

Exploring the resource mobilization process in social enterprises in China: A bricolage and social exchange perspective

Abstract:

Purpose

Resource mobilization has come to dominate contemporary discourse on the making and survival of social enterprises (SEs). Emphasizing the socially constructed nature of idiosyncratic firm resource environments, this study integrates bricolage and social exchange theory to explore the means at hand and the kinds of practices SEs in China employ to mobilize resources to address persistent social problems.

Design/methodology/approach

Adopting a qualitative multiple case design, the research contribution is developed in the context of four SEs based in two cities in China selected through a two-stage process. The main data for the inquiry come from twenty-one face-to-face semi-structured interviews conducted with key informants in 2018 and 2019. The authors supplemented this with secondary data about each SE curated from social media platforms and publicly available documentary sources, including press statements, reports and popular press video interviews.

Findings

The research findings suggest that SEs in China tend to follow a two-step resource mobilization process: *fraternize* and *exchange*. Leveraging the means at hand - 'social practice know-how' and the practice of 'proactiveness', SEs strategically engage with actors in their environment (fraternize) to understand and explore the possible sources of the resources they require. Nevertheless, fraternization alone is not sufficient; SEs must demonstrate *exchange values* (social, economic, functional and regulatory) to convince resource owners to either directly release resources (funds, the right of use of empty spaces, technologies, time and efforts) or offer them indirect support (certification, government procurement). The process of fraternizing within the contingencies of organizing, intertwined with social exchange practices, constitutes the success of resource mobilization. The combination and reconfiguration of the expanded repertoire of mobilized resources provide opportunities for the SEs to make do and in return, help them maintain their status as valued SEs in China.

Originality/value

This study extends the understanding of bricolage through a social exchange lens to unpack the process through which SEs in China mobilize appropriate resources for their businesses. Emphasizing the importance of the social dimension of bricolage in resource mobilization, a two-step model, comprising *fraternization* exhibited in the form of social practice know-how and proactiveness and *social exchange*, is presented as an essential mechanism in SEs' resource mobilization in China.

Key words: social enterprise, resource mobilization, bricolage, social exchange, China

1. Introduction

Social enterprises (SEs), **employing a business logic**, purposely serve customers who are often vulnerable groups and who demand cheaper but effective alternatives to their problems (Di Domenico et al., 2010; Kickul et al., 2018). Due to their unique operating and organizational characteristics, SEs face severe resource constraints (Gupta et al., 2020; Saebi et al., 2019). While commercial enterprises can employ market transactions or financial institutions to generate debt or equity inflow to ease constraints, SEs must seek creative tactics to mobilize resources to make ends meet (Hota et al., 2019; Zahra, 2021). The resource environment is even more penurious for SEs in markets where transaction costs are high and there is a lack of regulatory support and public recognition, e.g., China (Bhatt et al., 2019). This resource mobilization challenge has come to dominate the contemporary discourse on the making and survival of SEs, thus triggering a turn to bricolage (Di Domenico et al., 2010; Kwong et al., 2017). Bricolage as ‘making do’ with ‘whatever is at hand’ (Levi-Strauss, 1966, p.17) serves as an important tactic for SEs to mobilize the resources they require for survival and renewal (Di Domenico et al., 2010). However, it is also found that resources that are at hand might be inadequate to achieve the desired outcomes (Kickul et al., 2018), and bricoleurs may not ever complete their purposes (Levi-Strauss, 1966). Thus, to solve persistent problems, SEs tend to mobilize resources they do not possess through noneconomic or social means (Di Domenico et al., 2010).

Bricolage as a form of entrepreneurial behavior manifests in SEs as using novel and clever ways and developing creative mechanisms to mobilize resources and reconfigure and repurpose them to suit their needs (Di Domenico et al., 2010). SEs actively attempt to make do by accessing and drawing upon other resources that are available cheaply or that are there ‘for the taking’, e.g., via pre-existing contacts (Baker et al., 2003). However, making use of resources

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3 possessed by others with little or no cost requires SEs to interact with the resource holders and
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5 convince them to commit (McNamara et al., 2018). Thus, convincing others to commit to social
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7 ventures is a challenging but mandatory task for SEs (Hlady-Rispal and Servantie, 2018).
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9 Nevertheless, the way a social approach to bricolage is leveraged by SEs to further enable them
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11 to make do is poorly understood (Duymedjian and Rüling, 2010). To do this, SEs need to
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13 demonstrate that they possess something that is valued by others in order to achieve an
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15 exchange of the necessary resources. This extends the boundary of bricolage, which assumes
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17 resources available at hand can always make do and ignores the fact that the use of resources
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19 owned by others requires the effort of conviction (convincing others to commit to a social
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21 mission) (Hlady-Rispal and Servantie, 2018; Kickul et al., 2018). The concept of bricolage is
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23 called to extend the boundaries to include a social perspective of the process of resource
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25 mobilization, but responses to this are rare (Baker, 2007; Williams et al., 2021).
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33 The social approach to entrepreneurial bricolage resonates with the insight of social exchange
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35 theory (SET) (Blau, 1964; Homans, 1961). Individuals, groups or organizations engage in
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37 social exchange because of the need or desire to acquire intrinsic or extrinsic rewards they
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39 cannot obtain by themselves (Kuvaas et al., 2020). Each party in the exchange process can
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41 offer different types of economic or social resources (Foa and Foa, 1980). The *exchange value*
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43 each side brings to the relationship determines the resources each side will give and receive. It
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45 is these exchange values that inspire corporate partners' willingness to share and transfer
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47 resources to SEs (Di Domenico et al., 2009). SET, in this regard, helps open the black box of
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49 the process of resource mobilization that bricolage lacks (Duymedjian and Rüling, 2010). SET,
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51 by emphasizing that resources are objects to be exchanged **and that** all business activities are
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53 socially embedded (Blau 1964; Mitchell et al., 2012), has the potential to extend the bricolage
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3 to inspire a richer agenda on how SEs can mobilize greater resources from others in order to
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5 make do (Di Domenico et al., 2009).
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10 Existing studies that combine these perspectives to develop insights into resource mobilization
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12 in SEs are limited. Frequently, they have been designed to explain the resource mobilization
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14 challenges faced by either commercial ventures (Baker et al., 2003; Garud and Prabhu, 2020;
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16 Starr and MacMillan, 1990) or SEs in developed economies (e.g., Di Domenico et al., 2010;
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18 Ladstaetter et al., 2018). However, there is a lack of studies exploring what social and
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20 organizational mechanisms SEs could employ to attract low cost/free resources and support
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22 from others, particularly in environments where institutions and markets are being developed
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24 (Korsgaard et al., 2021). To address this research gap, this study integrates ideas from bricolage
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26 and SET to explore the means at hand and the kind of practices SEs in different locations within
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28 China employ to mobilize resources to address persistent social problems. The research
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30 question driving the empirical inquiry is as follows: *How do social enterprises in China*
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32 *leverage bricolage and social exchange practices to mobilize resources to address persistent*
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34 *social problems?* To address this research question, this study draws on multiple sources of
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36 qualitative data on four purposely selected SEs in two cities in China. Data for the inquiry
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38 include 21 interviews, supplemented with WeChat¹ observational data (e.g., by following the
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40 SEs' public accounts, where business events and activities were regularly updated) and publicly
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42 available documentary sources (press statements, reports and popular press video interviews).
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56 ¹ The largest social media platform in China offering a variety of services, such as instant messaging, socialization,
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58 and mobile payment services, the WeChat application is free to install and use and supports all smartphone
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60 platforms. Its features include WeChat-Moments (allowing users to post images, text and short videos), WeChat-
Public Accounts (a channel for businesses or organizations to transmit information to users and interact with
them), and WeChat-Channels (allowing users to create and share short video clips and photos) (Montag et al.,
2018; Zhang et al., 2022).

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3 Integrating the theory of bricolage and SET, the study delineates a two-step resource
4 mobilization process. Different from SEs in developed markets, where direct means, e.g.,
5 negotiation and renegotiation (or persuasion) allow SEs to acquire resources (Di Domenico et
6 al., 2010), SEs in China followed a much more nuanced and idiosyncratic course in mobilizing
7 the resources they require to solve persistent social problems. They *fraternize* with actors in
8 their resource environment by practicing proactiveness and leveraging means at hand to
9 understand and explore the possible sources of the resources they require. Fraternization in
10 their case appears not to be sufficient for resource mobilization. SEs, in this regard, demonstrate
11 *exchange* values to obtain the possessor's willingness to release their resources and support.
12 The social and organizational mechanisms unpacked in this study enabled SEs in China to
13 mobilize a variety of quality resources at low cost or for free. The findings **contribute to the**
14 **understanding** of the nature of SEs (e.g., the importance of impact customers) (Burkett, 2013)
15 and the importance of the social approach to bricolage in the process of resource mobilization.
16 The distinct theoretical positioning - the centrality of bricolage through a social exchange lens
17 in the context of SEs in China - extends the understanding of how SEs mobilize resources to
18 realize their social missions.

