



What is different about social enterprises' operational practices and capabilities?

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Abstract

The aim of this paper is to identify the main practices and capabilities developed by social enterprises and to explore the relationship between the dual organizational identity of social enterprises and their operational capabilities. A multiple case-study research is conducted comprising five cases representative of the diversity of social enterprise models. The results suggest that the operations strategy in social enterprises is influenced by their dual organizational identity and entails some operational practices and capabilities beyond those traditionally reported in manufacturing companies. They adopt a greater diversity of practices aimed at improvement and cooperation capabilities and their specificities lead to the development of the mobilization of resources capability and the openness capability. Social enterprises with a high social identity show greater evidence of the development of these operational capabilities. This study contributes to the literature on operations strategy by identifying a set of operational practices and capabilities developed by social enterprises and exploring how they are influenced by their dual organizational identity. It responds to the claims that suggest that studying social enterprises would be a fertile ground to advance theoretical and empirical research in the field of service operations. Developing knowledge on the operations management of social enterprises provides valuable insights into improving the performance of such organizations.

Keywords Operations strategy · Operational capabilities · Operational practices · Social enterprise · Organizational identity · Social identity

1 Introduction

Operations strategy has been extensively explored in the literature on operations management (Boyer et al. 2005; Chatha et al. 2018; Rungtusanatham et al. 2003). Defining an operations strategy typically involves a set of decisions

concerning the structure and the functioning of the operating system (Slack et al. 2001). These decisions represent how the organization uses its resources to develop operational capabilities that will enable it to achieve a sustainable competitive advantage in the sector (Lowson 2002, 2003) and, consequently, the expected performance (Espino-Rodríguez and Gil-Padilla 2014; Martín-Peña and Díaz-Garrido 2008a). Empirical research work done in the field of operations strategy has mainly focused on the study of operations strategy configuration models based on the competitive priorities pursued or on the operational practices and capabilities implemented and developed by manufacturing companies (Chatha et al. 2018; Martín-Peña and Díaz-Garrido 2008b). Service operations research is not prominently represented in the literature (Seyedghorban et al. 2021).

According to OECD estimates, services represent about 85% of the employment in OECD countries, and most of the organizations acting in the service industries are micro and small and medium-sized enterprises (OCDE 2020). They have a wider product variety and greater process variability compared to manufacturing companies (Belvedere 2014).

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The management problems of service companies present some characteristics that make them more difficult to study than manufacturing management problems. They are fuzzy, unstructured, multidimensional, complex and less conducive to analytical modeling (Roth and Menor 2003). The majority of operations management principles and tools have been developed for large-scale manufacturing systems and their application and implementation to service enterprises is not straightforward (Belvedere 2014). Some research work has been published addressing the topic of the operations strategy in service enterprises (Aranda 2002; Fan et al. 2017; Ibrahim 2010; Voss et al. 2008), as well as extending the set of competitive priorities, including dimensions such as social and environmental sustainability (Longoni and Cagliano 2015). Nevertheless, these studies still represent a minority (Seyedghorban et al. 2021; Thomé et al. 2016).

Social enterprises are considered as a fertile ground to advance theoretical and empirical research in the field of service operations (Field et al. 2018; Victorino et al. 2018). Despite the difficulties in presenting aggregate figures for the number of social enterprises, they have grown into a widespread phenomenon over the last few decades. A comparative report published by the European Commission, which provides an overview of the social enterprise landscape in Europe confirms that social enterprises are a relevant phenomenon in the light of the services delivered (European Commission 2020). Social enterprises are organizations that pursue social and economic goals simultaneously (Battilana and Lee 2014; Doherty et al. 2014). They are generally micro and small organizations (European Commission 2020), that can address a wide range of social issues and take multiple forms (Battilana and Dorado 2010; Defourny and Nyssens 2017; Doherty et al. 2014; Jäger and Schröer 2013; Teasdale 2012). According to the social enterprise spectrum school of thought, social enterprises include a spectrum of organizational types, reflecting different levels of devotion to social purpose versus generation of revenues (Defourny and Nyssens 2017; Gamble et al. 2020; Seanor et al. 2013; Young and Lecy 2014). For that reason, they are frequently treated as dual identity organizations (Moss et al. 2011; Smith et al. 2010; Stevens et al. 2015), as they combine a market identity, originating from their business focus (i.e., entrepreneurial, product/service oriented), with a social identity arising from their social mission (i.e., social, people oriented) (Ávila and Amorim 2021; Moss et al. 2011). However, conciliating social and market concerns under the same organizational and operational system requires the creation of new operational processes to manage conflicting demands. Some of the challenges faced by social enterprises include the management of scarce resources, the workforce, as well as quality and performance measurement issues (Battilana et al. 2012; Cornforth 2014; Doherty et al. 2014; Smith et al. 2013). To

our knowledge the operations strategy of social enterprises has not been addressed in the literature before. However, taking into consideration their defining characteristics, the challenges they face and the increase in their activity around the world, there seem to be enough arguments for a detailed study of the operations strategy of social enterprises.

The aim of this study is to address this gap. Drawing on the resource-based view (Barney 1991; Penrose 1959), the distinctive operational capabilities developed by social enterprises are identified by identifying such organizations' operational practices and routines. The study also explores how organizational identity may influence the development of operational capabilities. It builds on the analysis of multiple case studies, and the authors seek to respond to the following research questions:

RQ1: What are the main operational practices and capabilities developed by social enterprises?

RQ2: How does the dual organizational identity of social enterprises influence the operational capabilities they develop?

This work contributes to the literature on operations strategy by identifying a set of operational practices related to the development of distinctive operational capabilities in social enterprises. From the analysis and discussion of multiple cases, theoretical propositions are advanced on how the dual organizational identity of social enterprises may influence the operational capabilities developed. This research work also provides relevant insights for practitioners. The findings could help social enterprise managers assess operational practices in the field, taking into consideration the objectives and characteristics of their organization.

The paper is organized as follows. The earlier section introduces operations strategy and why the operations strategy of social enterprises should be studied. Then, the research methodology is described, followed by the presentation of the main findings. Finally, a conclusion section is presented, addressing the implications of this study for academics and practitioners, its limitations and suggesting some directions for future research.

2 Background

2.1 A resource-based perspective on operations strategy

New processes arise over time from economic trends of expansion and recession, changes in consumer expectations, advances in technology and shifts in the world's manufacturing base, which change the nature of operations management practices (Walker et al. 2015). Operations strategy is one of the main topics addressed in the operations management

literature and that continues to be considered of extreme importance in the field (Thomé et al. 2016), as new theoretical developments are needed to respond to the challenges faced by new forms of organization and to the changes in operations management practice. Slack et al. (2001) define operations strategy as “the pattern of strategic decisions and actions which set the role, objectives and activities of operations”. Lawson (2001) provides a more elaborated definition, arguing that: “an operations strategy aims to perform key operational management activities better than rivals so as to provide support for the overall strategy of a firm as well as serving as a firm’s distinctive competence”. According to the same author, individual activities can be quickly imitated by other companies, but not the way they are combined to form a unique operations strategy. The importance of an operations strategy in the pursuit of a competitive advantage was also noted by McDermott et al. (2003), who suggest that a company’s ability to sustain a competitive advantage depends on the successful implementation of the opportunities identified at the operational level. Even for those organizations not competing for financial gains, such as public sector organizations, which have limited funding and resource constraints, improving operations capability is important in order to better serve the public (Fan et al. 2017).

