Exploring Participatory Management in Social Enterprise Practice: Evidence from Chile

Cristian A. Muñoz1 · Ana María Dávila2 · Simon Mosey3 · Mario Radrigán2

Abstract Although evidence shows that it is challenging to implement, many authors state that participatory management is a distinctive attribute of social enterprises. This paper presents case study research exploring how participatory management is manifest in Chile, a country where a paternalistic and autocratic management style prevails thereby constraining the adoption of more collaborative approaches. We found that a majority of the twenty social enterprises considered, despite having very different sizes, governance structure and activity sectors, involved employees and stakeholders in shared decision-making processes. Participatory management was exhibited in distinctive and diverse ways ranging from common agreement on strategic decisions through to the presentation of new proposals by members. We conclude that social enterprises in Chile differ from conventional enterprises not only in their focus on trying to solve social problems, but also in the fact that they may provide a vehicle to promote more innovative and participatory approaches to decision making.

Keywords Social enterprise · Social economy · Participatory management · Decision making · Chile

Introduction

Social enterprise, “broadly defined as the use of non-governmental, market-based approaches to address social issues” (Kerlin, 2006, p. 247), is gaining attention globally (Gonçalves et al., 2016; Okano, 2019). Entrepreneurs appear attracted towards social enterprise as they see the possibility of reconciling the issues of sustaining profitability and solving social problems (Achleitner et al., 2013; Nicolás Martínez et al., 2019; Witkamp et al., 2011). This phenomenon has attracted considerable academic interest reflected in empirical research (Dionisio, 2019; Doherty et al., 2014; Rey-Martí et al., 2016), and also in the creation of various courses and programs devoted to the subject around the world (Defourny & Nyssens, 2010).

There is a broad consensus that more participatory approaches to decision making are a defining feature of social enterprises, when compared to typical for-profit companies (e.g.: Borzaga & Defourny, 2001; Ohana et al., 2012; Pestoff & Hulgard, 2016). However, authors have reported that the adoption of participatory management varies significantly between national contexts and is generally challenging to implement and sustain overtime (e.g.: Austin et al., 2006; Shangholi et al., 2010).

To date, most studies have focused on European and North American contexts. Studies considering European Social enterprises report more participatory management.
styles involving practices such as team-based decision making and distributed leadership (Kerlin, 2006; Lindsay & Hems, 2004; Mancino & Thomas, 2005; Martin & Miller, 2003; Thomas, 2004). By contrast, studies investigating North American social enterprises show more reluctance towards those practices (Defourny & Nyssens, 2010, 2012; Kerlin, 2006). Less attention has been devoted to the study of social enterprises in contexts where an autocratic management style prevails (Martinez, 2005; Rodriguez & Rios, 2009; Romero, 2004), which may significantly constrain the implementation of participatory management.

This paper presents case study research exploring the extent of participatory management and how it affects practices and decision-making processes in social enterprises within a context where a paternalistic and autocratic management style prevails. We investigate social enterprises in Chile, as a country facing significant social challenges yet with a high level of economic development thereby encouraging social enterprise activity (Peppelenbos, 2005; Perez et al., 2012). Selecting the Chilean context allows us to consider the management of social enterprise within the hitherto neglected Latin -American reality, characterized by typically hierarchical and autocratic management practices (Perez et al., 2012; Romero, 2004). In this study, we investigate 20 cases of enterprises of different governance structure, activity sectors and sizes to examine the prevalence of participatory management and how it is manifest.

The article begins by considering the concepts of social enterprise and participatory management. Then, we explore the possible relationship between these two concepts. Next, we detail the research design used in the study. Finally, we present the results and conclusions of the study observing that social enterprises can have -or at least aspire to have- shared decision-making processes even in a context where typical for-profit companies tend to act in the opposite manner.

**Social Enterprises**

Although social enterprises are conceptualized differently in different regions of the world (Kerlin, 2006), there are some features which appear generic (Defourny & Nyssens, 2010). Thus, social enterprises are commonly agreed to be organizations whose purpose is to connect a social mission with an enterprising action (Boschee, 2001; Pärenson, 2011) where profitability is not the ultimate aim (Defourny & Nyssens, 2008; Germak & Singh, 2010). This is encapsulated by Kerlin (2006, p. 247) who defined social enterprise as the use of nongovernmental, market-based approaches to address social issues. Typically, these organizations are oriented to solve social problems that persist in spite of the efforts of the mechanisms of the public sector, for-profit enterprises, and voluntary work (Hwee Nga & Shamuganathan, 2010; Lindsay & Hems, 2004; Pärenson, 2011). They can also be characterized by their innovative governance and managerial approaches to these problems (Mancino & Thomas, 2005; Shaw & Carter, 2007).

Although it may seem to be contemporary phenomena, social enterprise has its origins in the eighteenth and nineteenth centuries, when philanthropic entrepreneurs like Robert Owen began to show concern for improving the working and educational conditions, and the general welfare of employees (Shaw & Carter, 2007). In recent decades, social enterprises have grown exponentially, as many see in these initiatives the mutually reinforcing possibility of increasing the income and improving the quality of life of individuals (Pereira & Bacic, 2011; Shaw & Carter, 2007). In the USA, for example, social enterprise exhibited a period of growth impelled by the conservative polices of the 1970s, when decreased social expenditures generated a greater need for private social initiatives (Germak & Singh, 2010).

Social enterprises are essentially non-profit organizations. Among them we can find organizations such as associations, nongovernmental organizations, foundations, and unions with social missions. Some of them such as cooperatives and mutual enterprises can also obtain a certain profitability (e.g.: Lindsay & Hems, 2004). Given that profitability is not the main aim of social enterprises, the efficacy in these kinds of organizations can be ascertained through looking at the fulfilment of the following precepts: (a) generation of innovative solutions of social problems, (b) long-term financial sustainability, (c) social legitimacy, and (d) the ability to generate greater benefits to specific stakeholders especially in areas in which the state and for-profit organizations do not perform well (Noruzi et al., 2010; Pärenson, 2011; Thomas & Marinangeli, 2016).