2. Theoretical background

2.1 Bricolage and social enterprises

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21 Bricolage in contemporary organizing has come to represent the everyday appropriation of
22 ready-to-hand resources to create value (Di Domenico et al., 2010; Duymedjian and Ruling,
23 2010). **Resources are tangible (or material) and intangible (or non-material) assets that social**
24 **entrepreneurs control or gain access to, enabling them to exploit entrepreneurial opportunities**
25 **(Clough et al., 2019; Foa, 1971).** The bricolage logic manifests in the behavior of entrepreneurs
26 regarding how they react to constraints (Desa and Basu, 2013). Drawing on findings from

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3 twenty-nine resource-constrained commercial firms, Baker and Nelson (2005, p. 333) defined
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5 bricolage as ‘making do by applying combinations of the resources at hand to new problems
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7 and opportunities.’ Entrepreneurs refuse to enact resource limitations and so create new
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9 services out of nothing (making do). ‘Nothing’ here refers to under-utilized resources that
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11 others have overlooked, rejected or ignored, e.g., extracting labor from bystanders (Di
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13 Domenico et al., 2010, p. 689).
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18 The literature suggests two forms of bricolage: internal and external (network) (Tasavoria et
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20 al., 2018). Internal bricolage refers to employing at-hand resources that exist inside the
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22 organization, whereas external bricolage refers to the utilization of resources residing within
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24 its pre-existing personal and professional networks (Baker et al., 2003). However, network
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26 establishment does not mean that SEs can obtain direct resource support, e.g., in China (Zhang,
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28 2018). On the one hand, there is an information asymmetry between entrepreneurs and resource
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30 holders, as entrepreneurs are likely to possess superior information about the intrinsic quality
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32 of their enterprises (Zott and Huy, 2007). Resource owners in China might be reluctant to
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34 commit their precious resources to social missions. On the other hand, bricolage is built on the
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36 assumption of open access to a variety of resources and neglects the issue of ownership
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38 (Duymedjian and Rüling, 2010). SEs need to achieve the resource owners’ willingness to
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40 release their resources or to authorize the SEs to use their resources at low cost or for free
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42 (McNamara et al., 2018). Generally, SEs’ attitude towards other organizations is collaborative
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44 as opposed to competitive, which helps them to acquire resources through networking
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46 (Tasavoria et al., 2018). However, studies show that collective bricolage sometimes cannot
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48 help SEs generate an idealistic outcome, as continuous collaboration may result in mission drift
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50 (Kwong et al., 2017). Collaborators might also exert considerable influence on shaping SEs’
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52 strategies in the long run resulting in SEs losing autonomy (Tasavoria et al., 2018) or
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54 encountering contradictions (Di Domenico et al., 2009). So, to make do, the solutions available
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3 to SEs to extend their repertoire of resources through resource mobilization are particularly
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5 intriguing.

6 7 8 9 **2.2 Social exchange theory**

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11 Exchange is a fundamental and universal aspect of human behavior (Blau, 1964). Economic
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13 exchange focuses on the exchange of money for goods (tangible) between a seller and a buyer
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15 in a marketplace and is rooted in economics (e.g., perceived values/rewards must be equal to
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17 or exceed the perceived costs). Based on a given price, both parties realize all the potential
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19 gains from an exchange in a perfectly competitive market (Kuvaas et al., 2020). In an economic
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21 exchange, the value of that which is exchanged is determined by the relevant market, and the
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23 interests of the other party (outside buyers and sellers) are not the major concern (Mitchell et
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25 al., 2012). However, the economic exchange perspective is problematic and overly restrictive
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27 when applied in the exchange process involving different kinds of resources, e.g., social and
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29 symbolic resources, and it ignores the social outcomes people and organizations may seek
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31 during an exchange process (Dorsch et al., 2017).
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39 SET (Blau, 1964) relaxes the economic-based assumptions to engage with the dynamics of
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41 exchanges in imperfect markets where parties exchange both tangible (economic) and
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43 intangible (social) resources. Social exchange reflects interactions between parties and is
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45 characterized by trust, few legal obligations, little or no explicit bargaining and increased
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47 flexibility (Cook et al., 2013). Social exchanges may entail inequality, e.g., one might be
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49 willing to be vulnerable to another for future obligations and have no exact price, thus leaving
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51 values and costs open (Molm, 2003). Compared with economic exchange, people engaging in
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53 social exchanges require less immediate payback and are more generous (Mitchell et al., 2012).
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55 Social exchange may result in both economic and social outcomes; hence, the social exchange
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57 perspective provides a broadened framework for understanding the exchange rules related to
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3 both economic and non-economic transactions (Foa, 1971). In the exchange process, as shown
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5 in Figure 1, each party (e.g., A and B), as part of reciprocation, can offer not only material but
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7 also non-material or other types of resources (Foa and Foa, 1980; Homans, 1961), such as
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9 approval and prestige (Cropanzano and Mitchell, 2005) or social value (Di Domenico et al.,
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11 2009). This dispels the notion that exchange parties are motivated solely by economic self-
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13 interest. People can indirectly communicate their support, feelings and intentions by transacting
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15 concrete goods (Mitchell et al., 2012).
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24 While the value of that which is exchanged in economic exchanges is determined by the market,
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26 the value of what is exchanged in social exchanges is symbolic and is determined by those
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28 involved in the exchange. That is, to constitute an exchange, there must be a bidirectional
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30 transfer of value perceived by both sides (Blau, 1964). If A perceives that exchanging its
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32 resources with B is rewarding (the result is deemed more valuable by A), then A is likely to
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34 perform the exchange with B (Bowman and Ambrosinin, 2010; Kuvaas et al., 2020). However,
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36 while reciprocity is the major rule of social exchange, there are also other principles, such as
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38 altruism (Cropanzano and Mitchell, 2005). Altruism implies a desire to seek to benefit another
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40 party (value) even at an absolute cost to oneself, e.g., social responsibility, or actions
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42 undertaken for the benefit of the community. Altruism is evident as one of the motives for
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44 social entrepreneurship, that is, there are people who are willing to create value for others who
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46 are in difficulties without expecting extrinsic rewards (Ruskin et al., 2016). Thus, human
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48 behavior is not always driven by self-interest. People might be willing to give their resources
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50 or support to others in return for a value of being and feeling involved in growing an impactful
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52 social business.
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3 However, the above insights into SET primarily originate from the developed country context
4 (e.g., Di Domenico et al., 2009; Kuvaas et al., 2020; Ruskin et al., 2016), and SET is rarely
5 applied in the social entrepreneurship literature (with the exception of Di Domenico et al.'s
6 (2009) study on SE-corporate collaborations), particularly in the emerging country context.
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8 Studies drawing on SET are normally based on commercial enterprises and concede that
9 focusing on economic exchange is inadequate (Starr and MacMillan, 1990). Entrepreneurs are
10 found to use rhetorical means (persuasive language) (Ruebottom, 2013) and symbolic actions
11 (e.g., conveying entrepreneur's personal credibility, organizational achievement) (Zott and
12 Huy, 2007) to mobilize resources owned by others (Hlady-Rispal and Servantie, 2018). Recent
13 research into high-tech commercial firms in emerging markets has highlighted the need to have
14 both bricolage and social interactions and exchanges to gather more resources to reuse and
15 recombine in fostering research and development (R and D) activities (Garud and Prabhu,
16 2020). However, we are not clear on how SEs in emerging markets leverage which means and
17 practices to mobilize resources. In particular, we know little about the kinds of social exchange
18 values they employ to mobilize a variety of types of requisite resources. Drawing on this
19 pervasive need, this study contributes to the understanding of how SET complements and
20 extends bricolage in the resource mobilization process that occurs in SEs in China, particularly
21 with resources owned by others.
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45 **3. Methodology**

46 **3.1 Social enterprise in China**

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49 China, with its rapid economic growth and market transformation, creates unique challenges
50 and opportunities for social entrepreneurship ((Zhu and Xu, 2021). Insights into and models
51 for how SEs in China mobilize resources to thrive in a complex environment can provide
52 valuable lessons for those working in similar contexts around the world. Notably, SEs in China
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3 are still in their infancy. There is not a legal framework available supporting SEs, so social
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5 entrepreneurs have to register their enterprises as other types of businesses, e.g., for-profit or
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7 not-for-profit (e.g., civil non-enterprise not-for-profit) or both (dual IDs) (Bhatt et al., 2019).
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10 In 2015, SEs started to appear in China through unofficial certification (Zhu and Xu, 2021).
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12 Non-governmental efforts in developing and guiding social entrepreneurship in China have led
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14 to the rapid growth of social enterprises, prompting local governments to engage in this new
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16 form of institutional change. Chinese governments have been formulating regulatory
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18 guidelines, providing financial support and raising public awareness of the contributions made
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20 by SEs. However, the criteria used in evaluations have been changing. The use of innovative
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22 and sustainable business approaches in solving social problems has been emphasized, and the
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24 requirement of asset lock (e.g., 35% profit must be reinvested in the SE) was relaxed (Luo and
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26 Huang, 2019).
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33 Statistics show that two thirds of certified SEs are still registered as a for-profit enterprise and
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35 one third as a civil non-enterprise not-for-profit organization (CCF, China Charity Foundation,
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37 2020). Allowing more commercial enterprises to apply for SE certification reflects a positive
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39 institutional environmental change that encourages more businesses to join forces to solve
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41 various social, economic and environmental problems (Bhatt et al., 2019). The certified SEs
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43 are classified into three groups according to the source of income, scale of social benefit and
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45 service coverage (Yu, 2020). Taking the certification in Beijing as an example, a first-class SE
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47 (the top tier) needs to be able to generate income from sales of products/services accounting
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49 for over 50% of its total revenue. It could induce policy and social advancement through
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51 exploring a scalable solution to a social problem, becoming an exemplar in an industry, and
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53 the service needs to cover Beijing and beyond. A third-class SE meets the threshold criteria
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55 with 30% of its income from sales of products/services, demonstrating measurable social
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benefits and the service appearing within the Beijing area. A second-class SE is in between the first class and third class (BSEDP, 2018). To become a first-class or golden SE, the enterprise is required to achieve a higher score on a set of metrics, e.g., 100 out of 120, and to submit additional documents to demonstrate the width of its social influence and results, whereas it is 80 out of 120 for the third-class and with only basic application documents. Hence, **first-class** SEs are more representative of the phenomenon than the second and third-class SEs, reflecting the key features of SEs in China. According to the CCF (2020), a total of 244 SEs at the national level were certified in China between 2015 and 2019.