Market-based and resource-based views are considered the two major schools of thought regarding the formulation of an operations strategy (Lawson 2003; Thun 2008). Although the importance of the alignment between the business strategy and operations strategy has been widely recognized, the resource-based view, grounded on the work of Penrose (1959) and Barney (1991), suggests that sustained competitive advantage comes from the extent to which firm’s resources (e.g., assets, processes, knowledge) are valuable, rare, as well as being difficult to imitate or to substitute. According to this theory, organizations should focus on their strengths through their resources rather than focusing on environmental opportunities and threats as suggested by the market-based view (Barney 1991; Penrose 1959; Walker et al. 2015). In this sense, focusing on the acquisition, development, and leverage of unique operational resources and advantages in order to change the rules of competition is more profitable than following the rules dictated by markets (Gagnon 1999).

According to this approach, operational capabilities draw on resources and practices to generate outcomes that are consistent with the desired results (Peng et al. 2008; Swink and Hegarty 1998; Wu et al. 2010, 2012). Wu et al. (2010) affirm that operational capabilities include both explicit elements, such as resources and practices, but also tacit elements, such as know-how or skills to handle a variety of problems and deal with uncertainty. They are company specific, influenced by a company’s history and decision makers and emerge gradually over time. The participants may be unaware of

their existence, so they may be validated empirically by being applied to problems a company is confronted with. The same authors identify six operational capabilities—Improvement, Innovation, Customization, Cooperation, Responsiveness and Reconfiguration, resulting from the refinement of the work by Swink and Hegarty (1998) in terms of dimensionality, uniqueness and applicability. Peng et al. (2008) also conceptualize an operational capability as a bundle of routines. According to them, the pathways to the development of operational capabilities can be uncovered by deconstructing them into specific and identifiable routines.

Regardless of whether or not they are established on a more conscious basis, operations practices result from the choices made by the organization concerning different aspects of the operating system with long-term or short-term impacts on the organization’s ability to produce goods and services that provide added value to customers (Peng et al. 2008; Swink and Hegarty 1998; Wu et al. 2010, 2012). On the one hand, the organization makes choices regarding: capacity, vertical integration or plant location that have strategic implications, require a significant investment, and have a long-term impact. On the other hand, choices are also made regarding: workforce management, organization, quality or new product/ service development, which require smaller investments (Díaz Garrido et al. 2007; Espino-Rodríguez and Gil-Padilla 2014; Roth and Menor 2003).

Operational decisions referred to in the literature concerning the field of manufacturing also apply to a great extent to service enterprises although they present some specificities (Espino-Rodríguez and Gil-Padilla 2014; Roth and Menor 2003). In the context of services, long-term decisions may also include those related to the touch points with clients as well as the relative allocation of service tasks to the front- and back-office or the number and types of distribution channels. Short-term decisions focus on the management of human resources, policies, and programs. In the literature on operations strategy in services, the existence of integration choices is also reported, which revolve around the issues of external integration, internal integration and adaptive mechanisms (Fan et al. 2017; Roth and Menor 2003). Heineke (1995) argues that long-term decisions are even more critical for service enterprises, since decisions regarding the location of service provision are determined by customers and capacity choices are made through workforce decisions, especially in labor intensive or highly customized services, which require a specialized workforce.

In the literature on operations strategy, many classification schemes are found, which identify operations strategy models with distinct configurations. Empirical studies frequently compare organizations regarding their practices at the operational level (Martín-Peña and Díaz-Garrido 2008b). Table 1 provides an overview of the operational policies and practices considered in those studies.

Table 1 Manufacturing practices reported in the literature on operations strategy configuration models

Authors	Manufacturing practices
Stobaugh and Telesio (1983)	Location and scale of manufacturing facilities, Choice of manufacturing process, Span or degree of vertical integration of each manufacturing facility, Use of R&D units, Control of the production system, Licensing of technology
Wheelwright and Hayes (1985)	Capacity; Facilities; Equipment and process technologies; Vertical integration; Vendors; New products; Human resources; Quality; Systems
De Meyer (1992)	Giving workers a broad range of tasks (job enlargement); Giving workers more planning responsibility (job enrichment); Changing labor/management relationships; Worker training; Supervisor training; Developing new processes for new products; Developing new processes for old products; Integrating information systems between manufacturing and other functions; Integrating information systems within manufacturing; Statistical quality control (process); Statistical quality control (product); Improving new product introduction capability; Reducing the size of manufacturing Workforce (including hourly and salaried)
Miller and Roth (1994)	Labor/Management relationships; Zero defects; MFG lead time reduction; CAD; New process/new product; Closing plants; SPC (process); SPC (product); New product introductions; Reducing workforce size;
Avella et al. (1998, 1999)	Capacity, Location, Technology, Vertical integration/relations with suppliers; Personnel management, Quality control and guarantee system, Production and inventory planning and control systems, Development of new products, Organisational structure
Sum et al. (2004)	Reducing product/service cost; Obtaining ISO9000 certification; Obtaining ISO14000 certification; Skills upgrading/training of workers; Implementing just-in-time systems; Increasing automation and mechanization; Using e-commerce; Improving capacity utilization; Adoption of management/planning IT systems; Employing better forecasting systems; Implementing business process reengineering; Benchmarking; Downsizing/retrenchment; Implementing TQM; Seeking new regional and global markets
Martín-Peña and Díaz-Garrido (2008a)	Capacity; Location; Technology; Vertical integration; Workforce management; Quality management; Production planning; Organisation; Environmental management

The identification of operations strategy configuration models and, therefore, the identification of strategic groups of organizations with common profiles may reveal insights into the underlying structures of competition (Longoni and Cagliano 2015; Miller and Roth 1994; Stobaugh and Telesio 1983). Configuration models can be used to determine and to compare how members of strategic groups define the content of an operations strategy, as well as deepening our understanding of operations strategy development, implementation and change and to discuss the paths organizations can take in the development of long-term capabilities (Bozarth and Mcdermott 1998; Miller and Roth 1994). Identifying operational practices and capabilities in social enterprises is an indispensable first step in the study of their operations strategy configuration models.

2.2 What is different about social enterprises?

In the last decades, social enterprises have grown in number and visibility due to the blurring of boundaries between sectors (Santos et al. 2015). Social enterprises are organizations that pursue a social mission while engaging in some form of commercial activity to generate revenue to sustain their operations (Battilana and Lee 2014; Pache and Santos 2012). They aim to create social and economic impact by trading for a social purpose (Haugh 2012). For that reason,

social enterprises are considered dual identity organizations, caught between the competing demands of market logic and social welfare logic (Pache and Santos 2012). They may combine different levels of social identity and market identity, depending on the importance attached to social aspects (e.g., participatory decision-making, offering an inclusive work environment and having a positive effect on the natural environment), or market aspects (e.g., offering competitive products and services, customer service, business expertise of staff and quality of products and services) (Ávila and Amorim 2021).