It is argued that social enterprises succeed in attracting people who feel well represented by the mission of these enterprises, and as a result they end up recruiting workers with a high degree of loyalty and commitment towards the organization (Hoffmann, 2006; Mancino & Thomas, 2005). A significant contributing factor towards people being motivated to stay working in these kinds of organizations is the level of participation that they enable (Shaw & Carter, 2007). These aspects can be explored further by considering the concept of participatory management.
Participatory Management

The word participate, derived from the Latin participāre, means “to be involved with others in doing something; to take part in an activity or event with others” (Merriam Webster, 2020), linking individual action with a collective dimension. So participation is a human action that can range all the way from family life to political activity. Indeed, international organizations such as the World Bank, the United Nations, and the Inter-American Development Bank (IDB) promote it extensively (Bhatnagar et al., 1996; Haq, 1990; Irrarrázaval, 2005). This idea is not new; it is a reaction to the argument that the existence of leaders and hierarchies are inherent to social life and therefore oligarchy is a pre-established form of large social groups. Some authors argue, therefore, that to speak of organizations is to speak of oligarchy (Sainteny, 2002).

Participatory management is designed to overcome oligarchy within organizations through the involvement of employees in decision-making processes, including strategic decisions (Bainbridge, 1996; Courtney, 2002). An organization that practices participatory management can be defined as an organization in which some stakeholders are given a certain degree of decision making power with respect to its objectives (e.g.: Borzaga & Defourny, 2001; Ohana et al., 2012; Pestoff & Hulgard, 2016). Collier and Esteban (1999, p. 177) go further stating that “in participatory organizations people are not merely ‘part of’ the organization, but actually ‘take part’ in every aspect of its existence” replacing authoritarianism by leadership towards self-management, control by trust and privileged information by transparency. Thus, participatory management also encompasses workers making meaningful decisions concerning their own work (Pojidaeff, 1995). Taking this broader perspective, participatory management requires fundamental changes in organizational structures, practices, relationships, pay systems, values, competences and leadership (McLagan & Nel, 1997).

According to the literature, organizations adopting participatory management can experience several benefits. First, it increases employee commitment (Bacchiega & Borzaga, 2001; Ohana & Meyer, 2010; Rhodes & Steers, 1981) and deters shirking (Bainbridge, 1996). Second, it increases job satisfaction (Benz, 2005; Borzaga & Tortia, 2006; Kim, 2002). Third, it facilitates the sharing of key information between employees and senior managers (Bainbridge, 1996; Kandathil & Varman, 2007; Vargas, 2002). Fourth, it helps in identifying and solving problems (Blase & Blase, 2001). Fifth, it fosters the establishment of strong networks across the organization (Hargreaves, 2001). Finally, it contributes to more effective implantation of decisions (Abdulai & Shafiuw, 2014; Quagraine & Asiedu-Appiah, 2019).

Different authors also propose that the benefits of participatory management extend into society as it fosters the involvement of the major parties or stakeholders affected by its activities (Kerlin, 2006; Pestoff, 2012). It has been suggested that more democratically managed organizations can make a significant contribution to enhancing, facilitating and promoting the co-production of public services between citizens and the government (Pestoff, 2012). As a consequence, it contributes to promote more democratic societies (Defourny & Nyssens, 2010; Gleerup et al., 2019; Pestoff & Hulgard, 2016).

Some authors, although observing the benefits of participatory management, have also reported implementation difficulties (e.g.: Austin et al., 2006; Reid & Turbide, 2012; Shangholi et al., 2010). Other authors have mentioned that participatory management could have downsides such as a larger number of decisions to be discussed, more time invested in deliberation and indecisiveness (Abdulai & Shafiuw, 2014; Olatunji et al., 2017; Quagraine & Asiedu-Appiah, 2019). Little empirical evidence has been presented to support this position (Abdulai & Shafiuw, 2014; Olatunji et al., 2017).

Social Enterprise and Participatory Management: The Importance of Regional Contexts

There is a tendency to assume that participatory management is an integral aspect of social enterprises. Yet, more research is needed to better understand the extent of participatory management in social enterprises (Pestoff & Hulgard, 2016). Since context affects how social enterprises develop (Kerlin, 2010, 2012), it may also affect how participatory management is implemented (Bidet et al., 2018; Defourny et al., 2019). Most of the literature on social enterprises has focused on those based on European and North American regions. This body of research shows that there is a different emphasis in the way organizations apply participatory management in these two different regions (Defourny & Nyssens, 2010, 2012; Kerlin, 2006).

Regardless of their contrasting implementation approaches, social enterprises based in North American and European regions tend to engage in participatory management to a greater extent than typical for-profit companies.

Less attention has been devoted to the study of participatory management in social enterprises within regional contexts where an autocratic management style prevails (Martinez, 2005; Rodriguez & Rios, 2009; Romero, 2004). The aim of this research is to understand the extent of participatory management and how it is manifest within practices and decision-making processes in social
enterprises in a regional context where organizations tend to have more autocratic or paternalistic management approaches. We investigate whether social enterprises promote more participatory management practices regardless of the context. We explore whether participatory management manifests differently in under researched regions and whether social enterprises in these contexts have developed different approaches to apply participatory management in practice.

The Chilean Case

Latin America as a whole is a region where the level of visibility and recognition of social enterprises remains insufficient (Gaiger et al., 2019; Madsen, 2013). Indeed, recent bibliometric studies have showed that Latin America is a neglected research context (Gonçalves et al., 2016; Okano, 2019; Rey-Martí et al., 2016). Consequently, studies analysing participatory management in social enterprises are scarce. This particular study was conducted in Chile, a developing Latin American country where a paternalistic management style prevails (Martinez, 2005; Rodriguez & Rios, 2009; Romero, 2004). This type of management style involves autocratic and directive leadership in which leaders are “reluctant to delegate work and use teams” (Perez et al., 2012, p. 3137). Paternalistic leaders like top-down communication with the employees, tend to avoid conflict and may be verbally aggressive (Osland et al., 1999; Romero, 2004). In Chile, for-profit enterprises are the dominant economic structure. Nevertheless, given that this country still faces several social challenges (Peppelenbos, 2005; Perez et al., 2012), diverse forms of social enterprise have arisen (Gatica, 2015; Giovannini & Nachar, 2017), many of which have reached a high degree of professionalization (Irrazaval, 2006). It has been argued that existing social enterprises frameworks are not always the most appropriate to represent the Chilean context, and that more research is needed to better understand the diversity of Chilean social enterprises (Gatica, 2015).

