they

generate and the jobs they create in a given period. To illustrate, a social entrepreneurship initiative that entails gathering senior citizens and university students to discuss the challenges pertaining to the place in which they live, and form a new coordination mechanism to address these challenges, may have considerable positive effects on narrowing the generational gap and age-related social issues in the Netherlands. Nonetheless, as the positive effect is neither quantifiable nor fully measurable, this particular initiative is unlikely to take place within the higher education setting of the UT. Recognizing incentivization of certain types of third-mission activities, a senior administrative staff further explains why enhancing social entrepreneurship has not yet been a proper action (Scott, 2008):

Well, there are a number of reasons why we [the UT] have not been able to invest more in that issue (social entrepreneurship), particularly when the outside world expects you to deliver immediate, financially measurable ventures in the city [Enschede]. They just want to have as many start-ups as possible in Enschede. Previously, they were concerned that some successful ones such as Booking.com were moving to the west of the country but now they are not concerned with this anymore. They demand and expect a circulation of ventures. Some will go, the new ones will be created and that is just fine for them, which is another debate in itself. (Administrative staff, 11)

Expectation of external stakeholders, difficulty in measuring social impact and third-mission indicators are three related factors that negatively affect the legitimacy process of social entrepreneurship within the higher education context. There exists a path dependency among them. Since there is a lack of an effective measurement for social impact, and third-mission indicators do not reflect the full spectrum of activities, external stakeholders have expectations geared towards quantifiable outcomes from universities. Similarly, since the superordinate social system expects quantifiable outcomes, the UT canalizes its members' efforts to third-mission activities that focus largely on the commercial value of research, pushing social entrepreneurship to the margin of the organizational agenda. These findings indicate a need for a framework on how to measure and/or disseminate social impact (Mulgan, 2010).

### Overemphasis on high-tech research and application

As mentioned above, the UT is one of the four technical universities in the Netherlands. The findings suggest that there exists a narrative of rivalry, although not a very robust one, between the UT and the other three technical universities inside the organization. Nevertheless, this narrative impels the UT to take actions that will preferably distinguish it from the other three universities by investing in new academic niches, incorporating high-end tech and increasing the quality of existing research areas. Surprisingly, the UT is determined to differentiate itself from the others by increasing the emphasis on high-tech related fields, as stated by a senior staff:

If you are a technical university, you need to do what technical universities do. If you want to survive in this competitive environment [technical universities], you need to differentiate yourself. Investing in high tech is a strategy, differentiating factor for us. With this, we spread the message that if you want to focus on any high-tech related field in the Netherlands, University of Twente is the place you should choose. (Administrative staff, 14)

This strategy is striking considering that research, development and implementation of high-tech is already an area in which the other three technical universities have heavily invested.

This focus is also exacerbated by the will of an external stakeholder, the Enschede municipality in this case, to transform the city into a regional high-tech hub. Accumulation of these factors urged the UT to concentrate on strengthening this particular field as a research area and encouraged its academic staff, including those in the social sciences and humanities, to frame their

research accordingly. For instance; a faculty member in the philosophy department is expected to specialize on the philosophy of digital technologies. A social scientist in public administration is expected primarily to specialize in the role of digital technologies in public governance. A psychologist is anticipated to conduct research in the field of robot–human interaction. Nevertheless, the discontent about the framing of research interests in relation to high-tech among the academic staff has grown, as exemplified by following:

To be honest, I am a bit tired and concerned at the same time about the university demanding that we should frame our research in line with high-tech. There is so much emphasis on high-tech. We have several social challenges in the Netherlands of which solutions do not necessarily entail any kind of high-tech application. What if I come up with such an idea? Nothing much happens because it does not fulfil the interest of the UT. (Academic staff, 9)

The academic staff is not the only group expected to frame their interests in relation to high-tech. Students also experience it in different ways.