Like most service companies, social enterprises carry out a diverse set of activities and are typically small in size. According to the world's largest panel database on social enterprises, which includes those from nine countries (from Europe, Russia and China), at least 65% are either micro or small enterprises. Most of them develop their activity in business activities and services (specifically, business-related services, e.g., consulting, legal advice), other community and social services (e.g., associations, parties, churches, museums, libraries, sport clubs), education, and health and social work (nursery, kindergartens, schools, other education) (SEFORIS 2016).

On the organizational landscape, social enterprises are positioned between traditional non-profit and traditional for-profit organizations (Neck et al. 2009; Wilson and Post

2011). They are different from traditional for-profit organizations that seek to maximize profit and distribute it among shareholders, as they prioritize social change over the creation of private wealth (Doherty et al. 2014). They combine market-oriented approaches with social aspirations, whereas socially responsible businesses seek to integrate social aspects into core business strategies (Grant and Palakshappa, 2018). Social enterprises also differ from non-profit organizations that run commercial activities as a means of obtaining additional funds, but often depend on grants, donations and legacies (Doherty et al. 2014).

Social enterprises are an ideal type of hybrid organization, making them an attractive setting for studying hybrid organizing, i.e., the activities, structures, processes and meanings by which organizations combine multiple organizational forms (Battilana and Lee, 2014). They are hybrid in form, as they can be seen as a combination of a for-profit and a non-profit organization, but also hybrid in substance, oscillating between a welfare and a business orientation (Gidron 2017). Despite the evidence that social enterprises generate great social impact, their dual identity makes them fragile organizations that run the risk of internal tensions and mission drift (Ebrahim et al. 2014; Santos et al. 2015). There are still questions about whether social enterprises can sustain social and business demands and survive in the long-term while preserving their hybridity, under the arguments that social impact costs can diminish their competitive advantage in the market or that financial pressures can force them to compromise key aspects of their social mission (Smith and Besharov 2019).

In recent years, some authors have identified some domains where tensions arising from the dual identity of social enterprises have been reported. Wilson and Post (2011) suggest that these tensions are mostly at the operational rather than strategic level. According to the authors, the process of designing new business models or redesigning the existing ones largely mediates tensions and makes it possible to carry out their social mission through a market-based approach. Smith and Besharov (2019) also suggest that social enterprises can sustain hybridity over time through a continuous adaptation of meanings and practices. They argue that tensions trigger a search for responses, causing leaders to interpret and reinterpret their identity and explore alternative practices to face tensions and fulfill their mission. Doherty et al. (2014) affirm that tensions impact operationally on goals and acquisition of resources and the way each social enterprise chooses to deal with them depends, to a great extent, on the level of integration of activities and the diversity of the stakeholders with whom it interacts (Battilana and Lee 2014). Tensions related to the integration of social and income-generating activities, the way they manage their relationships with different groups of stakeholders, as well as the tensions arising from the management of

human resources and the potential need to balance staff with both commercial and social knowledge are the ones most frequently mentioned in the literature (Battilana and Lee 2014; Cornforth 2014; Doherty et al. 2014). Goyal et al. (2016) also identify a set of contextual and operational challenges, including resource mobilization, characteristics of their offerings and impact assessment.

Based on the literature on social enterprises, there are some decision domains that seem to be more critical for these organizations. In the first instance, they should make decisions in terms of geographic scale and scope (i.e., capacity), deciding whether they want to maintain a more localized focus or to provide a solution that may be applicable to other contexts. For instance, Kimmitt and Muñoz (2018) observed that the solution can remain either closed or open. On the one hand, the solution is already assumed and closed to new possibilities, while, on the other hand, it may remain open and new ways of solving the social problem are considered and enacted at the local level. This choice may influence the way they relate with the community and key stakeholders (Smith and Stevens 2010).

Then, there are the choices related to the internal tensions reported in the literature, such as the decisions regarding organization, workforce, and quality issues. Like other organizations, social enterprises have to make choices regarding decentralization or participation in decision making (Espino-Rodriguez and Gil-Padilla 2014). For instance, if they are acting in more than one location, they can choose whether they want to involve local actors in the decision making, as experts on local issues, or to make decisions centrally (e.g., at the national level) and give experts the legitimacy to address the organizational and strategic challenges of the social enterprise (Pache and Santos 2012). Moreover, some of them have to manage a workforce composed of paid employees and volunteers, who have different needs and expectations, for example, in terms of job characteristics (Millette and Gagné 2008; Studer 2016) or a workforce composed of people from different backgrounds. Different subgroups within the social enterprise can hold different values and beliefs, which can lead to conflict (Smith and Besharov 2019).

Decisions concerning quality focus on issues related to the processes for the continuous improvement of the organization's activities which, in turn, relate, for example, to the development and management of performance indicators and objectives (Slack et al. 2001). The balance between social and financial metrics for performance monitoring and the identification of opportunities for the continuous improvement of operations can also be a key issue for social enterprises. Decisions on the development of new products, services or processes are also considered in the set of decision-making areas of social enterprises once these organizations are recognized by the development of

innovative solutions to social problems (Austin et al. 2006). In this regard, they can make decisions, for example, on the involvement of customers and/or beneficiaries in the development and delivery process that may have an impact on achieving their goals.

The aim of the research described in this paper is to investigate what operational practices are adopted by social enterprises that lead to the development of distinctive capabilities, discussing them in relation to the prevalent literature. The objective is to identify operational practices in the specific context of social enterprises, while understanding what the main operational capabilities developed by social enterprises are, which practices contribute to their development, and if they are associated with their dual organizational identity. This work also responds to the claims in the literature that identify non-profit and voluntary sectors, and in particular social impact services, as a fertile ground to advance theoretical and empirical research in the field of services operations (Field et al. 2018; Johnston 2005; Victorino et al. 2018).

3 Research methodology

Case research is considered one of the most powerful research methods in the field of operations management, especially for theory building, to explore new areas and to integrate existing topics and theories with new ones, leading to new and significant contributions to the field (Barratt et al. 2011; Voss et al. 2002). Since no studies on the operations strategy in the context of social enterprise are known, a study was conducted employing a multiple case research. The small size of these organizations, as well as the conviction about the diversity of social enterprise models and activities justifies the analysis of multiple cases that may offer rich information that is representative of that diversity, rather than analyzing data collected through a standardized instrument. It provides a strong basis to evaluate the research questions, extending existing theory on operations strategy and generating new theoretical and managerial insights (Yin 1994). It also responds to the call from some authors to use alternative methods to those typically employed in the operations management field (Samson and Kalchschmidt 2019; Voss et al. 2002).