Studies analysing social enterprises and participatory management in Chile are still very few in number (Gatica, 2011; Giovannini & Nachar, 2017). Decades ago, Rodríguez (1982) found that the democratization of organizational processes required a larger number of decisions and high investment of time in deliberation and resulted in delegation practices in which a group decides on behalf of the collective. More recently, Muñoz et al. (2016) reported that employees of social enterprises in Chile, although highly motivated, are insufficient in numbers to meet the needs of these organizations. They also observed that Chilean social enterprises could attract more potential candidates were they more open to apply participatory management styles (Muñoz et al., 2016).

Given the diversity of organizational structures of Chilean social enterprises (Gatica, 2015; Giovannini & Nachar, 2017) and the authoritarian management styles that prevail in most Chilean organizations (Martinez, 2005; Perez et al., 2012; Rodriguez & Rios, 2009; Romero, 2004), we aim to reveal how participatory management is manifest and affects social enterprise across this diversity. Defourny and Nyssens (2010) observed the social mission to be the heart of both American and European social enterprises, and that in both regions, members of social enterprises are collectively responsible for the public benefit and respective missions. Forcadell (2005) pointed out that for an organization to successfully implement a more participatory administration it is necessary to work on organizational aspects such as corporate culture, organizational structure, and the strategic planning process. He concluded that a participatory decision-making process must go together with the establishment of more information, education, and consistent training of all the individuals in the organization.

Exploring Participatory Management in Chilean Social Enterprises

In this section, we present a framework to explore participatory management in Chilean social enterprises. In doing so, we will look at three different aspects to help to understand how the Chilean social enterprises we investigate approach participatory management in practice. These three aspects are: what Chilean social enterprises declare about participatory management, whether or not Chilean social enterprises practice participatory management and how Chilean social enterprises practice participatory management.

First, we will observe what Chilean social enterprises declare about participatory management. We propose that if they assume participatory management as a key aspect of their managerial practices, they would declare it openly as a part of their purpose statements. Purpose statements reflect key managerial aspects that an organization wants to communicate to different stakeholders. They are usually communicated explicitly under labels such as mission, vision, organizational objectives, values, philosophy and/or principles. It has been argued that mission and values can act as a useful reference point in social enterprises (Ismail & Johnson, 2019; Lumpkin et al., 2013). Moreover, a mission and objectives can help to align team members towards a common vision, and that to be effective, all of these purpose statements have to be internally consistent and clearly articulated across organizational members and...
stakeholders (Ismail & Johnson, 2019; Mason & Doherty, 2016). Internal consistency and clarity are therefore necessary for purpose statements to be effectively transformed into policies, plans or other kinds of decisions. Consequently, a key indicator for participatory management in Chilean social enterprises is the explicit public commitment to a more participatory management approach. This leads to our first proposition:

**Proposition 1** In the Chilean context, social enterprises declare participatory management explicitly as part of their purpose statements.

Second, we seek to observe whether or not Chilean social enterprises practice participatory management independently of their purpose statements. Various authors make this argument, proposing that participatory management is an essential part of the decision making process of social enterprises, so participatory management would be inherent in all the organization’s actions regardless of whether it is explicitly stated. The benefits of participatory management have been demonstrated independently of explicit intentions (e.g.: Cloke & Goldsmith, 2002; Jarley et al., 1997; Manville & Ober, 2003). It is also argued to foster greater degrees of innovation, reinforcing the creation of long term value. For example, Zandonai and Pezzini (2004), after evaluating the cooperative Italian sector, reported significant degrees of participation in the definition of new procedures, new strategies and in the generation of new ideas. They also reported that participation increased emotional interest with respect to work.

According to Chaves and Sajardo (2004), social enterprises often have leadership styles encouraging greater participation in decision making, in contrast with the leaders of typical for-profit companies who focus on efficiency, productivity and income maximization criteria. They also state that social enterprise directives are not necessarily found at the top of the organizational pyramid; they can sometimes assume a secondary role in the organization. Similarly, Melian and Campos (2010) state that social enterprise directives have a central position in the organization’s hierarchy as they share the company’s mission and labour practice with their collaborators.

In sum, various authors indicate that participatory management is an essential aspect of social enterprises, and therefore it would be expected that these kinds of organizations would have greater and more varied degrees of participation in decision making compared to typical for-profit enterprises, even though this may not explicitly be stated by the organization. We propose that this situation should also be observed in Chilean social enterprise context:

**Proposition 2** In the Chilean context, participatory management is practiced by social enterprises regardless of whether it is explicit in their purpose statements.

Third, we will observe how Chilean social enterprises practice participatory management. Empirical evidence shows that, although participatory management is a common practice among social enterprises, it is difficult to implement and sustain over time (Austin et al., 2006; Shangholi et al., 2010). Somech (2002) found participatory management varies across different contexts and that different organizations differ in the degree of participation and structures they use. Reid and Turbide (2012) found that board/staff relationships for collaboration in decision-making between organizational levels varies over time and that crises can significantly affect this relationship (Reid & Turbide, 2012).

Shangholi et al. (2010) proposed that barriers to participatory management are usually of three types: controllable, uncontrollable (predominantly external factors) and capable of being influenced. Here, a study made by the Interamerican Development Bank and the Social Enterprise Knowledge Network of 39 social enterprises reported that in various cases it is difficult to reconcile participation and the centralization of decisions because of the complexity of the governance structures that involve councils and assemblies (Austin et al., 2006). Consequently, some authors have observed the importance of preparing and training employees to allow them to participate effectively (Abdulai & Shafiu, 2014; Olatunji et al., 2017; Quagraine & Asiedu-Appiah, 2019).

In sum, participatory management is not easy to implement and sustain over time. Therefore, social enterprise may address these challenges in practice through ad-hoc organizational adjustments. For that reason, participatory management will not be manifest in a single approach; social enterprises may take different paths to implementation, given their differing sizes, structures and sectors. It. Austin et al., (2006) reported that an effective way to optimise decision-making in Ibero-American social enterprises is through consensus, a characteristic of the existence of more decentralized leadership to stimulate participation. This supports the argument that Chilean social enterprises are able to implement participatory management but it may be manifest differently. We therefore propose that participatory management in Chilean social enterprises exhibits equifinality (that is how organizations follow different or even unique paths to develop similar managerial practices (Eisenhardt & Martin, 2000)), as organizations follow idiosyncratic paths and develop ad-hoc managerial processes to establish participatory management. In this context we present our third proposition:
Proposition 3  In the Chilean context, participatory management in social enterprises exhibits equifinality.