3.2 Method

Given the paucity of research on the resource mobilization of SEs in China, this study adopted a qualitative case study approach (Baskarada, 2014) and followed a ‘most similar’ case selection design (cases that have similar characteristics) to provide insights into the resource mobilization process within real life contexts (Seawright and Gerring, 2008, p. 304). The most similar case design made it possible to look for themes that cut through cases by reducing extraneous variation and hence focusing on the research objective (Eisenhardt, 1989). Similarities rest on the necessary and sufficient conditions rather than on probabilistic logic (Prescott and Urlacher, 2017). This requires that the cases be similar across background conditions that might be relevant to the outcome of analysis and, on most occasions, cases could have specific similarities and differences (Nielsen, 2016). Keeping **many background conditions as constant as possible** helps ensure **that** the remaining correlation between emerging factors of interest and the outcome is causal (Gerring, 2004). Being aware of regional differences within China (e.g., economic development level) (World Bank, 2022), this study purposely selected four similar SEs located in two cities that led the development of SEs in China (two in Beijing and two in Chengdu in Sichuan Province). **Since achieving an exact**

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3 match is impossible in the real-world implementation of a most similar case design, employing
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5 approximate matching is recommended as a practical approach (Seawright and Gerring, 2008).
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7 More importantly, ensuring that the case fits within the theoretically specified population
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9 (Seawright and Gerring, 2008) is crucial, and this is elaborated upon in the later part of this
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11 section. The specified location differences between the two pairs of cases enabled this study to
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13 carry out a meaningful comparison, thus increasing validity and transparency (Eisenhardt,
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15 1989). The above case study design not only allowed the inquiry to appropriately address the
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17 ‘why’ and ‘how’ of resource mobilization in SEs as played out in activities that will be
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19 identified and labelled; it also offered an ideal opportunity to study and theorize regarding the
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21 phenomenon within its real-world context. The multiple case study approach, in this regard,
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23 also afforded the opportunity to generate practical insights and to develop causal-
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25 contextualized explanations and what could be described as analytical generalizations (Yin,
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27 2017).
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35 **3.3 Research settings, case selection and data collection**

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37 A two-stage approach was adopted in selecting the most similar case organizations (Eisenhardt,
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39 1989; Yin, 2017) for the empirical inquiry. At the macro level, over 60% of SEs in China
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41 operate mainly in the following four areas: *accessibility services* - particularly information
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43 technology accessibility for vulnerable groups of people (such as the disabled, the elderly, the
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45 economically disadvantaged and the homeless), *child education*, *community development* and
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47 *care and support for the elderly*. Furthermore, about 60% of SEs are located in two cities:
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49 Chengdu (capital city of Sichuan Province, 40%) and Beijing (20%). In April 2018, Chengdu
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51 municipal government was the first in China to announce SE certification programs, followed
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53 by Beijing municipal government’s announcement of SE certification programs in August
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55 2018. In 2019, the number of certified SEs was twenty-seven in Sichuan Province, which
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3 ranked number one, followed by eleven in Beijing (number two) among all of the thirty-three
4 province-level regions in China (Yu, 2020). Governments in both Chengdu and Beijing played
5 a pioneering role in developing SEs in China (CCF, 2020). During this stage, from 2018 to
6 2019, both authors participated extensively in conferences, group discussions, government-
7 organized events, forums and visits to incubators on SEs in Beijing, Shanghai and Chengdu in
8 China. Also, a close observation of two discussion groups (one comprising five social
9 entrepreneurs and the other comprising two Beijing municipal government officials, the
10 secretary of a foundation, a leading professor in SE and two SE founders) was recorded.
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24 The authors then delved deeper into the micro-level search by defining **the most similar case**
25 selection criteria. **Considering that the failure to incorporate theoretically salient variables may**
26 **lead to weak comparative designs (Prescott and Urlacher, 2018), this study ensured the**
27 **selection of the most similar cases based on meeting at least two theoretically relevant**
28 **conditions. First, an SE must produce and sell affordable goods or services to those in need**
29 **(different from other types of SEs, e.g., employing beneficiaries to create products/services that**
30 **are sold to regular-paying customers, Saebi et al., 2019). This allowed this study to hold the**
31 **type of business operation constant in order to reveal the patterns of resource mobilization.**
32 **Second, an SE must have been in full operation for over two years (totally functional with sales**
33 **or even scaling up) to allow evaluation and comparison of resource-mobilization practices and**
34 **results. Also, they must be willing to participate and to agree with the continued access and**
35 **observation (e.g., connection via WeChat). The adoption of these theoretical sampling criteria**
36 **led researchers to identify four SEs (detailed in Table 1), facilitating meaningful comparisons**
37 **of their resource mobilization practices.**
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3 The interviews started with a preparation of the initial understanding of each SE by reading
4 through the SEs' websites, blogs and articles on WeChat. The key informants who were most
5 knowledgeable about resource mobilization in the four SEs were identified; they included
6 founders, departmental managers, government officials and foundation managers. Users were
7 also contacted to provided enriched data from different aspects. The first author conducted all
8 interviews face-to-face on the respective sites of the firms in 2018 and 2019. Follow-up
9 observations of each SE on WeChat were also carried out to keep track of any further
10 developments until the end of 2021. The semi-structured interviews covered five aspects:
11 general information on how an SE started, what problem it targeted, the resources it possessed
12 and the main challenges; how an SE operated (e.g., key daily activities, departments,
13 products/services, costs and profits); the core resources underpinning the operations; where
14 these resources were and how the SE acquired them, particularly those the SE did not possess;
15 and why the SE could mobilize resources successfully and how the targeted problem was
16 solved. The recorded interviews lasted 1.5 hours on average, and each interview was
17 transcribed verbatim within 24 hours. The interviews stopped at the point when incremental
18 learning was minimal and no further considerable insights were gained, that is, theoretical
19 saturation was reached (Eisenhardt, 1989). A summary of the data collected for the empirical
20 inquiry is displayed in Tables 2 and 3.

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Given the SEs interviewed for the study were among the earliest certified first-class SEs and thus represented a new force for addressing persistent social problems, they had a huge presence in the media space. The primary interview data were bolstered by numerous press statements and interviews conducted by different media organizations with the participants. These secondary sources of data helped with the comparison of the initial insights generated

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3 from the primary interview data. For example, the interviewees (the owners of the SEs) were
4 asked, ‘Do you know why governments are willing to purchase your products/services?’ and
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6 the answers were examined to triangulate with the data from the secondary interviews with
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8 local government officials and reports from the local governments.
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14 **3.4 Data analysis**

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16 Following the triangulation of the different data sources into a coherent whole (Flick, 2018),
17 the resulting dataset was analyzed by adopting a within- and across-cases approach (Yin, 2017).
18
19 Thus, to enhance the validity of the interpretation of the data, the authors adopted an insider-
20 outsider technique (Gioia et al., 2010) where the co-author played devil’s advocate to critically
21 query the first author’s interpretation of the data and emerging themes. Hence, a shared
22 understanding of the resource-mobilization practices of SEs was established thereby instilling
23 confidence in the analytical process to yield persuasive explanations of the dataset. Tables 4
24 and 5 summarize the data analysis and data structure.
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38 -----Insert Table 4 and 5 here -----
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42 The analysis then progressed by first conducting a within-case analysis to identify general
43 themes that categorized how successful resource mobilization was accomplished. Here, the
44 informant-centric analysis was employed to code the process of resource mobilization,
45 adhering faithfully to informant terms, codes and categories. For example, a code was created
46 when a typical practice occurred, e.g., Mr. Wu in SE-PTT proactively participated in local
47 government affairs and held critical positions. Second, the cross-case analysis was conducted
48 to compare the similarities and differences between the cases to capture the patterns of
49 resource-mobilization tactics and outcomes. This step allowed this study to compare and
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3 contrast the mechanisms used and the outcomes of resource mobilization (Farny et al., 2019).
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5 Thus, the method of ‘pattern matching’ (Yin, 2017) employed led to the translation of the
6
7 patterns of bricolage - resources mobilization means and practices into analytical and
8
9 theoretical themes. For example, the practice used by Mr. Wu above was found across all of
10
11 the other three SEs, so practicing ‘proactiveness’ by participating in local government affairs
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13 and holding critical positions emerged as a pattern that developed into one of the theoretical
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15 themes. Third, the themed dimensions that emerged from the cross-case analysis were
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17 incorporated into the construction of aggregated theoretical explanations on social and
18
19 organizational mechanisms in the process of resource mobilization, the types of resources and
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21 the outcomes. These were assembled into main aggregated theoretical dimensions: means at
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23 hand, practices of proactiveness and social exchange, expanded repertoire of resources for
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25 recombination and repurposing in making do.
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33 **4. Research Findings**

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35 Findings from the study suggest that SEs in China, despite the inadequacy of at-hand resources
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37 (refusal to enact limitations), solve persistent social problems (making do) by mobilizing a
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39 variety of resources from elsewhere. **This section illustrates the two-step resource mobilization**
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41 **process employed by SEs in China. The section begins with fraternizing activities,**
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43 **demonstrating** how the SEs in this study leveraged their social practice know-how and
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45 practiced proactiveness to strategically engage with actors in their environment in order to
46
47 explore potential resource sources. However, fraternizing alone proved insufficient. **The**
48
49 **findings in this section further illustrate that the** SEs utilized social exchange practices,
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51 employing four exchange values to convince resource owners to either directly release
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53 resources (such as funds, the right to use empty spaces, technologies, time, and efforts) or
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55 provide indirect support (such as certification and government procurement). None of the
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3 examined cases pursued market-based methods, with only SE-Hometran receiving impact
4 investment from a non-profit foundation. This section concludes by illustrating how the
5 expanded repertoire of resources mobilized through the above mechanisms further enables
6 Chinese SEs to 'make do'.
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13 **4.1 Social practice know-how as means at hand**