3.1 Case selection

The selection of cases is a very important step to ensure that they are representative of the phenomenon under study and, therefore, can support the generalization of any results. This is even more critical in this study given the specificities and diversity of models and activities carried out by social enterprises, together with a lack of dominant typologies or classifications from an operations perspective that

could guide the development of sampling criteria. Thus, the selection of cases built on the analysis of existing evidence about social enterprise, notably resorting to data collected previously under the SEFORIS project. SEFORIS was considered a good stepping stone as it is the world's largest and most rigorous panel database on social enterprise. It gathers representative samples of social enterprises in nine different countries from Europe, Russia and China, including Portugal, where the present study was conducted. The selection of organizations from the SEFORIS database ensured from the outset that all cases meet the criteria established for the definition of a social enterprise (i.e., a clear social mission, at least one full-time employee, excluding self-employed and volunteer-only organizations, and at least 5% of self-generated revenues), as well as some prior knowledge about the activities of the social enterprises, obtained through the data available on the SEFORIS database, in which the authors were involved.

A preliminary list of social enterprises was drawn up including organizations combining different levels of market identity and social identity, i.e., based on the importance attached by the leaders of these organizations to market aspects (offering competitive products and services, customer service, the business expertise of staff and the quality of products and services) and social aspects (participatory decision-making, offering an inclusive work environment and having a positive effect on the natural environment), respectively. The representativeness inherent to the heterogeneity of the cases was also ensured through the selection of social enterprises whose main activities are classified in different social and industrial sectors, with an organizational age ranging from 5 to 15 years, and from different locations. The final selection of the social enterprises was driven by feasibility criteria. In total, five cases were included in the study. Table 2 gives an overview of the final selection of cases.

The social enterprises selected are representative of the main sectors in which social enterprises operate according to prevalent statistics on the sector. They develop their main activities in the field of services, although some of them offer products to complement the services provided. In the case of social enterprises A and B included in the study, they combine a high social identity with a high market identity. Both were celebrating a decade of existence and had less than five paid employees and volunteers in their workforce. Social Enterprise C combines a high social identity with a low market identity. It is the oldest and the one that had the most paid employees and volunteers in its workforce among all the cases. Social enterprises D and E combine a high market identity with a low social identity. They had less than ten years of existence, but had more paid employees than social enterprises A and B, and fewer volunteers than the previous social enterprises (Social Enterprise E had

Table 2 Cases overview

Social enterprise	A	B	C	D	E
<i>Social identity</i>	High	High	High	Low	Low
<i>Market identity</i>	High	High	Low	High	High
<i>Organisational age</i>	10	10	15	5	8
<i>Industrial sector</i>	Education	Health and social work	Education	Other community and social services	Other community and social services
<i>Social sector</i>	Education and research	Health	Education and research	Health	Development and housing
<i>Num. of paid employees</i>	2	3	18	8	8
<i>Num. of volunteers</i>	3	4	15	1	0

no volunteers). The diversity of cases, especially in terms of organizational identity, provided the conditions to explore operational capabilities in different organizational contexts and draw conclusions on how these characteristics may influence the capabilities developed by social enterprises.

3.2 Case descriptions

Social Enterprise A began in 2008, after identifying the need to train people in volunteering. Its aim is to change the rather out of date paradigm of solidarity based on “goodwill”, to a new and emergent paradigm that should be based on “doing good”. It is composed of highly qualified people. The founders and collaborators are experienced and qualified in the field, coming from complementary areas—volunteering, international cooperation, health, economy, management, professional training, and art, among others. The activities of the organization include the provision of: training courses, consulting services, lectures, education for volunteering, participation in international projects and the production of knowledge in the field, which is made available through some publications. This social enterprise commercializes social services (i.e., training courses, consulting services) and products (i.e., publications and other merchandising), selling them to its main target groups, individuals or a third-party payer (e.g., municipalities that want to offer training opportunities for non-profit organizations or organizations that want to train their employees or volunteers). Some of the revenue generated through those activities is used to fund sessions for children to raise awareness about volunteering.

Social Enterprise B was established in the same year and its purpose is to contribute to the fight against childhood obesity by promoting healthy eating habits and lifestyles. It runs two main groups of activities. On the one hand, it has a kitchen where cooking classes are taught, making a practical component of nutrition education for children, families, and school groups possible. In addition, some activities are

also promoted in schools and other contexts for different audiences. The activities are supported by manuals that the organization produced and are distributed to the participants. Further, the social enterprise has a cafeteria, provides catering services and organizes birthday parties, which helps ensure its financial sustainability. This organization has two legal entities, a non-profit entity and a for-profit entity, which allows the social enterprise to combine the two groups of activities within the same organizational structure. Programs run in schools are usually paid for by local municipalities. The income generated through the cafeteria, the catering services and the birthday parties is used to partially fund the social programs.

Social Enterprise C was founded in 2003 by a group of parents who wanted to promote the support and social integration of people with Asperger’s Syndrome to favor the conditions for an autonomous and more dignified life. Since 2014, it has had a unique and innovative space where people over the age of 16 have access to a wide variety of community integration activities. This social enterprise also has a school-community program and an employability program to promote training that allows them to explore professional vocations and the transition to social-professional integration programs in partnership with “receptive” enterprises. Other services available to the community include sessions for school communities or other people who have contact with people with Asperger’s syndrome and individualized clarification sessions for families. There are also meetings that are an opportunity to share accounts and experiences among parents, families, friends, and people with Asperger’s syndrome. The main activity of Social Enterprise C is the employability program. It offers employment opportunities and job training to its beneficiaries, who are people confronted with significant barriers to employment. The services provided by this social enterprise are either paid for by the beneficiaries or by the State.

Social Enterprise D was founded in 2013 and was established with the aim of providing global assistance to families

with overweight children by promoting activities with dogs. Currently, this social enterprise has a multidisciplinary team that includes veterinarians, psychologists, physical education teachers and dog trainers, dedicated to dog-assisted exercise for all ages. Currently, four main services aimed at different age groups (children, adults, the elderly) are offered. All the services provided by Social Enterprise D are paid. This social enterprise has the ambition of competing on equal terms with for-profit organizations, such as health clubs, in the future.

Finally, Social Enterprise E is a travel agency, founded in 2010, specialized in ecotourism and creative tourism and, also, in consulting services regarding local development. It organizes walking tours, bird watching activities, promotes creative tourism experiences and community tourism programs. It works with a broad and permanent network of local partners, actively engaged in tourism experiences, contributing to preserving local infrastructures, while continuing to respect natural and cultural values. This way, this social enterprise promotes responsible tourism seeking to respond to environmental, cultural, social and economic issues. It generates revenues through the commercialization of tourist packages, while providing services to local organizations and craftsmen, helping them to access markets and acting as a market intermediary.

3.3 Data collection and analysis

Data was collected through semi-structured interviews with open-ended questions in order to allow the interviewees to express their views in their own terms (Savin-Baden and Major 2013). The interview script was developed based on the literature review and revised by the research team. Throughout the process, some questions were excluded and others reformulated, thus consolidating an appropriate structure for the interview script. The final interview script consisted of three main sections. The first questions focused on the characterization of the respondents, the activities carried out by the social enterprise and the environment in which it

operates. Warm-up questions were then followed by others focused on aspects more related to their operations strategy. To broaden the discussion on the organization's operational practices, the interviewees were questioned about recent changes in the organization as well as the mechanisms used to deal with operational problems and uncertainty. They also answered more specific questions about: vertical integration, organization, workforce, new products and service development and quality procedures. The answers to these questions allowed a set of practices and, subsequently, their relation to the development of operational capabilities to be identified.