Research Methodology

Research Design

This work utilised a research strategy incorporating a multiple case study approach often called comparative design (Bryman, 2004). Case study research has been used since the beginning of the twentieth century in different areas of the social sciences, including fields such as economics and administration (Yin, 2009). One of the main advantages is it allows “understanding the dynamics present within single settings” (Eisenhardt, 1989, p. 534). As stated by Hartley (1994), more than a method, case study is a research strategy characterized by using various data collecting techniques, often combining qualitative and quantitative methodologies.

Case study research is highly effective to approach phenomena that are poorly understood, dynamic, and have a number of complex variables (Gummesson, 2006). It allows for the exploration of emergent and rarely studied issues, through analysing the phenomenon in its context (Hartley, 1994). This research takes a multiple case study research to consider the heterogeneity of the organizations of interest and explore participatory management practices that transcend that variance.

Case Selection

With the purpose of exploring the diversity of social enterprises, 20 organizations were selected according to three criteria: governance structure, activity sector and size. In terms of the governance structure, organizations such as foundations, mutuals, cooperatives, and community

| Type                  | Size    | Activity sector                                      | Position of the interviewee          |
|-----------------------|---------|-----------------------------------------------------|--------------------------------------|
| Mutuas               | Small   | Raíces: social service, human rights, education     | Executive director                   |
|                       |         | Genera: citizen representation and human rights     | Vice director                        |
|                       | Medium  | Forja: promotion of production, technical assistance| Executive director                   |
|                       | Large   | –                                                   |                                      |
| Foundations           | Small   | –                                                   |                                      |
|                       | Medium  | Colegio cristiano emmanuel: Education               | Legal representative                 |
|                       |         | Asciende: sports, education                         | Executive director                   |
|                       |         | Paternitas: social protection, human rights         | President                            |
|                       | Large   | Un Techo para Chile: housing                        | Senior coordinator                   |
|                       |         | Integra: child protection, education                | Head of education                    |
|                       |         | Coanil: integral rehabilitation of disabled persons| General manager                      |
|                       |         | Trascender: technical assistance                    | Executive director                   |
| Cooperatives          | Small   | Cooperatorativa de Trabajo Prymave: labor promotion | President of management board         |
|                       | Medium  | Caja Nova Cooperativa Ahorro y Crédito: financial   | President of management board         |
|                       | Large   | –                                                   |                                      |
| Community             | Small   | Unión Comunal de Juntas de Vecinos N°1 de Maipú: Representation of neighbors | President |
| organizations         |         | Club Deportivo Ferriovario: sports                 | President                            |
|                       |         | Canal Umbrales TV: Communications                    | President                            |
|                       |         | Canal Pichilemu: communications                      | Director                             |
|                       |         | Canal señal 3 La Victoria: communications            | Director                             |
|                       |         | Preuniversitario Rafael Maroto: education           | General manager                      |
|                       |         | Taller de Acción Comunitaria Valparaíso: community development | Director |
|                       |         | Centro Comunitario 7 de Octubre: community development | Head of Education                    |
|                       | Medium  | –                                                   |                                      |
|                       | Large   | –                                                   |                                      |
| No | Organization                                      | Participative management declared expressly | Values | Philosophy | Objectives | Principles |
|----|--------------------------------------------------|---------------------------------------------|--------|------------|------------|------------|
| 1  | Corporación Raíces                              | –                                           |        |            |            |            |
| 2  | Corporación Forja                               | –                                           |        |            |            |            |
| 3  | Corporación Genera                              | The actions carried out by Genera are oriented to making a values dispute, so the central values of the organization are: equity, solidarity, respect, search of common good, social and citizen’s participation, respect for gender and sexual orientations, and the projection of all rights | X      |            |            |            |
| 4  | Colegio Cristiano Emmanuel                      | The values that guide the actions in the school are: love, family, participation (we conceive man as a being created by God, endowed with gifts and skills to complement himself with others in permanent and perceptible work, to reach unanimity and in this way achieve common objectives and goals)… | X      |            |            |            |
| 5  | Fundación Ascende                               | The central organizational values are oriented to solving social problems through sports, generating participative and team work to improve social coexistence | X      |            |            |            |
| 6  | Fundación Paternitas                            | –                                           |        |            |            |            |
| 7  | Un Techo para Chile                             | –                                           |        |            |            |            |
| 8  | Fundación Integra                               | A strategic objective of the organization is the modernization of management by means of organizational development strategies aimed at efficiency and service quality, creating a decentralized management system and with modern processes, transferring greater decision capacity to the regions and strengthening the technical teams | X      |            |            |            |
| 9  | Fundación Trascender                            | –                                           |        |            |            |            |
| 10 | Cooperativa de Trabajo Prymave                  | This organization, because it is immersed in the Cooperative Movement, shares its principles, one of which is democratic control | X      |            |            |            |
| 11 | Cooperativa de Ahorro y Crédito Nova            | The values are: participation, mutual respect, democracy, innovation, cooperation, social responsibility, equity, associativity, tolerance, integration, and innovation | X      |            |            |            |
| 12 | Unión Comunal Juntas de Vecinos N° 1 Maipú      | Participation is a central value that is promoted as one of the key success factors, criticizing the autocratic actions of other directors and trying to incorporate this practice in all adhered organizations | X      |            |            |            |
| 13 | Club Deportivo Ferroviario                      | –                                           |        |            |            |            |
| 14 | Canal Comunitario Pichilemu TV                  | We are a communication medium that aims to get close to people. We stand out for working to highlight what the people in Pichilemu think should be on the screen. Because we do not have an excluding political line, we do listen to all the neighbours who show interest in the social process involved in having a community channel. That is why we take in the people who want to participate, bringing the whole community closer to this medium, because we exist because of them and for them | X      |            |            |            |
| 15 | Preuniversitario Rafael Maroto                  | We advocate for an education with democratic methods that allows getting knowledge and education all of us together, with a method in which it is not the teacher who directs all the class, but he acts more as a coordinator so that all in the classroom can contribute their ideas and knowledge to development… | X      |            |            |            |
| 16 | Taller de Acción Comunitaria Valparaíso          | The open space that is formed the values that reinforce the community, participation, and social life are present. The organization promotes social justice, justice between people as individuals, and solidarity. Although the TAC has participation and equal relations among its principles, this actually happens insofar that the volunteers and all the members work in the organization | X      |            |            |            |
| 17 |                                                 |                                             |        |            |            | X          |
organizations were selected as these are the most common types of social enterprises in Chile. Following Kerlin’s (2006) conceptualization, to be considered as a social enterprise, and therefore to be considered for this study, all organizations selected should have a social oriented mission and market-oriented activities and therefore be able to obtain resources besides donations.