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16 The social entrepreneurs examined in this study began their social ventures in areas they knew
17 and in which they had extensive experience. Social practice know-how represents one's
18 practical tacit knowledge, skills or expertise that is useful in solving social problems
19 (Friedmann, 1978). This social practice know-how was reflected in the entrepreneurs' and the
20 core team's practical knowledge and skills on how to use non-economic means to achieve their
21 goal (solve a persistent social problem). The social entrepreneurs were highly aware that a
22 purely economic method could not work to overcome resource constraints when solving a
23 persistent social problem. They accumulated their knowledge and skills either through long-
24 term observation and interaction with other social entrepreneurs, experience in carrying out
25 communities' or governments' projects, participating in the administration and discussion of
26 government affairs or learning from past projects. The developed social practice know-how as
27 a means at hand empowered the entrepreneurs with a specific understanding of the local
28 environmental conditions, locally available resources and knowledge of how to engage.
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48 The entrepreneurs' own study, work and life experiences were the key source of social practice
49 know-how. The founder of SE-Blind, Mr. Lei (as detailed in Table 3), for example, was born
50 blind, studied massage, worked as a masseur and then opened his own massage parlors in
51 Beijing. He knew that the majority of the visually impaired in China lived by receiving the
52 nation's minimum subsistence; the most suitable job for them was being a masseur. However,
53 they faced communication difficulties, e.g., a mobile phone could only serve them for making
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3 a call - other functions were not accessible. The need for an affordable software that would
4
5 enable a blind person to use a smartphone inspired Mr. Lei to create SE-Blind. While software
6
7 development demanded technological resources and talents, which SE-Blind could not afford
8
9 using the market means, Mr. Lei's own life and business experience showed him that there
10
11 were resources available somewhere in society, and he knew where and how to start. He
12
13 reflected:
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18 *'I was rejected many times, but I found there are organizations who have social*
19
20 *responsibilities and are willing to help. Gradually, I knew who they were, what they*
21
22 *expected, why they offered support. I needed to let them know what we are doing. What we*
23
24 *are selling is not a luxury product, as our customers could not afford that. The market is*
25
26 *limited, and making a profit is impossible, but by sharing their developed technologies*
27
28 *with us, it would add value to their companies and technologies.'*
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33 Social practice know-how is also reflected in the entrepreneurs' understanding of how
34
35 governments and communities allocate funds with regard to their priorities, conditions and
36
37 expectations. They develop such expertise through past study and work experience. Mr. Mo,
38
39 in SE-Childedu, majored in social work in both his undergraduate and postgraduate studies.
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41 After graduation, he worked at an SE incubator where he gained a deep understanding of how
42
43 SEs in China operate. Mr. Mo recalled, *'I met so many social entrepreneurs and helped their*
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45 *SEs to grow, through which I interacted with different organizations. I knew what grassroots*
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47 *communities and governments want and what they could accept and support'*.
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52 Engaging with government projects was also an effective way to develop social practice know-
53
54 how whereby entrepreneurs knew where to seek support. Mr. Wu in SE-PTT worked on a
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56 Damask rose project for the government for eight years. The project was conducted in PG
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58 District (where he built SE-PTT) and aimed to help farmers to plant Damask roses there to
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3 improve their income. He was in charge of the project and had frequent communications with
4
5 different government departments, through which he built up a close relationship with
6
7 government officials and knew how local governments worked. He stated, *'I know how to*
8
9 *effectively communicate with government officials and exactly which door I should knock on*
10
11 *for which problem.'* SE-Childededu defined its business as community-inclusive early childhood
12
13 education. The majority of the core team had worked in non-profit organizations, and they had
14
15 developed a full set of know-how. This was reflected in their knowledge of and skills in
16
17 assessing the community-owned properties and the surrounding environment for building their
18
19 parent-child centers and how to communicate with resource owners. Mr. Du, **the founder of**
20
21 **SE-Childededu**, explained the expertise his team possessed: *'We know what key parameters we*
22
23 *should measure and how they affect the operations of the parent-child centers, e.g., the*
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25 *population of that community, the impact of the rooms' shape and aspect etc. This also*
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27 *prepares us with critical information when convincing the community management committee.'*
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34 **4.2 Proactiveness**

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36 **In a market where social beliefs in support of social goals are weak, social entrepreneurs'**
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38 **proactiveness (or active action taking) in interacting key actors in their environment is essential**
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40 **and provides important practice for SEs in exploring further resources.** This was evident in the
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42 four SEs in China investigated in this study. Proactiveness manifests in the social entrepreneurs'
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44 active behavior in opportunity-seeking and in initiating activities. It reflects the behavioral
45
46 characteristics of the SE within the resource-constrained environment. The findings show that
47
48 the social entrepreneurs proactively not only exploited relationships developed in the past but
49
50 also explored new opportunities to fraternize with a variety of parties, such as communities,
51
52 governments, foundations, companies and individuals to initiate resource mobilization. To
53
54 capture the business opportunity, Mr. Lei sold all of his massage parlors (for RMB 1 million)
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56 in order to start SE-Blind. However, he was aware that relying on this amount of money at
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3 hand was insufficient to develop the software that would enable a mobile phone to have a voice-
4 reminding mode and Internet access for the blind. Therefore, he went out into the community
5 and proactively talked with different parties starting with contacts established while running
6 his massage parlors, e.g., the Disabled Person's Federation. He stressed the importance of a
7 proactive approach: *'Eventually I was invited to take part in a competition to access high*
8 *quality technological training offered by a world-leading software development company.*
9 *Opportunities would not come to us if we did not proactively reach out.'*

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21 The social entrepreneurs proactively built a community to form **closer** relationships with
22 potential resource holders. Mr. Lei created a massage parlor then developed eight more in
23 Beijing. He developed good relationships with massage store owners (who were blind) through
24 which a community connecting with the visually impaired in Beijing was formed. This was the
25 same in the other three SEs in which a community engaging potential customers and possible
26 resource holders was developed. These communities then played a critical role in the later stage
27 of resource mobilization. When Mr. Lei developed the smartphone software business (SE-
28 Blind), he frequently visited and interacted with members of the community to get their support,
29 such as word-of-mouth marketing and feedback: *'I have to approach them, as they have limited*
30 *channels to communicate with the outside. I reactivated this only channel I had, and we sold*
31 *our first 5,000 products within six months to them and through them'.*

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47 The social entrepreneurs also proactively participated in government affairs management and
48 held critical positions in government agencies to exert their influence and to improve the
49 understanding between the SE and the local government (an important resource provider). For
50 example, local governments lack any understanding of the concept of SEs, so Mr. Du in SE-
51 Childedu initiated workshops and training and gradually, started being invited to advise on
52 government policies in promoting SEs to solve community problems. Through this experience,
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3 he not only understood the local government's priorities, expectations and resources but also
4
5 established a relationship with the government departments and local communities. A similar
6
7 experience was also found with Mr. Wu in SE-PTT. He actively participated in public affairs
8
9 and became a member of the CPPCC (Chinese People's Political Consultative Conference)
10
11 National Committee in PG District. He attended many government meetings and had good
12
13 communications and connections with government leaders. Mr. Wu stressed, *'Sometimes, I*
14
15 *could talk directly with the chief leader, so I'm good at feeling the government's pulse and*
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17 *acting in the right direction'*.
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23 However, while social practice know-how and proactiveness enabled the SEs to fraternize with
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25 actors in their resource environment, it did not guarantee the success of resource mobilization.
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27 Resources from elsewhere were not purchased with a quick change of ownership; instead, SEs
28
29 obtained these resources at low or no cost. The findings show that SEs demonstrated exchange
30
31 values to convince resource owners in order to achieve their resources. That is, the process of
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33 fraternizing intertwined with social exchange practices contributed to the success of resource
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35 mobilization.
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40 ***4.3 Social exchange in resource mobilization***

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42 The research findings also suggest that SEs have to demonstrate values in the exchange of
43
44 resources and support which were reflected in the following four aspects: *social, functional,*
45
46 *economic and regulatory*. Mr. Du in SE-Childedu made this point: *'I had to give them (owners*
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48 *of empty houses, normally subdistrict communities) a reason why we are the best receiver of*
49
50 *this resource, why, for them, it is worth doing.'*
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55 Thus, it was observed that beyond the limit of a physical-resource orientation of bricolage
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57 (Williams et al., 2021), demonstrating exchange values to external resource holders enabled
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59 the SEs to mobilize multiple types of quality resources, such as property, research and
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3 development (R and D), legitimacy, benevolence, human and financial. Presenting these core
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5 exchange values cumulatively enlarged the scope of the SEs' resource mobilization.
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8 9 **4.3.1 Social value**

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11 Interviewees from the four SEs emphasized that social value was a **foundational** condition in
12
13 resource exchange. Social value was inherent in the SEs' DNA, **forming their internal core, as**
14
15 **they were genuinely determined to address persistent social issues.** However, it was difficult
16
17 for the SEs to demonstrate their social values without a legal status in China. The introduction
18
19 of SE certification helped businesses (either a commercial enterprise or civil non-enterprise
20
21 not-for-profit, or a business with dual IDs) overcome the institutional barriers that resulted from
22
23 a lack of legal and social recognition. The SE ID implies social value, which underpinned the
24
25 SEs' very existence and helped the SEs gain legitimacy.
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31 *'The SE certificate is like a label, which differentiates us from other businesses, enables*
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33 *us to gain resources more easily, particularly to achieve governments' and*
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35 *communities' resources, which hugely reduces our operating costs.'* (Mr. Du, SE-
36
37 Childedu)
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41 Social commitment defined in Articles of Incorporation and embedded in business operations
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43 also helped the SEs to prove their social values in exchanging proprietary resources. In SE-
44
45 Childedu, it was clarified that 50% of assets were locked, and 20% of its profits would be
46
47 returned to the communities. They demonstrated this while communicating with the local
48
49 communities to gain properties for free. Mr. Du **in SE-Childedu** shared his experience of when
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51 he talked with subdistrict officials.
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56 *'The talk was mainly to convince them of the values our business could bring to the*
57
58 *subdistrict. We showed our Articles of Incorporation, which clearly stated our asset*
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3 *lock and profit distribution. We also offered that 30% of our operation hours would be*
4 *free to the public and we would provide jobs to mothers and retired women in the*
5 *community who could work for our centers. So, they were very happy to sign off the*
6 *right-of-use of that empty house to us (for free).'*
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14 The same practice happened in SE-Blind when Mr. Lei convinced giant companies and
15 foundations to release funds and technologies to them. He made this clear at one of the
16 competitions for a funding program when he commented, *'Our software has an attribute that*
17 *others do not have, namely, we are willing to change the lifestyle of the over 10 million blind*
18 *people, and this software could enable them to 'see' farther.'* From the impact investors' point
19 of view, the social value demonstrated by an SE was also one of the important criteria in their
20 investment decisions. The Secretary of YY Foundation, Mr. Su said, *'One of the criteria which*
21 *determines our investment is that the SE must be willing to donate 20% of their pre-tax revenue*
22 *to a charity foundation [a local one, different from YY] for the public welfare, and we can see*
23 *SE-Hometran is committed to doing so.'*
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39 Social value helped SE-PTT to gain R and D resources when they encountered difficulties with
40 the installation of an initially landline-based model of PTT (push-to-talk), as some elderly
41 people did not have a landline at home. This meant SE-PTT had to conduct R and D to upgrade
42 the PTT to a wireless model. Mr. Wu in SE-PTT heard (via active communication) that the
43 Science and Technology Commission at PG District was organizing a research program to
44 support enterprises. The social value demonstrated in SE-PTT helped it join this program. So,
45 the government-paid professors in universities helped SE-PTT develop a wireless PTT within
46 ten months. Later on, university experts continued to help SE-PTT develop more new products,
47 such as wrist and neck PTTs and a home smoke- and gas-detector linked to SE-PTT's call
48 centre. However, the experts never requested payment (benevolent resources).
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4.3.2 Functional value

Functional value **pertains to** how an SE's products/services **effectively address** persistent problems. **This aspect is crucial yet challenging, as SEs aim to tackle issues overlooked by the market, which are hard to address using traditional methods.** The four SEs all sought new ways of functioning and assembled their products/services in an innovative manner. *'Enabling the blind to 'see' farther'* was achieved by a package of voice recognition software developed by SE-Blind. A smartphone was transformed into a voice-reminder mode, which enabled the blind to operate independently as if they could 'see' the screen. This enabled the visually impaired not only to make a phone call but also to perform the same activities as a sighted person can, such as shopping online, ordering a taxi and reading a book. The technology was not radically new, but it effectively solved a persistent problem. However, although SE-Blind obtained advanced AI technologies and voice recognition technology from giant technical firms for free, the voice-reminder technology could still not help blind users recognize images. Therefore, Mr. Lei contacted a foundation under a giant technology company and explained the function of a new software that SE-Blind expected to develop.