We started a project to empower local people working in agriculture sector both in the Netherlands and Colombia. In the beginning, the project was progressing gradually, you know ... when you start a project everything becomes clear slowly afterwards. After some weeks UT started to check if we embed high-tech in our project. We did not because we did not need it. After some months when it became clear that this project does not involve any kind of high-tech applications in the process, the support started to fade away gradually. (Student, 16)

I am a third-year psychology student and it took me three years to finally find my place in this university. I think it [the emphasis on high tech] is really overwhelming. We [psychology students] constantly question our role, our place in this university. That is so sad because there is so much psychologist can do for the people here [the UT] and outside [the region]. (Student, 17)

The above demonstrates that the concentration on the development and application of high-tech has also been incorporated into student projects and initiatives. An overemphasis on this impacts social entrepreneurship in two ways: (1) any social entrepreneurship initiative that does not entail a high-tech dimension receives little to no support, regardless of its benefits for the locals; and (2) the societal challenges the region faces receives little attention inside the UT when the use of high-tech is not part of the solution. Thus, the potential of the academic and student body in contributing to solving grand challenges via social entrepreneurship remains unexplored.

### Absence of a leader in the field and organizational recognition

Social entrepreneurship as a research field does exist in the UT, particularly in the NIKOS academic centre (Netherlands Institute for Knowledge Intensive Entrepreneurship); however, only a handful of researchers affiliated with the centre focus on it. Interviewees frequently touched upon the necessity of social scientists who devote a vast portion of their research career to social entrepreneurship. Findings indicate that social scientists with academic expertise, mostly in social entrepreneurship, are fundamental for two reasons: (1) to have a product champion(s) who would lead the development of social entrepreneurship; and (2) consolidate it as a research field within the UT. Current efforts of academics focusing on social entrepreneurship are rather fragmented. Among a handful of those researchers, some are affiliated with more than one university, therefore allocating a significant period of time to another institution while some others simply reside outside the Twente region or the Netherlands. The following statement of an interviewee epitomizes the situation in the UT:

What we are missing here is a leader in social entrepreneurship. There is no product champion at the moment. The ones we have are either very limitedly connected to this university or live elsewhere. That is a pity. This is why I say the first thing I think to do here is to attract a professor on social entrepreneurship or somebody who likes social entrepreneurship quite a lot and leads the process. I talked to rectors and also chairman of the board. They are absolutely not against it, but they are not a product champion, and you need a product champion. (Administrative staff, 10)

Informants also base the need for a product champion for social entrepreneurship on the history of organizational developments in the UT, as articulated by a faculty member: 'The problem is that we do not have a Van den Kroonenberg (the rector who championed the entrepreneurial university model in 1980s) for social entrepreneurship' (Academic staff, 5) – pointing to the significance of endogenous leadership that has manifested itself in organizational developments throughout the history of the UT.

Another dimension that has constantly been of focus in terms of this particular theme is the lack of attention devoted to existing social entrepreneurs (academic and administrative staff, and students) in the UT. There is a consensus that the UT has not placed enough emphasis on successful social entrepreneurs who are, in some way, affiliated to the university through various media outlets, such as the independent journalistic medium of U-Today – campus-based, local newspapers, official Facebook and Twitter pages, and YouTube channels: 'When there is a student starting a company, he or she is all over the place. In the website, Facebook, newspapers. When we [students] work in these [social entrepreneurship initiatives], we do not get any attention' (Student, 16). This can be interpreted as a consequence of social entrepreneurship not yet being legitimized inside the UT, postulated by various media outlets (Deephouse & Suchman, 2008).

### Stringent regulations of public institutions

One of the most frequently highlighted issues in the interviews was the fact that public institutions in the Netherlands have miscellaneous internal regulations and occasionally contrasting organizational interests, making inter-institutional collaborations even more challenging. The working schedule of faculty members in the UT is one such regulation that limits the room for engaging in third-mission activities that do not generate any income. Faculty members are to fill out a weekly timetable stating the areas in which they spent their time working. The time allocated for third-mission activities that do not necessarily generate any income is rather limited. Considering that social entrepreneurship requires a collaboration mechanism of various sectors, agents and institutions, which is a time-consuming process, faculty members can only allocate a limited number of hours to work for social entrepreneurship projects: 'First of all, how will you arrange your time sheets? This is not something that generates income so how many hours will you be able to dedicate, and more importantly will it be allowed by your department?' (Academic staff, 8).