In terms of activity sector, we selected organizations involved in a wide variety of areas such as education, community development, technical assistance, human rights, sports, communications, savings and loan, child protection, democracy, production promotion, social service, citizen and neighbourhood representation, social protection, housing, work, and rehabilitation of disabled persons.

Finally, in terms of size, cases were selected according to two sub-criteria: number of associates, and territorial impact. The number of associates’ sub-criterion was related to three ranges; social enterprises with less than 200 members, social enterprises with 200 or more members and social enterprises with more than 1000 members. The territorial impact sub-criterion was related to the territorial scope in terms of whether it served one or more cities. Then three sizes were established from the combination of sub-criteria: large, medium and small social enterprises.

From these criteria, we searched for different organizations finding social enterprises for most of our categories. Table 1 details the organizations that finally participated in the study. All of them operated in the urban metropolitan area of Santiago—the capital of Chile—with the exception of 3 social enterprises whose activities where in other cities, and large organizations which operated in the capital and other Chilean cities. Although not all of the categories could be completed (it is very difficult to find small foundations and medium or large size community organizations in Chile), an extensive and heterogeneous selection of cases was achieved, enhancing the external validity to the study (Yin, 2009).

**Data Collection Procedures**

The data collection process focused first on getting information from secondary sources. To that end the web pages and official documents available from the organizations participating were evaluated. This was subsequently compared and expanded through interviews with senior managers where they were asked to indicate the mission, vision, values, philosophy, objectives, and principles of their organizations, as well as their views on participatory management. Furthermore, the interviewees were asked to explain in concrete terms how decision making was related to participatory management they had observed directly in their organizational activities. The interviews were conducted in person, had an average duration of one hour, and were recorded and later transcribed. In some of the cases, the interviewees were contacted again by telephone, to help clarify any ambiguity.

**Data Analysis**

As a general strategy for the data analysis, we conducted an analytic examination of the results in guided by the theoretical propositions (Yin, 2009). To analyse the data in relation to our propositions we followed an iterative approach. First, semi-structured interviews were conducted exploring the three areas outlined by our propositions. Each interview was then transcribed after being conducted. The interview transcripts were read and re-read as data were collected. Doubts about interviewee answers were also checked through post-interview phone calls.
### Table 3: Participative management and decision making

| No | Organization                          | Participative management as a central aspect | YES | NO |
|----|--------------------------------------|---------------------------------------------|-----|----|
| 1  | Corporación Raíces                   | The participation that takes place in the organization is direct and highly developed. Micro-decisions and changes to large projects and guidelines are decided by consensus. Management decisions are also made collectively | X   |    |
| 2  | Corporación Forja                    | Important decisions are made jointly because it is finally them (the employees) who know the jobs from a close perspective, landing the reality of Forja according to the contact with the children and their performance in the workshops | X   |    |
| 3  | Corporación Genera                   | Although the administration of the mutual is legally defined by the positions that constitute the board of directors, in practice the decisions are often made collectively, channelling the proposals through the work teams | X   |    |
| 4  | Colegio Cristiano Emmanuel          | Decision making is rather centralized. Both the director and the legal representative make the decisions in the context of the board of directors of which they are part | X   |    |
| 5  | Fundación Ascende                    | The leadership that is practiced in the foundation is autocratic, i.e., the choice of the work, actions, and decisions is performed by the founding members, who point out and establish the guidelines, making the decisions and executing the chosen strategies | X   |    |
| 6  | Fundación Paternitas                 | Decisions are made by the foundation’s chairman, board of directors, and managers; there is also a technical unit in charge of directing the professionals trying to implement the guidelines set by the board… No authoritarian decision making is put in practice, because in the work meetings we try to discuss and reach agreement between the technical areas and the board of directors | X   |    |
| 7  | Un Techo para Chile                  | A weekly assembly is held, focused on organic coordination, operational decision making by the coordinators, and no fundamental decisions are made through this organism. The assembly is consultative and not decisive | X   |    |
| 8  | Fundación Integra                    | There are some decisions that are made uni-directionally, such as financial matters and other strategic aspects. However, some activities can be carried out by consensus or voting, but generally these activities refer to benefits to the team or to celebrations. That is why participation is linked mainly with minor issues | X   |    |
| 9  | Fundación Trascender                 | The organization works with a horizontal perspective in which each person is in charge of an area and participates in the collective planning processes together with the board of directors | X   |    |
| 10 | Cooperativa de Trabajo Prymave       | The participation generated within the association is democratic, because any participant who pays the minimum fee has the right to participate in the election of the board and in decision making in general | X   |    |
| 11 | Cooperativa de Ahorro y Crédito Nova | It is a highly participative organization where it is necessary to negotiate, and this leads to a participation logic different from that of a private enterprise, where only a small group of persons make the decisions | X   |    |
| 12 | Unión Comunal Juntas de Vecinos N° 1 Maipú | This organization proposes a democratic leadership related mainly to the objective of motivating and including the social directors in decision making | X   |    |
| 13 | Club Deportivo Ferroviario           | Participation in the organization is constant and in permanent communication; decisions are discussed at the meetings | X   |    |
| 14 | Canal Comunitario Pichilemu TV       | At the time of making decisions the opinions of all are listened to with respect to the programs, their frequency, the program schedule, and the ways of diffusion of the channel. These meetings are held at least once a month with the purpose of determining how each program is doing and what changes must be made | X   |    |
| 15 | Preuniversitario Rafael Maroto       | It is mostly a direct participation in which every person participates and gives ideas, which are developed by the whole community | X   |    |
| 16 | Taller de Acción Comunitaria Valparaíso | Participation is formal, because sessions with volunteers are set in which the work done and to be done is discussed and evaluated.” “The board of directors makes the decisions on important matters, while the volunteers make decisions on the actions corresponding to the work to be done, such as planning | X   |    |
| 17 | Centro Comunitario 7 de Octubre      | Participation in the organization takes place directly and formally, due to a horizontal-functional structure. The members of the organization meet, discuss and debate to make decisions by common agreement | X   |    |
| 18 | Fundación Coanil                     | Its organizational philosophy includes being a relatively flat organization, with few positions between the highest and the lowest, with open doors, open mail, and in general it is an organization in which you trust others, obviously controlling, but at the same time understanding that they can be wrong | X   |    |

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We identified categories within each proposition. First, two of the researchers read independently the answers and develop initial codes from the data. The above was complemented with content analysis tools that allowed a more detailed examination and coding of the obtained data. Emerging themes were refined through pattern matching (Yin 2009) as this process progressed. In doing so, the two researchers compared their codes and analysis developing a common list of codes. Then codes were grouped into major themes by merging those found to be explaining similar aspects using different words or those that could be better explained by a more general theme and finally eliminating those with little data support (Braun & Clarke, 2006; Gioia et al., 2012).