The interviewees were the directors of the social enterprises and other employees indicated by them. This choice is consistent with the literature on operations strategy. Commonly, the target group of studies in the field are managers (e.g., plant, production or operation managers in the context of manufacturing companies) under the assumption that high-ranking respondents tend to be more reliable sources of information than their subordinate ranks (Phillips 1981). In some cases, all employees were interviewed, since some of the social enterprises have very small structures and everyone gets involved in management activities. Triangulation of data was done through the analysis of SEFORIS data and other documents such as the annual activity plan, as well as the organization's website, were used to obtain additional information about their activities and practices. Table 3 presents the data sources considered in this research.

Qualitative content analysis software was used to support the coding process. Content analysis was conducted by case through an analysis of the interview transcripts. The aim of the coding process was to identify operational capabilities deriving from the identification of operational practices. Operational practices were inferred based on the literature review and parts of the interviews. Practices that were linked by common aspects were characterized as an operational capability. The identification of operational capabilities was based on the classification proposed by Wu et al. (2010), since it is the result of the refinement of previous research work. This process resulted in identifying a

Table 3 Data sources

Cases	Interviewee title	Seforis survey	Other sources
<i>Case A</i>	Board member/Founder	Director/Founder	Website
	Director/Founder		
	Project Manager		
<i>Case B</i>	Director/Founder	Director/Founder	Website
	Employee		
<i>Case C</i>	President of the board of directors	President of the board of directors	Website Activity report
	Managing director		
<i>Case D</i>	Coordinator	Director/Founder	Website
<i>Case E</i>	Director/Founder	Director/Founder	Website
	Employee		

set of operational practices and capabilities developed by the social enterprises studied, the latter deriving from the identification of operational practices. During the process, two academics were consulted to confirm that the researcher was accurately interpreting the coded passages and to reach a consensus on the themes.

4 Main findings and propositions

Data analysis resulted in the identification of a set of operational capabilities deriving from the identification of operational practices. Table 4 provides an overview of the main operational practices and capabilities found and in Appendix Table 5 more detail is provided from the evidence found in each of the cases studied.

Among the set of operational practices adopted by the social enterprises, a greater diversity of practices was found aimed at the incremental refinement and reinforcement of existing processes. There is an effort to standardize processes and to learn from past successes and failures to improve processes continuously. Some social enterprises have procedures to plan and control their activities as well as

regular team meetings. As explained by one of the employees of Social Enterprise A:

What we try to do when something does not go as we expected is to sit down and talk about it and figure out what we can get from it. Because here we believe that life must be seen in a positive way. And often, through these unfavorable situations we go through... we always learn lessons for future actions. [CaseA_Int3]

Improvement capability is also evident in other established practices for the evaluation of the services provided, such as assessing customer satisfaction and analysis of the informal feedback from their clients (e.g., suggestions for improvement) to adjust their processes. Some managers regularly accompany their teams to the field and observe them to assess the quality of the services provided, as explained by the coordinator of Social Enterprise D:

There is a regular presence on my part in the events that are organized, that is, of course I know that our teachers want the best for the organization, they want to ensure that there is quality in the events, but my presence helps things... helps things to run better. I

Table 4 Operational practices and capabilities by cases

Operational capabilities	Operational practices	A	B	C	D	E	Literature
<i>Improvement</i>	Improve existing processes	✓		✓		✓	✓
	Planning and control of activities	✓		✓	✓		✓
	Regular team meetings	✓		✓	✓		✓
	Measure customer satisfaction	✓	✓			✓	
	Analyse customer feedback	✓	✓			✓	
	Assess the quality of services	✓	✓		✓		✓
	Measure impact	✓	✓				
	Implement quality management systems			✓			✓
<i>Innovation</i>	Introduce new services/processes	✓	✓	✓		✓	✓
	Produce knowledge	✓	✓				
	Organize brainstorming sessions	✓					
<i>Cooperation</i>	Use communication platforms	✓	✓	✓	✓		✓
	Involve employees in decision-making	✓	✓	✓	✓	✓	✓
	Involve employees in new service/process development		✓	✓		✓	✓
	Involve employees in improvement actions			✓			✓
	Non-monetary incentives to employees		✓			✓	✓
	Maintain a close contact with clients	✓		✓	✓		✓
	Maintain a close contact with partners	✓	✓	✓		✓	✓
	Organize informal meetings	✓				✓	✓
<i>Mobilization of resources</i>	Involve volunteers in the activities	✓	✓	✓	✓		
	Select partners to access external resources	✓			✓		
	Exchange services with other organisations	✓	✓				
<i>Openness</i>	Involve stakeholders in new services/processes development				✓	✓	
	Maintain a close relationship with community	✓		✓		✓	
	Share knowledge	✓		✓			

Table 5 Cross-case analysis

	Case A	Case B	Case C	Case D	Case E
Improvement					
<i>Improve existing processes</i>	Improvements in training content		Identification of opportunities to improve organisational processes and the relationship with the companies that host the beneficiaries		Continuous implementation of improvements in how the organisation approaches customers, how the work is done within the organisation; implementation of Plastic Zero
<i>Planning and control of activities</i>	Annual and monthly activity planning		An individual plan is defined for each beneficiary and used to monitor evolution; procedures are in place for all tasks	A work plan is defined for each session and after the session a report is produced	
<i>Regular team meetings</i>	The team meets to discuss solutions whenever something does not go as planned		The whole team meets once a month	Weekly meetings with the technical team to analyse work plans and reports; monthly teams with all employees	
<i>Measure customer satisfaction</i>	Inquiries to evaluate services provided	Satisfaction questionnaires and testimonials			Satisfaction questionnaires
<i>Analyse customer feedback</i>	Analysis of customer suggestions	The organisation listens and analyses customer feedback			Customer feedback is considered in the improvement of existing processes
<i>Assess the quality of services</i>	Use of methodologies already tested to guarantee the quality of services	Presence of the director in some school sessions to monitor the activities		The coordinator participates in some sessions to observe how they are conducted and identify opportunities for improvement	
<i>Measure impact</i>	Setting goals and measuring the long-term impact of projects	Production of project impact reports			
<i>Implement quality management systems</i>			A quality management system has been implemented recently		
Innovation					
<i>Introduce new services/processes</i>	Release of new projects and publications	Introduction of new content and new approaches	The organisation is planning the introduction of new services and the design of new projects		Introduction of new programs, such as hiking activities, workshops, etc
<i>Produce knowledge</i>	Production of new scientific knowledge	Creation of pedagogical manuals to support activities			

Table 5 (continued)