'By remotely linking two sides –the blind and the sighted - the blind could take a picture of the image, e.g., a bottle of Coca-Cola and send it to the sighted, who could tell the blind what it is. The functional value of this new software convinced them, and so we have worked on this project for three years and received RMB 1.2 million every year from them.'

In China, 90% of the elderly prefer to remain living at home to living in a care home according to SE-Hometran's market research. Furthermore, the current high-end commercial offerings could not meet the vast demand from the middle- and lower-class elderly. SE-Hometran

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2
3 provided a customized service to help the elderly: evaluating the elderly person's health and
4 domestic environment, then carrying out a home transformation by using specially designed
5 facilities and intelligent devices to enable the elderly person to live independently, safely and
6 comfortably in a familiar environment. As one customer reflected,
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12 *'The home retrofitting hugely improved my mum's quality of life. I can see how happy*
13 *my mum has been since she received SE-Hometran's service; she can now stay in her*
14 *own home independently. This has also been a big relief for me, so I can concentrate*
15 *on my work and even resume business travel'.*
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21 The new method of problem solving helped SE-Hometran gain government purchases and
22 support from other organizations. In 2017, Beijing municipal government invited a public bid
23 for offering 5,000 elderly families a free home transformation service, whereby each family
24 received a subsidy of RMB 5,000; SE-Hometran's past successful cases demonstrated a
25 workable solution and helped win the bid. The functional value also enabled SE-Hometran to
26 convince communities, hospitals, nursing homes and so on to assign SE-Hometran to carry out
27 aging transformation projects.
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40 SE-PTT developed a PTT gadget for installation in the homes of the elderly and disabled that
41 was linked to SE-PTT's call center to provide both emergency and ordinary services. This was
42 an effective solution and convinced the local governments to support. As a PG District
43 government official stated, *'This method indeed worked, and we have received many requests*
44 *from other families for installing the PTT at their homes. We have purchased their [SE-PTT]*
45 *services as much as we can, as we expect to see more disabled and elderly people who can use*
46 *their services'.*
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57 **4.3.3 Economic value**

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3 Economic value refers to the affordability of an SE's products/services for vulnerable
4 customers, the mechanisms used by the SE to achieve this and the potential financial benefits
5 to stakeholders. The four cases had operated as an SE for a short period of time (the earliest
6 started in 2015), but at the time this study was conducted, only SE-Hometran had reached the
7 break-even point based purely on its own sales. The mobilized low cost or free resources played
8 a crucial role while the SEs were developing their own mechanisms to generate 'blood'. In all
9 of the cases, the economic value was reflected in offering the product/service to their customers
10 at lower than market prices. For example, SE-Blind offered a lifetime software license at only
11 RMB 260 (about £30) to the visually impaired, while SE-Childedu's 0-3-year-old education
12 was approximately one tenth of the price of commercial offerings. The affordable offerings
13 directly benefited customers, e.g., as of 2018, 600,000 blind people in China were using SE-
14 Blind's voice mode phone thanks to its low lifetime price. Economic value was also reflected
15 in the incentive mechanisms in mobilizing human resources. SE-Childedu offered ownership
16 rights to exchange unemployed mothers or retired women's willingness to work for or manage
17 the parent-child centers. So, mothers gained employment, with a basic salary plus rewards
18 linked to the growth of the center. The economic value was also considered a critical condition
19 in SE-PTT in maintaining a large workforce to supply the over two hundred immediate-home-
20 arrival services to the elderly and disabled. As SE-PTT could not afford to recruit through the
21 market, they had to demonstrate economic values in exchange for the freelancers' commitment.
22 Initially, SE-PTT did not have even one professional to perform tasks, e.g., plumbing jobs;
23 they had to find such experts from outside. However, the low price of their services in the
24 market allowed SE-PTT to achieve a high frequency of orders, and this attracted plumbers and
25 technicians to work for them.

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'We could offer 30 orders per day, and they [plumbers] could still make money based on the price of RMB 150 per plumbing job. On their own, they may get only one order

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3 *per month. We receive orders, they do the job, and we receive 10% from each order.'*

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6 (Department Manager, SE-PTT)

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9 SE-Hometran broke even when they established their 11th community-based care center and
10 rapidly expanded into 17 cities in China. The economic potential attracted funds from YF
11 foundation (impact investment). As the secretary of YF foundation claimed, '*We have been*
12 *very careful in our investment decisions; we have invested in only two SEs so far. We invested*
13 *in SE-Hometran, as we see the business has social as well as capital value'*.

21 22 **4.3.4 Regulatory value**

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26 SEs fill the gap in a specific industry by providing products and services, thereby introducing
27 new procedures and practices to the existing system. The four SEs had all developed
28 legitimized industry standards, and the reason for doing so was explained by Ms. Lu in SE-
29 Hometran as follows: '*The government does not know how to do this [home transformation for*
30 *the elderly], so we help them do it'*. SE-Hometran led the development of two industry
31 standards – community-based elderly care service and home-based elderly care service in city
32 CD (where SE-Hometran is located). The two standards have been effective and have been
33 used since May 2013 in CD. The regulatory value was also evident in the other three SEs. For
34 example, SE-PTT was in the process of developing the household management service industry
35 standard in PG District. As Mr. Wu in SE-PTT explained, '*The price for house-keeping services*
36 *to the elderly is not regulated; anyone can charge a different price in the market - we are*
37 *developing the standard. Customers will know the price and detailed procedure before they*
38 *use our services.'* The established standard helped rule out inappropriate practices in the market
39 and improved the institutional environment in which the SEs were embedded.

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3 The regulatory value the SEs demonstrated enabled them to gain trust from governments and
4 customers beyond the local areas. In 2018, the government of YN (one of provinces in the
5 south of China) purchased SE-Blind's products for RMB 2 million and invited SE-Blind to set
6 up a similar industry standard there. Similar invitations and purchases from governments
7 elsewhere were also seen in the other three SEs. Moreover, as customers demanded more
8 services, e.g., the electronic guide dog, the national governments assigned SE-Blind to develop
9 a series of products needed by the blind to help regulate the entire market. Similarly, the
10 established transparent practical and procedural benchmarks empowered SE-Childededu to
11 mobilize more partners to join, thus enabling the SE to expand quickly.
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25 *'There is no industry standard on 0-3-year-old education services; we are setting it up.*
26 *Every step is clearly stated in the standard booklet. Costs and revenues are all open to the*
27 *community. So, it is easy for any partners [franchisees] or investors to set up a new center*
28 *by following the steps and instructions we set.'* (Mr. Li, Department Manager, SE-
29 Childededu)
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38 The four exchange values were not mutually exclusive and were often combined, which
39 enabled the four SEs to mobilize a variety of resources at different levels. While one value may
40 be predominant in mobilizing a specific type of resources, e.g., economic value was critical in
41 mobilizing specific types of permanent human resources, other values were also indispensable.
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48 ***4.4 The expanded repertoire of resources further enabled 'making do'***

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50 Resources in the SEs' repertoire, as summarized in Tables 4 and 5, were expanded through
51 social exchange to include a variety of types, such as financial, technological and human
52 resources; R and D; marketing and promises, and at multiple levels (individual, organizational,
53 and contextual, e.g., legitimacy). This repertoire comprised elements that were heterogeneous
54 by their nature and their individual history (Lévi-Strauss, 1966) and that were obtained at low
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3 **cost or for free.** The expanded repertoire included necessary elements that the SEs alone could
4
5 not develop but that enabled each SE to reconstruct and repurpose resources to offer a new
6
7 service to address a persistent social problem (making do). The resources gained through the
8
9 social approaches played a crucial role and allowed SE-Blind to better achieve their goal by
10
11 assembling resources from a range of locations into the final product. Mr. Lei explained the
12
13 importance to SE-Blind of having a social approach: *'TT offered us the source code of the*
14
15 *instant messaging software for free after I wrote to the CEO to show what problem SE-Blind*
16
17 *was solving. On our own, it would have taken at least half a year with investment of several*
18
19 *thousand RMBs and might not have resulted in a success.'* (Mr. Lei, SE-Bland)

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23 While R and D and technological resources were not affordable to the SEs via the market, they
24
25 all achieved R and D by mobilizing quality resources through social exchange. Two of the SEs
26
27 (SE-PTT and SE-Childeddu) conducted R and D in an indirect way (government-paid experts
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29 in universities helped the SEs with R and D, and the other two either received technologies
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31 directly from giant technological firms (SE-Blind) or were given a specific fund for R and D
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33 (investment by YF Foundation, SE-Hometran). Social exchange made existing resources
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35 owned by others available for SEs to recombine with other resources to provide an innovative
36
37 workable solution, which was normally a new way of offering a service. For example, SE-PTT
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39 offered the elderly and the disabled affordable home-based emergency care and house-keeping
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41 services in a way that had not existed in the market previously. SE-Blind created a new industry
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43 by providing the blind with affordable software and services that could function on smart
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45 phones. Without the expanded repertoire of mobilized resources through social exchange, none
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47 of the SEs examined in this study could have achieved the results they show today. While Mr.
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49 Lei started with the fund from the sale of the massage parlors (RMB 1 million), it was
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51 insufficient to fund the R and D on the voice-reminder software. By leveraging his deep
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53 understanding of the blind (such as their needs and financial resources), proactively engaging
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3 with individuals and parties in his environment (e.g., re-activating existing contacts with
4 governments and blind friends at massage parlors and engaging with new contacts, e.g., giant
5 technological firms, foundations etc.) and demonstrating the exchange values (social,
6 functional, economic and regulatory) to resource holders during fraternizing, he mobilized a
7 variety of requisite resources for SE-Blind. It was this expanded repertoire of mobilized
8 resources that enabled SE-Blind to perform reconstruction and repurposing to offer the new
9 software service – the blind could use a smart phone in the same way as the sighted do.
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21 Social exchange practices in resource mobilization reduced the SEs' operation costs, filled their
22 resource gaps and enabled them to make do. In return, by using resources from elsewhere for
23 social purposes, SEs could continue as a business to provide products and services to a
24 vulnerable group of people. Hence, integrating resources mobilized through social approaches
25 helped SEs operate their businesses and remain as a valued SE in China. Mr. Lei in SE-Blind
26 emphasized this:
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35 *'We have become a business that cannot be closed, as 60 million blind people in China*
36 *are using our service. The only way for us to continue SE-Blind is to mobilize and*
37 *integrate more resources through social approaches. I can see that resources through*
38 *this route are extensive.'*
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47 **5. Discussion**