After that, the focus moved from exploring data to empirical scrutiny of our propositions (Van de Ven & Poole 2002; Yin 2009). This was followed by a second-order analysis to develop explanations within each proposition through explanation building (Gioia et al., 2012; Yin 2009). This is summarized within Data Tables 2, 3 and 4 that present the results of our coding approach.

### Results

In this section, we present the results of the research thematically, corresponding to our research propositions, as suggested by Yin (2009).

**Proposition 1** *In the Chilean context, social enterprises declare participatory management explicitly as part of their purpose statements.*

Thirteen of the twenty interviewed senior managers declared explicitly some relation with participatory management (see Table 2). In most of these cases, participatory management was associated with the organizational values, philosophy, objectives, or principles.

Senior managers of six social enterprises declared that participatory management was part of their organizational values (Corporación Genera, Colegio Cristiano Emmanuel, Fundación Asciende, Cooperativa Nova, la Unión Comunal Juntas de Vecinos No 1 Maipú, and Taller de Acción Comunitaria Valparaíso). For example, in the case of Cooperativa Nova:

The values are: participation, mutual respect, democracy, innovation, cooperation, social responsibility, equity, associativity, tolerance, and innovation.

This was also evident in the case of Colegio Cristiano Emmanuel, where:

The values that guide the actions within the school are: love, family, participation (we conceive man as a being created by God, endowed with gifts and skills to complement himself with others in permanent and perceptible work, to reach unanimity and in this way achieve common objectives and goals);…

Senior managers of three social enterprises declared their commitment with participatory management within their organizational philosophy (Canal Comunitario Pichilemu TV, Fundación Coanil, and Canal Comunitario Umbrales TV). For example, Fundación Coanil declared that:

Its organizational philosophy includes being a relatively flat organization, with few positions between the highest and the lowest, with open doors, open e-mail; in general, it is an organization in which you trust others…

Another such example is Canal Comunitario Pichilemu TV:

We are a communication medium that aims to get close to people. We stand out for working to highlight what the people in Pichilemu think should be on the screen. Because we do not have an excluding political line, we do listen to all the neighbours who show interest in the social process involved in having a community channel. That is why we take in the
people who want to participate, bringing the whole community closer to this medium, because we exist because of them and for them.

Senior managers of two organizations declared that participatory management was among their objectives. One was Fundación Integra, who stated that:

A strategic objective of the organization is the modernization of management, by means of organizational development strategies aimed at efficiency and service quality, creating a decentralized management system with modern processes, transferring greater decision capacity to the regions and strengthening the technical teams.

The other was Centro Comunitario 7 de Octubre, who stated that:

Because we have objectives founded on an ideological conception, participation is limited to commitment with the organization and its theoretical affinity, and in this way it is expected that every member will share the foundations that support the organization’s actions.

Senior managers of three organizations declared their commitment with participatory management in its organizational principles (Cooperativa de Trabajo Prymave, Preuniversitario Rafael Maroto, and Taller de Acción Comunal Valparaíso). For example, in the Cooperativa de Trabajo Prymave they stated that:

This organization, since it is immersed in the Cooperative Movement, shares the principles of this movement, where democratic control is one of them.

Similarly, in the Taller de Acción Comunal Valparaíso they stated that:

Although the TAC has participation and equal relations in its principles, this actually happens insofar that the volunteers and all the members work in the organization.

In the other seven organizations the concept of participatory management is not mentioned in their explicit and public purpose statements.

In conclusion, although not all the social enterprises studied did so, it was found that more than a half of the senior managers reported that their organization explicitly stated their commitment to participatory management in terms of its values, philosophy, objectives, or organizational principles. This represents a significant tendency, as it was observed in organizations with the four different governance structure identified, from multiple activity sectors, and across all sizes considered. On the other hand, the counterfactual situation was similar; organizations that did not declare explicitly that commitment were from different activity sectors and had different sizes and governance structures, with the only exception being the cooperatives under analysis. We can therefore reach the conclusion that proposition 1 is not upheld across all of the social enterprises studied. This led us to restate this proposition as follows: Social enterprises in the Chilean context may declare explicitly their commitment to participatory management in their main purpose statements.

Proposition 2 In the Chilean context, participatory management is practiced by social enterprises regardless of whether it is explicit in their purpose statements.

In fifteen of the twenty organizations under research, participatory management was reported as one of the central elements of organizational management. As seen in Table 3, in the organizations that practiced participatory management, the highest degree of involvement was at the level of “important” decision making.

For example, in Corporación Forja they stated expressly that important decisions were made jointly with the employees:

Important decisions are made jointly because it is finally them (the employees) who know the work from a close perspective, bringing down the reality of Forja according to the contact with the children and their performance in the workshops.

Similarly, in Fundación Trascender activity planning is shared between the board of directors and the lower level employees:

The organization works with a perspective of horizontality in which each person is in charge of an area and participates in the collective planning processes, together with the board of directors.

In Corporación Raíces participatory management is more widespread, because it ranges all the way from the minor decisions to the large organizational guidelines:

The participation that takes place inside the organization is direct and highly developed. The micro-decisions and changes as well as the projects and large guidelines are decided by consensus. Management decisions are also made collectively.

Finally, among the five cases in which little evidence of participatory management was found, there were three organizations that expressly included participatory management among their organizational values or objectives (Colegio Cristiano Emmanuel, Fundación Asciende, and Fundación Integra). However, senior managers of these organizations declared that in their daily operation they
manifested a highly centralized and autocratic management and decision making process. It seems that for these organizations participatory management was more an aspirational goal than an actual practice. For example, in Fundación Asciende they stated that:

The leadership that is practiced in the foundation is autocratic, i.e., the choice of the work, actions, and decisions is performed by the founding members, who point out and establish the guidelines, making the decisions and executing the chosen strategies.

Colegio Cristiano Emmanuel is similar, and they stated that:

Decision making is rather centralized. Both the director and the legal representative make the decisions within the context of the board of directors of which they are part.