	Case A	Case B	Case C	Case D	Case E
<i>Organize brainstorming sessions</i>	Brainstorm sessions are organised to generate new ideas				
<i>Cooperation</i>					
<i>Use communication platforms</i>	Email, messenger, social networks and Skype are used to contact trainers and partners	Sharing of digital calendars	There is an information circular that is shared internally	Team members use the Slack platform to communicate	
<i>Involve employees in decision-making</i>	Employees are heard within their area of expertise	Employees participate in decisions on the price of services	In some cases, employees have the opportunity to express their opinion	Employees are involved in some decisions	
<i>Involve employees in new service/process development</i>		Involvement in the development of applications for projects funding	Employees have a specific form to propose ideas and sometimes their inputs is requested		Employees are expected to propose and test new ideas, new products or services
<i>Involve employees in improvement actions</i>			Involvement in the annual review of the quality management system; freedom to suggest improvements in the conduction of ateliers		
<i>Non-monetary incentives to employees</i>		Participation in international meetings, development of their own actions, flexibility of schedules			Flexible schedules, overtime compensation days
<i>Maintain a close contact with clients</i>	Team members feel like part of the family of clients		Dissemination of information by different means; response and forwarding of clarification requests	Whenever there is a session that may be of interest to customers, they are informed; The team members know the names of customers	
<i>Maintain a close contact with partners</i>	Regular contacts and dissemination of partners' activities	Dissemination of partner's activities, participation in some activities in pro bono	Dissemination of information by different means; invitations to collaborate on some activities		The organisation prepares custom things for partners, supports their initiatives, gives preference to a personal contact, even if they are located away from the organisation
<i>Organize informal meetings</i>	Organisation of an annual picnic				Twice a year, the social enterprise organizes informal meetings with craftsmen and other local partners, as well as informal meetings for employees

Table 5 (continued)

	Case A	Case B	Case C	Case D	Case E
Mobilization of resources					
<i>Involve volunteers in the activities</i>	Volunteers are involved in unpaid activities in schools	There is a pool of volunteers available to collaborate with the social enterprise when necessary	Volunteers collaborate on specific tasks, regularly or occasionally	A volunteer collaborates with the organisation in the design of materials for the dissemination of activities	
<i>Select partners to access external resources</i>	Selection of partners strategically to access knowledge, reputation or facilities			The social enterprise selects partners with visibility and a better customer database to reach more people	
<i>Exchange services with other organisations</i>	Exchange of knowledge by facilities or materials	Exchange of services for materials or other services (e.g., laundry services)			
Openness					
<i>Involve stakeholders in new services/processes development</i>					One of the programs of the social enterprise was suggested by a freelancer
<i>Maintain a close relationship with community</i>	Use of social networks and creation of newsletters and cartoons to interact with the community		Participation in awareness sessions throughout the country; some ateliers are proposed and organized by external people	The social enterprise organizes some activities that have been suggested by external stakeholders	Donations to environmental organisations; purchase of furniture from local and social organisations;
<i>Knowledge sharing</i>	Sharing tools created by the social enterprise for free to help other organisations in volunteer management		Sharing knowledge with external people and organisations		

have another view of things, I am not teaching, I am outside, and therefore I can realize if there were any failures here or there. [CaseD_Int1]

Furthermore, some of the social enterprises studied measure the impact of their actions after the projects have been completed in collaboration with academics that are doing research on the topic. Recently, Social Enterprise C implemented a quality management system. The certification process led to a restructuring of existing procedures.

Similarities were found with operational practices in manufacturing companies, such as: the continuous improvement of the current processes (Avella et al. 1998), planning and control systems (Avella et al. 1998; Martín-Peña and Díaz Garrido, 2008a), teamwork (Avella et al. 1998; Martín-Peña and Díaz Garrido 2008a), quality control (De Meyer 1992; Miller and Roth 1994) and the implementation of quality management systems (Avella et al. 1998; Martín-Peña and Díaz-Garrido 2008a; Sum et al. 2004). However, no direct correspondence was found in the literature on operational practices regarding procedures to assess customer satisfaction, the analysis of informal customer feedback and impact measurement.

A greater diversity of practices was also found aimed at creating healthy and stable relationships with internal and external stakeholders and contributing to the development of the cooperation capability. Most of social enterprises studied use communication platforms to connect and share information among team members. This tool is particularly important in social enterprises in which some team members work part-time or at different locations and do not share the same space every day. In some cases, team members share digital calendars and information about what is happening and what will happen internally is regularly shared by email. As described by the coordinator of Social Enterprise A:

We have trainers who live in those areas, our contact is very much through email, phone, social networks, Messenger, we use the new technologies, we use Skype a lot, even with our partners. We have many international projects, with people from several countries and even here in Portugal. And we use them a lot. [CaseA_Int2]

Other practices that help to reinforce cooperation are: involving employees in some decision-making processes, in the development of new services or processes, as well as in improvement actions. In addition to making sure that employees are paid fairly, non-monetary incentives are important to maintain them and strengthen their connection with the organization. They include, for example, the flexibility of schedules or even the opportunity to attend international meetings. Furthermore, there is an effort to maintain close contact with customers and a close relationship with

partners by disseminating and supporting their activities or maintaining personal contact with people working in those organizations. The organization of informal meetings is also a regular practice in some social enterprises. The CEO of Social Enterprise E gave some examples of how their relationship with partners is enhanced:

We are working directly with artisans, elderly people who are scattered around the mountain and engaging them in these dynamics. For example, tomorrow, tomorrow we have an event to present new pieces of handicraft and we have invited our craftsmen to be present. [...] Last week, a colleague and I went to an artisan's home to install a lamp there. [...] An artisan who worked in a cubicle, had no light conditions, so we went there to install a lamp and we offered him a lamp. [CaseE_Int1]

In the literature on manufacturing companies, the following are also reported as operational practices: the use of information systems (Wu et al. 2010); decentralization of decisions and employee empowerment and involvement (Avella et al. 1998; Dangayach and Deshmukh 2001; Martín-Peña and Díaz Garrido 2008a); improving the quality of working conditions (Avella et al. 1998); customer relations (Dangayach and Deshmukh 2001); the cooperation with suppliers (Avella et al. 1998; Martín-Peña and Díaz Garrido 2008a) and the improvement of the relations between management and workers (Avella et al. 1998; Martín-Peña and Díaz Garrido 2008a; De Meyer 1992; Miller and Roth 1994).

The prevalence of improvement and cooperation practices in social enterprises may indicate a greater focus on the development of these operational capabilities, deriving from the need to do the best they can with the limited resources they have (Desa 2012) and their collaborative approach to the market. This trend was even more evident in social enterprises with a high social identity, which value aspects such as a participatory decision-making and offering an inclusive work environment and operate within a narrower geographical scope, which promotes closer relationships with clients and partners (Ávila and Amorim 2021). Based on this evidence, the first propositions are formulated:

Proposition 1a: Social enterprises with a high social identity are more likely to adopt a greater diversity of improvement practices.

Proposition 1b: Social enterprises with a high social identity are more likely to adopt a greater diversity of cooperation practices.