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49 **This study examines how SEs in China mobilize resources strategically to address persistent**
50 **social problems through adaptive practices and resourcefulness.** Specifically, the study extends
51 the theory of bricolage by revealing how resources elsewhere are mobilized through social
52 exchanges. The theoretical explication that emerged from the multi-case analysis of four SEs
53 operating in two cities in China reveals how SEs are leveraging social practice know-how and
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3 proactiveness to access resources held by others. However, this effective fraternization is
4
5 intertwined with the social exchange practices in which SEs offer social, functional, economic
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7 and regulatory values to resource holders to constitutively expand repertoires and deliver social
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9 change. This resource mobilization mechanism employed by SEs in China is summarized in
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11 the heuristic framework in Figure 2.
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16 --- Insert Figure 2 here ---
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20 The findings contribute to the social entrepreneurship literature in several ways. First, by
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22 integrating SET into bricolage, this study reveals the importance of the concept of ‘social’ (in
23
24 terms of noneconomic means and ends) in bricolage (Di Domenico et al., 2010, p. 687) and
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26 highlights the socially constructed nature of idiosyncratic firm resource environments (Baker
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28 and Nelson, 2005). The SEs’ social and organizational mechanisms enabled them to not only
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30 fraternize with but also make use of inputs from a variety of resource owners (at hand and
31
32 elsewhere), which determined the success of their making do. To tackle the inherent resource
33
34 constraints, a social approach to bricolage becomes a more prominent tactic for SEs in resource
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36 mobilization compared with commercial enterprises (Baker, 2007; McNamara et al., 2018).
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38 However, the development of social practices of bricolage in the existing literature is
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40 inadequate (e.g., Garud and Prabhu, 2020). This study reveals that a social approach to
41
42 bricolage is a deeply embedded regime of action which firstly requires SEs to *fraternize* with
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44 actors in their environment. This is in line with Zahra et al.’s (2009) finding that successful
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46 bricolage requires intimate knowledge of both local environmental conditions and locally
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48 available resources. The social practice know-how possessed by social entrepreneurs revealed
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50 in this study was localized, and sometimes tacit knowledge and skills enabled the entrepreneurs
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52 to understand local needs and to identify and access locally available resource opportunities.
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54 Our findings stress that what is important for bricolage is not the simple fact of starting with
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3 little but rather the positive actions that social entrepreneurs take (Baker, 2007). An established
4 contact network does not mean resources on the network are usable (Zhang, 2018).
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6 Proactiveness practices (e.g., exploiting existing contacts, extending to new ones, building a
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8 community and holding critical positions in government agencies) help SEs overcome initially
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10 poor social structural positions (e.g., Mr. Wu in SE-BTT was able to talk directly to local
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12 government leaders), attracting the resource holder's attention and going beyond their
13
14 boundaries to access more resource opportunities (Clough et al., 2019). Thus, fraternizing
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16 activities helped the SEs overcome information asymmetry and increased their chances of
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18 accessing external resources. However, fraternizing alone could not enable the SEs to get use
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20 of the resources owned by others; rather, the process was intertwined with social exchange
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22 practices. The SEs had to demonstrate *exchange values* to win the resource-owner's willingness
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24 to release their resources and support. This study emphasizes the 'social' approach in social
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26 entrepreneurship in China where SEs have to employ informal channels to achieve their goals
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28 that cannot be otherwise realized through formal institutions.
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38 Different from developed markets, where formal institutions are well established and the
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40 environment is favorable for social needs, SEs there can win legitimacy, gain access to standard
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42 resources and receive respect and understanding for their social endeavor (Desa and Basu,
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44 2013). *Direct* means could be effective in resource mobilization for SEs in developed markets
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46 where the support for social goals is a norm, e.g., using persuasion (passive, unpleasant feeling)
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48 as means to negotiate and renegotiate the acquisition of resources (Di Domenico et al., 2010)
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50 or using persuasive language to gain legitimacy (Ruebottom, 2013) or simple symbolic actions
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52 to facilitate resource acquisition (Zott and Huy, 2007). This study reveals that in China, where
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54 social beliefs in support of social goals are weak, SEs must employ more irregular means and
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3 a two-step process to win the resource owners' willingness (active, be happy about doing) to
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5 release resources.
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10 Second, through social exchange practices, the exchange values function to gain SEs resources
11 at a low cost or for free, something that would be otherwise impossible to achieve via the
12 market. The findings not only support Ladstaetter et al. (2018), who claimed that the social
13 value the SE demonstrates helps them gain preferential treatment from stakeholders to access
14 to resources, but also go a step further. This study suggests that social value, though critical, is
15 insufficient to mobilize quality resources at all levels for SEs in China. The functional,
16 economic and regulatory values revealed in this study enabled the SEs to convince different
17 types of resource possessors and, hence, increased the level of inputs. While social value as the
18 basic exchange condition allows SEs to achieve core business resources, such as R and D,
19 technologies, properties, marketing and legitimacy, to gain governments' purchase and achieve
20 customers' word-of-mouth, SEs also need to demonstrate a workable solution to a persistent
21 problem (functional value). To attract investment and obtain good quality long-term human
22 resources and sales, the economic value, as reflected in an affordable price, and a flexible
23 ownership scheme that could bring potential economic benefits to stakeholders determine the
24 exchange. The regulatory value enabled the SEs to gain trust from local and national
25 governments to use their practices to regulate the market. The standardized procedure also
26 allowed the SEs to expand quickly (e.g., via franchising), which they might not be able to
27 achieve through social value alone, as detailed at the bottom of Figure 2. Hence, the findings
28 revealed in this study go a step further than those of Garud and Prabhu (2020). Unlike
29 multinational commercial firms in India, where entrepreneurs' social skills alone can help
30 mobilize resources, in the context of SEs in China, it is the four exchange values that enable
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3 SEs to complete the final step of resource mobilization and convince different types of resource
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5 possessors to release their resources at low cost or for free.
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9 Finally, social exchange practices offered the SEs access to repertoire building and expanding,
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11 and in return, acted as an enabler of bricolage. Various market and non-market participants
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13 (e.g., giant firms, governments, communities, universities and foundations) were mobilized to
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15 help fill the resource gaps. The findings support Burkett (2013), who claimed that SEs have
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17 different categories of customers: those who purchase goods and services, and those who want
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19 to support the social impact SEs generate or potentially benefit from this impact (also known
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21 as impact customers). In this regard, the findings in this study echo the call by the CEO of
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23 Accelerator, a leading SE in China, (outside the four cases) that '*social enterprise is still a*
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25 *controversial concept in China. Social entrepreneurs need to show people, rather than tell*
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27 *them to change their perception*' (Sandford et al., 2015). Hence, the SEs overcame the
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29 originally physical-oriented bricolage (Williams et al., 2021) and stretched their repertoire
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31 through social exchange to access other types of resources at low cost or for free, such as
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33 technical, human, R and D, marketing, legitimacy, trust and so on. Without the expanded
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35 repertoire of resources mobilized through social exchange, the SEs examined in this study
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37 could not have achieved today's excellent results. Evidence shows that the SEs in China
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39 examined in this study were able to engage with some providers of standard resources through
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41 social exchange. The expanded repertoire gave the SEs more room to perform recombination
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43 and repurposing and directed them toward areas for new innovative solutions. Mobilizing
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45 resources through the social approach allowed the SEs to exploit new opportunities that might
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47 appear too expensive to pursue through other means to solve persistent social problems; in
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49 return, this helped them maintain their identity as a valued SE in China.
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3 This research also provides important practical implications. Our findings reveal that SEs are
4 different from commercial enterprises in regard to resource mobilization. Commercial firms
5 with different target markets and organization missions from SEs (Desa and Basu, 2013) can
6 easily accumulate slack resources, thus enabling them to access some strategic resources
7 through market transactions or collaborative relationships (e.g., joint ventures, mergers and
8 acquisitions) (Zahra, 2021). Their large size and immense market occupation also give them
9 considerable power in negotiating the terms of acquiring resources from other sources
10 (Williams et al., 2021; Zahra, 2021). SEs in China, as revealed in this study, have to turn to
11 more deviant means to mobilize a variety of resources at low cost or for free. Moreover, while
12 this study stresses the importance of a social approach to bricolage, which is under-developed
13 in its original concept, it goes a step further and reveals that the use of social means is time
14 consuming, and overuse may impede SEs' further development.
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33 Overall, this study contributes to our understanding of how SEs could be more convincing so
34 as to increase their chances of gathering greater resources from external stakeholders. The
35 social and organizational mechanisms delineated in this study underly SEs' potential to develop
36 breakthrough solutions, achieve excellent results and hence facilitate the entrepreneurial
37 creation of something from nothing (Baker and Nelson, 2005). The social approach to bricolage
38 is an endemic feature of the bricoleur toolkit particularly in SEs in China. Hence, SET
39 complements and enhances the understanding of the theory of bricolage.
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50 **6. Conclusions**