The senior managers of the two remaining organizations (Un Techo para Chile and Canal Comunitario Señal 3 La Victoria) did not state explicitly a commitment with participatory management nor did they point it out as a central element of organizational management. In the case of Un Techo para Chile they stated that:

A weekly assembly is held, focused on organic coordination, operational decision making by the coordinators, and no fundamental decisions are made through this agency. The assembly is consultative and not decisive.

Similarly, in Fundación Integra they stated that:

There are some decisions that are made uni-directionally, such as in financial matters and other strategic aspects. However, some activities can be carried out by consensus or by voting, but generally these activities refer to benefits to the team or to celebrations. That is why participation is linked mainly with minor issues.

In conclusion, most senior managers of the social enterprises studied declared to have participatory management in their decision making process. A remarkable finding is that five organizations that showed high degrees of participatory management did not state that they did so explicitly (Corporación Raíces, Corporación Forja, Fundación Paternitas, Fundación Trascender, and Club Deportivo Ferroviario). These organizations were from different activity sectors and had different sizes and governance structures. This suggests that although they did not express a public commitment to participatory management, they still did consider it in practice to be fundamental to their management. Similarly, looking at the data presented against propositions 1 and 2, it can be stated that eighteen of the social enterprises studied considered participatory management as an element having organizational importance, because in addition to the fifteen social enterprises that practiced participatory management, there were three which, although not practicing it, considered it important at least to declare it as part of their purpose statements. In short, we consider that the research provides evidence to support proposition 2.

**Proposition 2** In the Chilean context, participatory management is practiced by social enterprises regardless of whether it is explicit in their purpose statements.

**Proposition 3** In the Chilean context, participatory management in social enterprises exhibits equifinality.

The purpose of this proposition was to observe and capture the different forms of participation that social enterprises may practice. Only the fifteen organizations that reported that participatory management was a central aspect of their decision making processes were considered in the analysis of this proposition. As expected, various approaches to participatory management were found. We grouped them in four main categories: common agreement, acceptance of base proposals, inquiry on decisions to be made, and voting on decision alternatives (see Table 4).

The senior managers of six organizations stated that they put participatory management into practice by common agreement (Corporación Raíces, Fundación Paternitas, Club Deportivo Ferroviario, Taller de Acción Comunitaria Valparaíso, Centro Comunitario 7 de Octubre, and Canal Comunitario Umbrales TV). In these social enterprises the members of the organization met to discuss and debate ideas until a group position was agreed on. An example is Centro Comunitario 7 de Octubre, whose interviewee stated:

Participation within the organization takes place directly and formally due to a functional horizontal structure. The members of the organization meet, discuss and debate to carry out decision making by common agreement.

Another example is Fundación Paternitas, where they stated that in that organization:

No authoritarian decision making is practiced, because in the work meetings the aim is to discuss and reach agreement between the technical areas and the board of directors.

Corporación Raíces, were notable as the only organization to combine two kinds of participatory management: common agreement and the acceptance of base propositions:
| Organization                     | Quotations                                                                                                                                                                                                                                                                                                                                 | Common agreement | Base proposition | Inquiry | Voting |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|---------|--------|
| Corporación Raíces             | The professionals and workers are entitled to generate projects, innovate and make propositions, which are discussed collectively, reaching consensuses                                                                                                                                                                              | X                | X                |         |        |
| Corporación Forja              | …It meets once per month to make decisions. They take no important step in the organization without consulting it with them, because they do not want to deviate from their mission and vision                                                                                                                                                                                   |                  | X                |         |        |
| Corporación Genera             | In practice, the decisions are usually made collectively, channelling the propositions of the work teams                                                                                                                                                                                                                                                  | X                |                  |         |        |
| Fundación Paternitas           | No authoritarian decision making is practiced, because in the work meetings the aim is to discuss and reach an agreement between the technical areas and the board of directors                                                                                                                                                                                       | X                |                  |         |        |
| Fundación Trascender           | The executive administration is composed of the 11 officials who are the ones that make a proposition to the board of directors, who accept it or make amendments in consensus with the executive administration                                                                                                                                                                                   |                  | X                |         |        |
| Cooperativa de Trabajo Prymave | The participation that is generated in the association is democratic, because any participant who pays the minimum fee has the right to participate in the election of the board of directors and in decision making in general                                                                                                                                                                |                  | X                |         |        |
| Cooperativa de Ahorro y Crédito Nova | With respect to participation, every contribution made by one of the members of the organization will always be taken into account. At the director’s and official’s level a direct, formal participation oriented to the important decisions is made                                                                                                                                  |                  | X                |         |        |
| Unión Comunal Juntas de Vecinos Nº 1 Maipú | This organization proposes a democratic leadership related mainly with the objective of motivating and including the adhered socials heads. This leadership in turn allows the legitimisation of the decisions and the actions of the board of directors, because an error caused by an autocratic decision produces a deep dislike and conflict between the board and the adhered organizations, while an error caused by a participative decision made by consensus with the social bases has no major repercussions on the legitimacy of the board |                  |                  | X       |        |
| Club Deportivo Ferroviario      | Every actor is vital in making decisions… There is an active participation that remains in contact with the needs existing in the team… The coaches are constantly having conversations with the players                                                                                                                                                                                   |                  | X                |         |        |
| Canal Comunitario Pichilemu TV  | At the time of making decisions the opinions of all are listened to with respect to the programs, their frequency, the program schedule, and the ways of diffusion of the channel. These meetings are held at least once a month with the purpose of determining how each program is doing and what changes should be made                                                                                                                                 |                  | X                |         |        |
| Preuniversitario Rafael Maroto | Various participation mechanisms exist, centred mainly on the ideology of human growth and development, because participation allows the development of the person promoting the personality                                                                                                                                                                                                                      |                  |                  | X       |        |
| Taller de Action Comunitaria Valparaiso | Decisions labelled as important are made by a board of directors, with the participation of representatives of organizations and institutions, heads, and in some cases also volunteers                                                                                                                                                                               |                  | X                |         |        |
| Centro Comunitario 7 de Octubre | Participation in the organization takes place directly and formally, due to a horizontal-functional structure. The members of the organization meet, discuss and debate to make decisions by common agreement                                                                                                                                                                         |                  | X                |         |        |
| Fundación Coanil               | The board of directors is the organism that makes the decisions and then informs all the members. However, the opinions of all are always taken into account to make the decisions according to reality                                                                                                                                                                                  |                  |                  |         | X      |
| Canal Comunitario Umbrales TV   | The management and direction of the medium does not pertain to a strong identifiable personalism… Decisions are made in an assembly composed of the six leaders of the channel, where the most important decisions are made, and the rest of the people belonging to the channel are informed of them                                                                                                                                 |                  |                  |         | X      |
Professionals and workers are entitled to generate projects, innovate and make propositions, which are discussed collectively reaching a consensus.