Two new operational capabilities were identified, in addition to those traditionally reported in the literature on operations strategy. The first is the mobilization of resources, defined as the ability to mobilize external resources to

address resource constraints. The analysis of the cases revealed that social enterprises adopt a set of practices to overcome resource constraints and to sustain their operations. Firstly, they involve volunteers in the activities of the organization in very specific tasks or on a regular basis working directly with paid employees and replacing them when necessary. Secondly, they select partners to access external resources, such as contacts, reputation, or knowledge. Third, they exchange services with other organizations. Sometimes, resources are shared without compensation, but some social enterprises also exchange services with other organizations, giving them something in return.

We give partners what they need, in our case it is knowledge, and partners give us what we need, whether physical resources, materials or even funding resources. [CaseA_Int2]

In fact, the mobilization of resources represents a key issue for many social enterprises. Since for social enterprises the focus on their social mission is more important than making profits, it becomes more difficult for them to convince traditional investors to fund their activities. Thus, they need to find innovative approaches to mobilize resources, which may include, for example, leveraging resources that are not used or that are considered worthless by other organizations and, therefore, often acquired for free or at a low-cost (Di Domenico et al. 2010; McDermott et al. 2018). This evidence supports the effectual paradigm, which suggests that entrepreneurs begin with their means and are contingent on the environments and people they interact with, which can result in a virtuous cycle of network expansion, increased resources and, ultimately, greater impact (Vansandt et al. 2009). The mobilization of resources may favor the provision of products and services at a lower cost, since the social enterprise has access to some resources for free or at a low-cost, which translates into a lower investment in the acquisition of resources. The mobilization of resources can also favor a faster response to changes, namely through the involvement of volunteers in performing some activities. Based on this evidence, it is proposed that:

Proposition 2: Social enterprises develop a mobilization of resources capability (i.e., the ability to mobilize external resources to address resource constraints) involving volunteers in their activities, strategically selecting partners to access external resources, and exchanging services with other organizations.

The second operational capability that emerged from the data is the openness capability. It is defined as the ability of the organization to be transparent and open to the community. This capability was derived from the identification of a set of practices that did not fit the remaining capabilities, such as the involvement of stakeholders in the

development of new services/processes, the maintenance of a close relationship with the community and knowledge sharing. According to the resource-based view, intangible resources (e.g., knowledge) are the most difficult to imitate, therefore, the most desirable by those organizations that want to maintain a competitive advantage for longer (Barney 1991; Penrose 1959). However, it was interesting to note that some social enterprises are fully open to disseminate their knowledge quite explicitly. They see it as an opportunity to increase their impact and strengthen the organization.

Nevertheless, these openness practices must be accompanied by innovation practices so that the organization is able to maintain a high level of innovation and, consequently, be able to maintain performance levels. Meyskens et al. (2010) suggest that the more innovative methods employed by a social enterprise, the greater the ease at which knowledge transfer occurs to enhance replicability. In most of the social enterprises studied, evidence was found of the continuous effort to innovate by introducing new services and processes in the market.

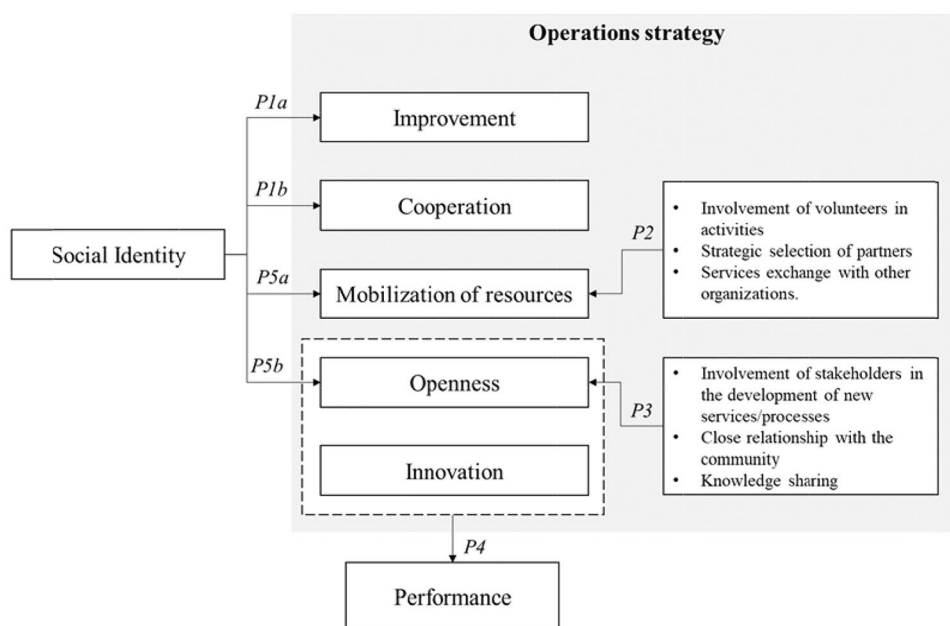
The continuous innovation, always introducing new things and always adjusting and going... the market is always evolving, and we have to be always adjusting, thinking how we can reach people. [CaseB_Int1]

Knowledge production was also identified as one of their priorities, which is made available through some publications that they use to support their activities. The connection between openness and innovation practices is especially evident in Social Enterprise A that combines a high social identity with a high market identity. On the one hand, the social enterprise maintains a close relationship with the community to make it aware of the importance of volunteering and shares its knowledge by providing free volunteer management tools for organizations that want to improve their processes. On the other hand, this social enterprise also makes efforts to introduce new products and services continuously and to produce knowledge, as well as organizing brainstorming sessions for the generation of new ideas, to which external stakeholders are invited.

They are documents that have given us a lot of work and we give away free of charge to our trainees so they can improve their volunteer management techniques. (...) And we pass this on even to organizations because if an organization improves the way it manages volunteers, for us it is a victory. [CaseA_Int3]

Often what we do is to invite partners or people with whom we work or to whom we have connected at some point and we invite them so they can also help us. Whenever we design a new project, it happens. This year as we are in a year when we are trying to implement new projects, we already had There-

Fig. 1 Propositions resulting from the data analysis



fore, we are in the month 6, we already had four meetings of these because we are, is a year of designing new projects. [CaseA_Int3]

Two propositions emerge from these findings:

Proposition 3: Social enterprises develop the openness capability (i.e., the ability to be transparent and open to the community) involving stakeholders in the development of new services/processes, maintaining a close relationship with the community and sharing knowledge.

Proposition 4: Openness practices must be accompanied by innovation practices, so that social enterprise can maintain performance levels.

Stronger evidence concerning the mobilization of resources and openness practices was found in social enterprises with a higher social identity than in the others. As previous studies have demonstrated, social enterprises with a high social identity operate within a narrower geographical scope and, therefore, tend to create closer relationships with their target groups and the other members of the community (Ávila and Amorim 2021). This proximity favors the involvement of volunteers in the activities, the involvement of stakeholders in the development of new services or processes and knowledge sharing. It also tends to facilitate the selection of partners to access external resources and the exchange of services with other organizations, since proximity enhances trust building. According to Evers and Laville (2004), mutual trust is built through the development of reciprocity-based spheres of activity in which strategic, instrumental and utilitarian

factors (i.e., market factors) are secondary. The last two propositions are:

Proposition 5a: Social enterprises with a high social identity are more likely to adopt operational practices related to the mobilization of resources capability.