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54 This study, with its distinct theoretical positioning and unique research context, reveals how
55 SEs in China mobilize resources to realize their missions. While this study has certain
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3 limitations, it makes theoretical and practical contributions, and it offers new directions for
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5 future research.
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10 First, the findings draw on empirical data sourced from a limited number of firms that were
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12 purposively selected in two cities in China; future research could employ quantitative means
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14 to expand the scope and sample size to test these arguments in a large number of SEs. Second,
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16 the findings did not show differences between the SEs in the two cities within China in their
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18 responses to resource constraints. This might be because the SEs examined in this research
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20 survive in the same market segmentation – serving a vulnerable group of people (e.g., the blind,
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22 the elderly or the disabled) and the low- to-middle-class families in China. They are all first-
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24 class SEs, and their businesses have spread nationally. Future research is suggested to
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26 investigate further to compare how other regional differences affect SEs' resource mobilization.
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28 Third, while the social and organizational mechanism revealed in this study based on the
29
30 bricolage and social exchange perspective contributes to the understanding of the nuanced
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32 resource mobilization process, it might not be generalizable to different institutional contexts.
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34 Detailed examination is needed to discover how different mechanisms might be effective in
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36 different institutional environments. Fourth, while this study reveals the importance of the
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38 social dimension of bricolage through the social exchange lens, it would also be meaningful
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40 for future research to examine whether bricolage contributes to the development of SET. Fifth,
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42 the four exchange values demonstrated by the SEs in resource mobilization might not reflect
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44 the full range of values of what an SE could generate. Therefore, further research is encouraged
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46 to contribute to the understanding of SEs' value-exchange capabilities to mobilize a greater
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48 variety of resources. Also, it would be valuable for future research to compare how different
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50 kinds of exchange values are effective in mobilizing which types of resources in different
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52 markets. Finally, it is noted that although a social approach to bricolage through a social
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3 exchange lens helped the SEs in this research mobilize a wider range of resources, they did not
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5 have the absolute certainty of the inflow of external resources. The number of resources
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7 mobilized from external sources might be high in some years but low in others. While
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9 significant amounts of external resources might exist, how to strategically and effectively
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11 maintain the continuity and stability of the inflow of different sources of external resources for
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13 social purposes remained a challenge for the SEs examined in this study. It is suggested that
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15 future research investigate further to develop more insights into this challenge and hence help
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17 SEs better survive and succeed.
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24 To conclude, **the social and organizational mechanism developed in this study helps open the**
25
26 **black box of the resource mobilization process of SEs in China.** It is expected that the
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28 mechanism proposed in this study lays a suitable foundation to guide future SEs in China and
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30 other similar markets to mobilize a variety of resources to achieve their social goals.
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Table 1: The primary case studies

Cases	SE-PTT	SE-Blind	SE-Childedu	SE-Hometran
Start Year	2015	2008	2016	2011
No. of employees	50	40	10	200
Location	Beijing	Beijing	Chengdu, Sichuan Province	Chengdu, Sichuan Province
GDP per capita (US\$, 2022)	26,510		13,696	
Economic development level (World Bank, 2022)	High income			
Certified as SE	2018	2016	2018	2018
Class of SE	1 st class	1 st class	1 st class	1 st class
ID(s) (commercial enterprise or civil non-enterprise not-for-profit)	Single ID (a commercial business, certified as an SE)	Dual IDs	Dual IDs	Dual IDs
Targeted Customers	The elderly and disabled	The blind	0-3 children	The elderly
Problem to solve	Lack of home-based emergency care and housekeeping services for the elderly and the disabled; commercial offerings not affordable	The blind could not use a smart phone the same as a sighted person does	Lack of education for 0-3-year-old children of the low- and middle-class families	90% of elder people prefer a home-based caring service but that is not available for the low- and middle-class families
Product/ Service	A push-to-talk (PTT) gadget installed at the customer's home linked to the call centre providing a 24/7 instant home visit service	Software to enable a smart phone to have a voice reminder mode so the blind can use it	Parent-child centres in communities for the low- and middle-class families	Evaluate and transform home facilities to fit elderly people's needs

Table 2: The data

Types of Data	Cases	SE-PTT	SE-Blind	SE-Childedu	SE-Hometran	Total
Interviews	Founder(s)	1	1	2	2	21
	Department Manager	1	1	1	1	
	Government, Community officials	1	2	1	1	
	Investors				1	
	Users	2	1	1	1	
Media Statements	Reports	3	5	3	3	30
	Website text	2	3	2	2	
	Interviews	1	3	1	2	
WeChat follow-ups	Founder(s)	since 2018	Since 2018	Since 2018	Since 2018	5
	Firms			Since 2018		

Table 3. The interviews

Cases	Interviewees (Pseudonyms)	Gender (Male/ Female)	Face-to-face or phone	Time (dd/mm/yyyy)	Length (Minutes)	Total
SE-PTT	Founder (Mr. Wu)	M	Face-to-face	02/08/2018	131	21
	Department manager	M	Face-to-face	03/08/2018	40	
	Government official	F	Face-to-face	03/08/2018	35	
	User 1	M	Face-to-face	20/01/2019	60	
	User 2	F	Face-to-face	24/01/2019	40	
SE-Blind	Founder (Mr. Lei)	M	Face-to-face	21/08/2018	125	
	Department manager	M	Phone	23/09/2018	40	
	Government officials	M	Face-to-face	22/08/2018	30	
		F	Phone	03/09/2018	40	
	Users	M	Phone	04/09/2018	30	
SE- Childedu	Founder 1 (Mr. Du)	M	Face-to-face	30/08/2018	105	
	Founder 2 (Mr. Mo)	M	Phone	20/02/2019	130	
	Department manager (Mr. Li)	F	Phone	21/02/2019	40	
	Community official	M	Phone	10/01/2019	35	
	User	F	Phone	15/01/2019	40	
SE- Hometran	Founder 1 (Mr. Lu)	F	Face-to-face	29/08/2019	90	
	Founder 2	M	Face-to-face	31/08/2018	60	
	Department manager	F	Phone	15/01/2019	40	
	Government official	M	Phone	18/01/2019	40	
	User	F	Phone	03/02/2019	30	
	Investor (Mr. Su)	M	Phone	05/02/2019	40	

Table 4. Resource mobilization in social enterprise in China: bricolage and social exchange

Cases		SE-PTT	SE-Blind	SE-Childedu	SE-Hometran
Themes					
Making do (refuse to be constrained by limitations, active engagement on a workable solution for a social end; focusing on problem solving, Baker & Nelson, 2005; Di Domenico et al., 2010)		Offered the elderly and the disabled affordable home-based emergency care and housekeeping services in a way that did not exist in the market previously.	Provided the blind with affordable software and services that enabled them to use a smart phone the same as a sighted person does (a new industry that did not exist previously).	Established parent-child centers in communities to provide affordable education for 0-3- year-old children of the low- and middle-class families (a new way of doing which did not exist in the market before).	Based on the community care centers, developed a system to evaluate and transform home facilities to fit the elder people's home-based caring needs for the low- and middle-class families (a new way of doing which did not exist in the market before).
Means at hand ('instrumental sets', accumulated over time, always come in handy, defined only by its potential use, Levi-Strauss, 1967: 19)	Social practice know-how	Knowing how governments worked, what they cared about and supported, and local customers' needs through working on government projects for 8 years, followed by running own business (takeaway food delivery).	Born blind, understood the life of the blind, difficulties in communication; ran own massage parlors, accumulated expertise in serving the blind.	Educated in social work, 8 years' work experience in SE incubators, knowing what grassroots communities and governments wanted, accepted and supported.	8 years' experience running community care center, offering door-to-door services, understood deeply what exactly the elderly needed and how to improve their quality of life.
Proactiveness (active action taking; proactive behavior in opportunity-seeking and activity initiating; behavioral characteristics)	Exploiting existing contacts	Intensive communication with local government officials and local communities.	Close relationship with owners (visually impaired) of massage parlors, frequent contact with the Disabled Person's Federation (government).	Frequent contact with local governments, communities, and other social entrepreneurs.	Frequent contact with local governments, communities, family members of the elderly.
	Extending to new contacts	Experts in universities, freelancers in communities (e.g., plumbers, technicians), different government departments.	Foundations, giant technical firms, media organizations.	0-3-year-old education experts in universities, mothers and retired women in communities, local store owners.	Foundations, hospitals, universities, research centers, private firms, orthopedic experts, doctors, nurses.
	Building a community	Fraternizing with professionals in the community to form a local response team who lived next door to the elderly and customers' homes for emergency aid and housekeeping services.	A friendship-based blind people community netted via massage parlors.	Built a community self-running system; customers, owners of education centers, houses were all from the community.	The caring centers acted as the hub linking up families in the community via offering different types of caring services for the elderly (residential, daily, hourly, door-to-door caring).
	Holding critical positions in	The founder was the Vice-president of Youth Entrepreneurship Association; President of E-commerce	The founder was the Deputy Chair of Beijing Municipal Association of Persons with Visual Disabilities; Chair of Beijing CY District	The founder1 Mr. Du was the Member of Youth Federation (Sichuan Province); Civil Affairs Bureau Social Work Advisor; Party	The founder was the Vice-president of CD (a city in Sichuan Province) Social Welfare Association; Member of Pension Industry Service Standard