Another participant reflected on organizational flexibility in public institutions in the Netherlands:

The biggest barrier [to enhancing social entrepreneurship] is traditional organizations and professionals who have to look after their responsibility to make sure that everything is organized and absolutely in line with internal regulations. That is the biggest hindrance. And the fact that we have organized everything so perfectly in the Netherlands that we think, from working schedules to employee expertise and more, makes the new initiatives extremely hard to realize. (Administrative staff, 15)

Relatively restrictive internal regulations alike can be encountered in other public institutions that prevent employees from devoting a significant period of time to collaborative, social

entrepreneurship projects, as claimed by an UT employee: 'We worked with them [employees in municipalities]. They also have problems when they spend time in projects with us because their job descriptions can be very strict' (Academic staff, 3). Although one might infer this to be an issue regarding employee flexibility, the nature of the abovementioned challenges should be considered as a lack of organizational flexibility (Skorstad & Ramsdal, 2016). It is further constrained when public institutions do not see any positive political reciprocity in social entrepreneurship initiatives, particularly when they feel that the continuation of their political mandate is at risk.

### Lack of place-based belonging

One last factor that does not necessarily impact the legitimacy of social entrepreneurship in the UT but makes its manifestation among the student body relatively difficult is the lack of place-based belonging to the region. The UT is located between the cities of Enschede and Hengelo, approximately 5 km from each city, and it has a full campus where almost all faculties, research centres and student facilities are located. Interviewees stated that the interaction of students with these two cities is limited: 'It is technically possible to live here without having to go to the city throughout your studies. This is not myth. I know people who have finished their studies and been to city only once or twice' (Student, 17). Students do not engage much with the region or the local people, leading to a lack of place-based identity formation and a sense of belonging (Benson & Jackson, 2012; Scannell & Gifford, 2010):

Our students come from all over Netherlands and the world. You cannot expect them to be enthusiastic in these [social entrepreneurship initiatives] when they do not know much about local people and their challenges. Unfortunately, their interaction is very limited. (Academic staff, 7)

This is significant in the fostering of social entrepreneurship if the aim is local impact for two reasons: (1) social entrepreneurs need to develop a deep understanding of the region in which a particular social issue is observed, and its socio-political conditions; and (2) social entrepreneurs should sympathize with a particular segment of society that suffers from a social issue to develop initiatives targeting solutions and social change (Dees, 1998).

To sum up, the findings demonstrate that social entrepreneurship has been pushed to the margins of organizational agenda in the UT due to various reasons. It has only been found to be relevant when the endeavour entails the establishment of a start-up, encompassing a mission of creating social value, somehow incorporating the use of high-tech. As for fostering social entrepreneurs among the student body, their limited interaction with the region and its actors makes this rather difficult.

## DISCUSSION AND CONCLUSIONS

This paper has sought to shed a light on the factors affecting the legitimacy of social entrepreneurship in the UT. The findings suggest that a number of factors hinder this process. Based on these factors, the legitimacy process for social entrepreneurship remains unestablished. As a matter of choice, the UT has attempted to garner legitimacy for a rather limited form of social entrepreneurship, which entails encouraging the establishment of start-ups that have a social mission, indicating isomorphism and decoupling (Boxenbaum & Jonsson, 2008) surrounding the practice of subject matter. This decision is in line with the expectation of external stakeholders, therefore suggesting congruence between its values and the superordinate system to which it belongs (Dowling & Pfeffer, 1975).