Proposition 5b: Social enterprises with a high social identity are more likely to adopt operational practices related to the openness capability.

The propositions resulting from the data analysis are represented in Fig. 1.

5 Conclusion

To date, the existence of research focused on the study of the content of operations strategies of social enterprises was unknown. The study described in this paper allowed us to collect valuable data to understand the phenomenon and to contribute to theory building, responding to the claims in the literature identifying social enterprises as a fertile ground to study operations in services. The study also provides timely and relevant insights for practitioners to assess operational practices in the field, considering the objectives and characteristics of their organization.

5.1 Theoretical implications

This study contributes to the literature in several ways. It draws on the resource-based view and on the observation of operations management practices in social enterprises to

extend established theory to this emerging context. The first contribution is the identification of a set of operational practices adopted by social enterprises that represent how these organizations leverage their scarce resources to develop distinctive operational capabilities. This work allowed us to explore the substance of the hybrid nature of social enterprises further, by studying how they are capable of providing services and/or producing products that are sold in the market, while generating social value (Gidron 2017).

A second contribution is the determination of operational capabilities deriving from the operational practices identified. It has been found that social enterprises develop some of the operational capabilities of manufacturing and service companies, such as improvement, cooperation or innovation (Wu et al. 2012), although they may adopt slightly different practices to develop them, very much based on collaborative relationships with other actors (e.g., organizing brainstorming sessions, involving volunteers in activities, exchanging services, sharing knowledge, etc.). Two operational capabilities emerged in addition to those typically found in the literature on operations management. Firstly, the ability to mobilize external resources to address resource constraints (mobilization of resources capability). Secondly, the ability to be transparent, to break boundaries and to be open to community needs (openness capability). Operational practices and capabilities in social enterprises also appear to lead to a collaborative advantage, in addition to the competitive advantage advocated by the resource-based view. The involvement of stakeholders in operational processes was evident in many of the operational practices identified in the social enterprises studied, associated with the development of several operational capabilities. These findings support the idea that establishing strategic connections may be the key to creating the virtuous cycle, suggested by Vansandt et al. (2009), of network expansion, increased resources which then, generate a greater impact.

A third contribution is a set of theoretical propositions resulting from data analysis, some of them exploring how the dual organizational identity of social enterprises influences the operational capabilities they develop, and that can be used to guide future research. As the boundaries between organizational forms become increasingly blurred, there is a need to understand how dual organizational identity affects organizational processes. By exploring the relationship between dual organizational identity and operations capabilities, wider theoretical implications are revealed, by adding this new dimension to the set of dimensions considered in operations strategy studies.

5.2 Managerial implications

This research work has some managerial implications. Social enterprise managers should be aware of the elements

of an operations strategy and how they are interconnected to focus their efforts on implementing operational practices that lead to the development of the operational capabilities that best meet their objectives. Building operational capabilities requires large investments of resources and time, which, if not well directed, may lead to an average capability level that is insufficient to differentiate the social enterprise's offerings (Wu et al. 2012). The research work carried out here provides some insights that could be used by these actors to rethink and improve their operational processes and to pursue enhancement of the organization's operational capabilities. Since social enterprises address a wide range of social issues in very different ways, identifying the most important capabilities that they should develop becomes challenging. Nevertheless, establishing a greater diversity of practices regarding the development of improvement and cooperation capabilities is recommended, especially if the social enterprise has a high social identity. Managers should also consider the mobilization of resources and openness in the range of capabilities that should be developed by social enterprises and that may help them in the pursuit of social and economic impact. When making decisions at different levels—human resources management, quality or new services development, managers should focus on the involvement of internal (e.g., employees) and external stakeholders (e.g., partners, volunteers, the community) in operational processes, in order to establish a set of practices that better serves the objectives of the organization, but that can also reflect the collaborative approach that characterizes and distinguishes social enterprises.

Involving stakeholders in operational processes is an important issue to consider in the design of the operations strategy of social enterprises. Organizing brainstorming sessions and informal meetings, involving volunteers in activities, exchanging services and sharing knowledge are some examples of practices that can be implemented to promote a collaborative approach. In the same way, entities supporting social enterprises and the development of social entrepreneurship initiatives, such as social incubators, should focus on the creation of collaboration mechanisms that can enhance the connection with local actors and the creation of win–win relationships among them. Mentoring networks, communities of practice, banks of volunteers, banks of resources and services for exchange, platforms for the dissemination of the activities of these organizations are some examples of mechanisms that could be used to help the development and growth of social enterprises.

5.3 Limitations and future research

Some limitations of this study have been identified. The first one is the number of respondents per case. On average, only two people were interviewed in each social

enterprise. As the study focused on the content of the operations strategy, it was important to interview people who had a deep understanding of the organization's processes and strategy; however, most of the social enterprises studied are small organizations. In some cases, all the people working full-time in the organization were interviewed. The identification and selection of operational practices was also limited to a certain extent. The operational practices listed were those that were most evident in the interviews. Most likely, there were other practices that were left out because they were not mentioned by the interviewees or recognized by the researcher. Furthermore, evidence was found, both in the literature and in the case studies, that operational practices are interlinked. Organizing them into categories implies the simplification of a reality that is very complex and dynamic. Finally, there are limitations related to the adoption of a qualitative approach based on multiple case studies. Qualitative research is often referred to as being less rigorous. In order to minimize this weakness, the research process is described in detail, the choices made are justified and the investigation procedures were followed rigorously. The feasibility of generalizing the results to wider populations is also a limitation in qualitative research. Social enterprises deal with distinct social problems and needs (most of them neglected) and adopt such different approaches that it is difficult to generalize the findings.

Moreover, further qualitative studies with the potential for profound insights should be conducted. For instance, evidence was found concerning customization, responsiveness and reconfiguration capabilities. Most of the practices identified were similar to those identified in the literature for manufacturing companies; however, the new evidence found was not considered strong enough to support the generation of new propositions. Therefore, future research efforts could be focused on these aspects. A survey instrument could also be developed and tested, similar to those developed to find operations strategy configuration models in manufacturing companies and adapted to the specificities of social enterprises and integrating the capabilities and practices identified in this study. Social enterprise managers would then be able to use this tool for self-analysis to make a diagnosis of operations strategies. Moreover, future research could be conducted to explore which models can be used to explain and predict how social enterprises combine and use their operational capabilities.

Data collection took place before the pandemic. Little is known about the effects of the COVID-19 pandemic on the social enterprise sector. However, it is undeniable that the pandemic created new societal challenges and aggravated existing ones, meaning that the value of many social enterprises is still relevant. Future research can be carried out

to understand whether the pandemic has had an impact on social enterprise operations strategies.

Appendix

See Table 5

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Declarations

Conflict of interest Not applicable.

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