The senior managers of four other organizations stated that participation was expressed through the acceptance of base proposals (Corporación Genera, Fundación Trascender, Canal Comunitario Pichilemu TV, and Preuniversitario Rafael Maroto). In these organizations, the members are the ones who present the proposals which, after being considered by the directors, become the basis of the activities carried out. For example, in Fundación Trascender:

The executive board is composed of 11 officers who make a proposition to the board of directors, who accept or make amendments by consensus with the executive directors.

Another example is Corporación Genera, who stated that:

In actual practice, decisions are usually made collectively, channelling the proposals to the work teams.

The senior managers of three other organizations (Corporación Forja, Unión Comunal Juntas de Vecinos N°1 Maipú, and Coanil) stated that participatory management took place in a consultative manner, with the director’s decisions improved through conversation with the bases. In the case of Corporación Forja the board of directors...

...meets once a month to make decisions. No important step is taken in the organization without consulting it with them, because they do not want to drift away from their mission and vision.

Similarly, in Fundación Coanil:

The board of directors is the organism that makes decisions and then reports them to all the members. However, the opinions of all are taken into account to make decisions in agreement with reality.

In the two remaining cases (Cooperativa de Trabajo Prymave and Cooperativa de Ahorro y Crédito Nova) a participatory management approach was seen that appears characteristic of cooperatives, where the members of the organization meet in an assembly and make decisions as a function of the one-member-one-vote principle. For example, Cooperativa de Trabajo Prymave stated that:

The participation generated within the association is democratic, because any participant who pays the minimum fee has the right to participate in the election of the board and in decision making in general.

While Cooperativa de Ahorro y Crédito Nova stated that:

With respect to participation, every contribution made by each member of the organization is always taken into account. At the level of the directors and officials there is direct, formal participation oriented to important decisions.

It is illuminating that just one of the fifteen social enterprises analysed in this section (Corporación Raíces) practiced more than one kind of participatory management. The rest of social enterprises practiced only one of the different forms of participations observed. This issue was not linked to any specific size, activity sector or governance structure apart from cooperatives which were characterized by the voting approach. This approach was unique to the cooperatives.

In conclusion, the modes of participatory management used by social enterprises are varied and encompass various hierarchic levels of the organization. Thus, our research provides evidence that there are different forms of participatory management in Chilean social enterprises. We contend that different levels of involvement in making decisions helps to reconcile the efficiency-participation tandem, therefore providing important evidence to support our third proposition related to the idea that participatory management in social enterprises exhibits equifinality. We therefore modify our third proposition to:

**Proposition 3** *In the Chilean context, for those social enterprises that engage in participatory management this can be manifest in common agreement, acceptance of base proposals, inquiries on decisions to be made and through voting on decision alternatives.*

We consider the implications of these findings in more detail in the following section.

**Discussion and Future Research**

The purpose of our research was to understand the extent of participatory management and how it affects practices and decision-making processes in social enterprises within the context of Chile. Our research provides evidence to support previous work (Austin et al., 2006; Shangholi et al., 2010) and brings to light other issues not commonly considered in the literature. First, a clear tendency was found that senior managers of social enterprises in the Chilean context consider participatory management to be an important organizational aspect, as managers from organizations of all types, sectors and sizes practiced it and/or stated it as a part of their purpose statements.
Second, it was also interesting to observe that five social enterprises under research—including three organizations that declared a commitment with participatory management explicitly—were managed autocratically. It would be very interesting to know in greater depth the motivations and management systems of those organizations and whether it was the result of deliberate managerial rejection of the premise or a reflection of the challenge of putting into practice a more participatory kind of management in the Chilean context (Reid & Turbide, 2012).

Third, different forms of participation were seen as social enterprises took an equifinality approach, where different starting points and different paths can be taken to achieve the same objective (Eisenhardt & Martin, 2000). Therefore, one of the contributions of the research was to provide evidence that participatory management practice can be expressed in different forms regardless the type, size and activity sector of the organization. Future studies may delve deeper into these different forms of participation to better understand their antecedents, processes, and the organizational adjustments required for their successful incorporation (Abdulai & Shafiwu, 2014; Olatunji et al., 2017; Quagrainie & Asiedu-Appiah, 2019).

Fourth, it was also interesting to observe that, although we identify four clear modes of participatory management, the majority of the social enterprises studied practiced only one of these approaches. This suggests that once a social enterprise define a specific participatory management practice, they tend to maintain it over time without trying to explore new forms of participation. We also observed that, among the different types of social enterprises, cooperatives are the ones that have the most standardized participatory management practices. Although we could not observe alternatives forms of participation in the cooperatives under research, we could observe that for them, voting is the way to implement participatory management and also a fundamental value that justifies their existence.

Limitations of the Study

This study was made on a number of enterprises selected following predefined conceptual criteria using the logic of case studies (Eisenhardt, 1989). Therefore, its results are not generalizable in a statistical way to a general population. However, we consider that the selected cases cover a quite diverse spectrum of organizational profiles that provide a good idea of the variations that may be encountered in a statistically selected sample. We interviewed senior managers of these organizations, therefore we captured a limited perspective of those organizations. However, since we asked them to explain their actual participatory management practices, we contend that we present appropriate data to address the propositions. We conducted our interviews in a specific moment in time, which captured only their present situation and did not necessarily reflect the efforts they made and the challenges they faced to implement participatory management.

Conclusions

Within the Chilean context, dominated by paternalist, command and control management practices, we observed a diverse group of social enterprises engaged in participatory decision-making. Some of them stated participatory management explicitly within their purpose statements yet some did not. Regardless of explicit intentions, we saw different forms of participation such as common agreement, the possibility of making propositions, decision making across different levels of the hierarchy, and voting on decisions. This study supports the idea that social enterprises can have adopt shared decision-making processes even in a context where typical for-profit companies tend to take a contrasting approach.

We conclude that, even within a relatively unsupportive management context, social enterprises can solve social problems and also provide a vehicle for a transition towards a more participative form of management.

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