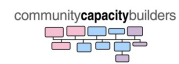


Social Enterprise Legitimacy

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1

3 Types of Legitimacy

- Pragmatic legitimacy:
 - Does the organisation deliver what it should to stakeholders
- Cognitive legitimacy
 - The organisation will deliver some minimum level of results
- Moral legitimacy
 - Are the activities of the organisation 'proper' relative to external norms

Dart, 2004

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2

Social Enterprise Differ from Nonprofit Organisations

- Strategy
- Structure
- Norms
- Values

Dart, 2004, p. 411

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3

Legitimacy of Market Based Responses

- Many nonprofits considers market based responses to be morally legitimate
- Argued that nonprofits do not have to passively conform to the expectation to adopt market based approaches

Dart, 2004, p. 420

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4

Moral Legitimacy

- “Participants from social enterprises that operate within larger not for profit organisations observed that they experienced difficulties in legitimising their work in the eyes of staff from other units of their organisations, suggesting that the overarching organisational culture was not always supportive of social enterprise practice.”

Barraket et.al., 2016, p. 44

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5

Link Between Mission and Activities

- “a direct link between mission and activities is not a necessity”

Hoogendoorn et al., 2010

- Mission drift is the compromising of the original mission to achieve a social impact in order to grow and fund an organisation

Dees and Anderson, 2003, p. 21

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6

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