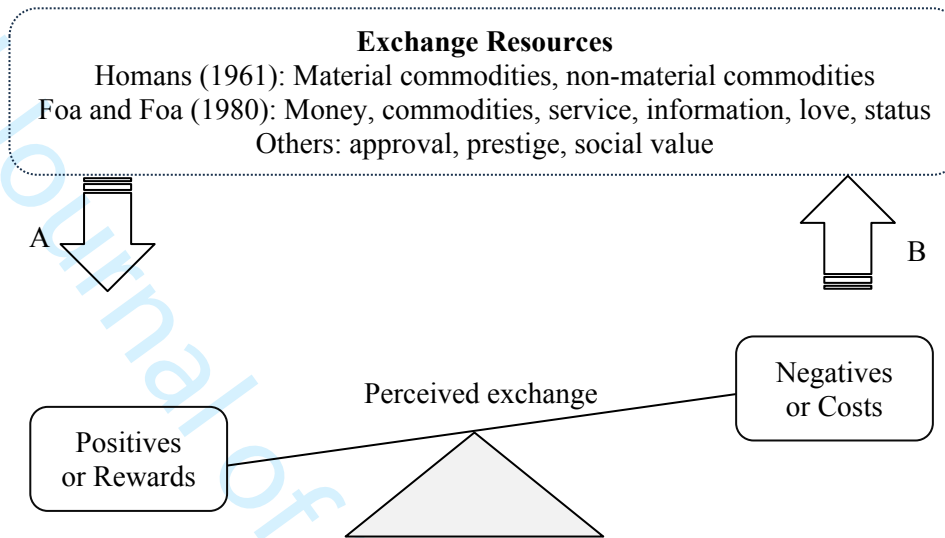
P r a c t i c e s o f R e s o u r c e M o b i	Social Exchange (demonstrating exchange values, e.g., social, economic, functional, regulatory, to different external resource holders respectively, to win the willingness to release resources and support at low cost or free)	government agencies	Association; Member of CPPCC.	Association of Persons with Visual Disabilities.	Branch Secretary of BF Social Work Development Centre (help local governments promote SE development).	Committee, CD City Civil Affairs Bureau.
		Social value	Improved the life of the elderly by receiving home-based caring services by just pressing the PTT (e.g., haircut, home bathing, house cleaning etc.). Saved 66 lives through the home emergency service.	Changed the blind people's lifestyle by letting them 'see' further via the power of technology; offered jobs to the visually impaired.	Filled a market gap as the 0-3-year-old education was left outside the compulsory education system in China.	The home adaptation idea changed the life of the elderly and reduced the pressure on the society and families (e.g., a 70-year-old man who had hemiplegia got up and walked to the balcony by leveraging the installed grab bars on the side of his bed and along the wall at his home); preventing thousands of elderly people suffering accidental injury from falling down at home).
			-R & D (upgraded the PTT from the landline-based to wireless model done by experts in universities, paid by governments; free further R&D, e.g., wrist and neck PTT, home smoke and gas detector) -Marketing: reported by the local TV -Offices: free -Legitimacy: one of the first batch of certificated SEs in Beijing in 2018.	-Technologies, e.g., free source code for instant messaging software, voice recognition technology -R & D: image recognition technology funded by a foundation of giant tech firm -Marketing: reported and filmed by national TV -High quality technology training -Offices: rent free -Legitimacy: one of the first batch of certificated SEs in Beijing in 2018.	-Empty houses in community -R & D, e.g., 0-3-year-old education curricular system developed by university professors mainly paid by foundation and government -Legitimacy: one of the first batch of certified SEs in Chengdu, Sichuan Province.	-Community owned properties -R&D: e.g., the hip protector development received contributions from orthopedic experts, the red dot award industrial design team, and the true opinions of 153 nurses, 500 elderly people and 341 family members without payment. -Marketing: reported by social media 470 times in the past 8 years -Legitimacy: one of the first batch of certified SEs in Chengdu in 2019 and was certified by B-Corp in 2019.
		Economic value	The cost-covering low profit margin housekeeping services enabled local people to enjoy a better life and allowed SE-PTT to receive orders with high frequency.	Charged a low lifetime price for the software and no further cost on software upgrading.	Offered not only jobs but also ownership of the centers, with a basic salary and performance bonus based on every additional child recruited.	Low home evaluation and retrofitting price; the self-developed evaluation kit allowed on-site assessment by entering data into the system to generate an evaluation report and formulate a customized aging transformation plan; broke even when expanded into 11 centers; low franchising fees.
-Professional labor in the community, e.g., plumber, electrician proactively signed	-Customers' recognition: sold the first 5000 products within 6 months		-Human resources: retired women and full-time mothers in the community.	-Investment from YF Foundation -Had more franchisees		

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46	i s a t i o n		contract with SE-PTT ('We receive orders, they do the job, we gain 10% from each order', Mr. Wu).	New revenue channels: telecommunication companies pre-installed the software into the handsets as a subsidy to the blind customers.		-Human resources: attracted young and professional people to join.
		Functional value	Being able to offer and implement the home-emergency service via the PTT, and over 300 types of door-to-door housekeeping services in a continuous manner	The software transformed what the sighted see to what the blind hear, enabling the blind to do the same as a sighted person does, such as shopping online, ordering a taxi, reading a book; the same technology was embedded in other areas and appliances, e.g., a management system for massage parlors (used in over 4,000 parlors), rice cooker etc.	The effect of the 0-3-year-old education was assessed in 2017 with significant positive outcomes, e.g., in term of improving children's fine movement, language development; the centers with the systematic child-parent activities addressed parents' pain point in terms of where they should go and what to do for their 0-3-year-old children.	Over 10,000 families received the home transformation service, the satisfaction rate reached 95%; a series of own-brand products were developed, e.g., intelligent positioning shoes, hip protector, movable toilet, anti-slip operator and so on.
			-Government purchase accounted 50% of the income -Word of mouth	-Government purchase accounted 60% of the income -Word of mouth: blinds friends at parlors helped promote to their other blind friends	-Word of mouth by parents -Other community resources: other types of service providers in the community, e.g., youth services used their spare space on 0-3-year-old education.	- Government purchase accounted 70% of the income - Support from other organizations, e.g., hospitals, nursing homes assigned SE-Hometran for elderly transformation projects - Word of mouth
Regulatory value	The price helped reflect a real market situation and ruled out those who randomly charged a price; set up standards for over 200 types of services, provided customers with the standards before they used the services.	The new industry (voice phone with Internet function for the blind) in China was developed based on SE-Blind's practices, difficult for others, even the sighted, to copy; had several patents in the industry (using the word-group phrase method to differentiate words that have the similar meaning, the technology of recognizing images etc.)	Set up the industry standard on 0-3-year-old education service, including the procedure and key parameters to measure the location for centers (three types: normal, standard and flagship), and clear guidelines for the operations; applied for the national intellectual property right for the system; helped Sichuan Province set up an audit standard for the community-inclusive early childhood education.	Led the development of two industry standards (community-based elderly care service, and home-based elderly care service) in Chengdu (coming into effect in May 2013); based on 16,000 families' evaluation plans done by SE-Hometran, developed a set of evaluating systems suitable for the elderly in China in home transformation projects, and got the system patented (the standard includes six evaluation systems and seven transformation systems).		

		<p>-Trust: customers trusted SE-PTT more and were more willing to buy, invited by governments (outside and inside PG District) to develop similar or new services</p> <p>-More government purchases.</p>	<p>-Trust: governments in other provinces invited SE-Blind to set up a similar standard there</p> <p>-More funding: governments allocated more funding to SE-Blind to develop new products.</p>	<p>-Trust: invited by governments to organize training to develop more qualified teachers in the field</p> <p>-More partners and investors: the standard made it easier for partners to set up new centers.</p>	<p>-Trust: being invited to be the judge of SE competitions and the mentor for SEs in the field</p> <p>-More partners: attracted more learners and the standard made it easier for partners to set up new centers in other locations.</p>
<p>The expanded repertoire of resources were recombined for new purpose and opportunities</p>		<p>Reused existing network contacts (e.g., governments), knowing about the local market and resource environment, a call centre established in earlier food delivery business, in combination with a push-to-talk gadget (R&D) and local community resources (plumbers, electricians, retired nurses etc.) for a new purpose – offering 24/7 home emergency, home-based elderly caring, and housekeeping services.</p>	<p>Funding available at hand from sale of massage parlors (RMB 1 million), existing contacts (friends at massage parlors, all visually impaired) in combination with mobile technologies (e.g., voice reminder on phone, instant messaging, recognizing image), offices, indirect marketing via media, enabled to offer a new service - the blind could use a smart phone the same as the sighted do.</p>	<p>Existing contacts, know-how in social work in local communities, in combination with community houses, mothers and retired women, and university professors enabled to offer a new service – converted community houses into parent-child activity centers for 0-3-year-old education in the community.</p>	<p>Know-how in serving the elderly, existing contacts with local communities, governments, self-developed evaluation and home-transformation system, in combination, with mobilized community-owned properties, R&D resources, investment, and human resources, to offer a new service –home transformation to allow the elderly to enjoy home-based elderly life.</p>

Table 5. Resources used in ‘making do’ for a social end in social enterprises in China

Name of resources	Types	Resources at hand	Low-cost or free resources mobilized through social exchange (Expanded repertoire)
Accumulated social practice know-how (all 4 SEs examined)	Knowledge	√	
Past experience in running commercial enterprises (SE-PTT)	Experience	√	
Past work experience in social enterprises (SE-Childeddu, SE-Hometran)		√	
Pre-existing contacts (all four SEs)	Network	√	
Fund from sold businesses (SE-PTT, SE-Blind)	Financial	√	
Call centre established in earlier food delivery business (SE-PTT)	Facilities	√	
Self-developed technologies , e.g., word-forming input method on phone for the blind (SE-Blind), home evaluation and transformation system (SE-Hometran)	Technological	√	
Free offices (SE-PTT, SE-Blind)	Property		√
Community-owned properties converted for new purpose (SE-Childeddu, SE-Hometran)			√
R&D: direct resources (doctors, university experts) (SE-Hometran)	R&D		√
R&D: indirect resources (e.g., fund paid to university experts by Governments, SE-PTT, SE-Childeddu)			√
Technologies developed by giant firms (SE-Blind)	Technological		√
Grant from government programs (four SEs, e.g., supporting R&D, aging to develop further new products)	Financial		√
Impact investment (by a non-profit Foundation, SE-Hometran)			√
Indirect marketing (e.g., reported by local, national TVs in all 4 SEs, SE's story was shot for a film in SE-Blind)	Marketing		√
High quality technological training (SE-Blind)	Training		√
Legitimacy (all 4 SEs, certified as SEs; led to set up industry standard)	Legitimate		√
Human resources in communities , e.g., professional labor in Communities (plumbers in SE-PTT, retired nurses in SE-PTT, SE-Hometran), idle labor (e.g., retired women or full-time mothers in SE-Childeddu),	Human		√
Government purchase (all 4 SEs)	Sales		√
Word-of-mouth (all 4 SEs)	Marketing		√
Trust by customers, communities, and governments - local and national (all 4 SEs)	Trust		√
Other community resources (e.g., other type of service providers' space, SE-Childeddu)	Property		√
New revenue channels (e.g., telecommunication firms embedded the Software in handset as a subsidy for the blind, SE-Blind; home Transformation training sessions, SE-Hometran)	Financial		√
More partners (other organizations like hospitals, nursing homes, SE-Hometran; franchisees in SE-Childeddu)	Partnership		√

Figure 1. Social exchange in resource mobilization

If A perceives that exchanging its resources with B is more rewarding (the result is deemed more valuable by A), then A is likely to perform the exchange with B.

Source: Adapted from Bowman and Ambrosini (2000), Foa and Foa (1980), Homans (1961).

Figure 2.

The mechanism of resource mobilization in SEs in China: an enhanced bricolage through the social exchange lens