Although the municipality (Enschede), the provincial government (Overijssel), the Dutch government and the European Commission expect the UT to contribute to the social and economic development of its region (as perceived by the UT), the demand for quantifiable and

economic outcomes and assistance in transforming the region into a high-tech hub outstrips the social expectation. In other words, while economic expectations from the UT have long been clear (i.e., generating start-ups and spin-offs, creation of jobs via these, etc.), the social expectations are rather fuzzy, leaving room for dozens of interpretations. How does a university have a social impact on its region? Is it by enhancing social entrepreneurship, community engagement and industry collaboration or preparing the students for future jobs? In the midst of all these possibilities, the UT has decided to prioritize economic expectations in a quantifiable manner and argue its social impact through positive externalities of economic outcomes (i.e., jobs created in the region via start-ups), thereby seeking congruence between its own and the stakeholders' values to survive (Dowling & Pfeffer, 1975; Maurer, 1971). Consequently, social entrepreneurship has not been promoted as one of the 'proper actions' in the university (Scott, 2008). Actors perceive this template through the cultural-cognitive pillar of the UT whereby they realize that enhancing social entrepreneurship is not a 'comprehensible, recognizable, culturally supported' behaviour (Scott, 2008, p. 60).

With regard to the three phases of the legitimacy framework provided above, the first phase has taken place, though not necessarily for social entrepreneurship. More specifically, the expectation from external stakeholders lies mainly in three areas: to contribute to its region socioeconomically, to transform the region into a high-tech hub and to address grand social challenges. The first two were found to have significantly higher influence. In addition, the UT argues that by focusing on the first and second expectations, it is already addressing grand challenges. As such, there was no value conflict between the superordinate social system and the organizational values of the UT, particularly reinforced by those who are in the steering (university governance) positions, since they also share similar views. Thus, the first phase of the legitimacy process is completed, without much value conflict and a further leap to the second and third phases.

The implications drawn from this particular case are manifold.

- Pattern of triggering institutional change in response to the expectations of the external environment can be historically contingent (Thornton & Ocasio, 2008). More specifically, significant institutional change processes were realized through the great efforts of strong, key individuals throughout the history of the UT, as is the case with former rector Harry Van den Kroonenberg who championed the entrepreneurial university model. It appears that this has become a tradition in the university. As such, it can be argued that if similar institutions are to contribute to social entrepreneurship, a prominent figure who can make the case and lead the processes becomes essential (Bolman & Deal, 2017).
- If social entrepreneurship is expected to be enhanced by universities and other public institutions, the importance of organizational legitimacy should not be underestimated. To assist in constructing it, there are several roles external stakeholders (institutions and policy-makers) must assume. Upon clarifying expectations with respect to the social impact of universities, policy-makers should also design appropriate strategies, such as incentive systems, funding mechanisms, embracing the often underestimated, unmeasurable or hard-to-gauge impacts, work flexibility of the employees of a region and focus on regionally relevant science that would help universities fulfil these expectations. In this regard, universities should not be left alone.
- Universities' contributions to social entrepreneurship should be addressed holistically. This requires a focus and analysis of the increasingly competitive environment within which they function (Hazelkorn, 2011). This environment has urged the UT to construct an organizational identity based on competitiveness, rivalry and differentiation due to the metrification of academia, evaluation systems and research funding regimes. Without it, perhaps the construction of an organizational identity that is also based on regional alignment would be possible.



- Whenever a university's enhancement of social entrepreneurship is discussed, students usually receive the attention and are seen as the potential agents of change (Pache & Chowdhury, 2012). However, challenges emerge for campus universities located relatively far from cities, where students have little or no interaction with the region. Such universities should aim at designing an organizational environment that will foster university-region interactions at all levels. Designing courses regarding the characteristics of the regions, planning some of the academic and social events with local residents of the cities, and aligning student projects with regional needs are some instances. Initiatives should go beyond enabling only a small segment of students to undertake internships and should incorporate university–region interaction into teaching and research (Goddard et al., 2016).

In addition to filling the empirical gap that exists in legitimacy studies, with most scholarship being highly theoretical (Deephouse & Suchman, 2008), this study also points to new research avenues. A study exploring institutional logics (with respect to social entrepreneurship) occupying the organizational field, in a given region composed of several actors, is highly recommended. Such a study will likely provide academics and policy-makers with a holistic glimpse into the state of social entrepreneurship.

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