

Entrepreneurship for a better world: unpacking the social impact of entrepreneurial activities

Over the past decade, there has been growing recognition of the profound social implications of entrepreneurial activities (Cortes and Lee, 2021; McMullen and Warnick, 2016; Miller *et al.*, 2012; Peredo and McLean, 2006; Tack *et al.*, 2017). Entrepreneurship is no longer viewed solely as a driver of economic growth or innovation; it is also understood as a force capable of addressing pressing societal challenges and generating social value (Shepherd, 2015; Tobias *et al.*, 2013). Entrepreneurs launch ventures that straddle the line between economic and social goals (Meyskens *et al.*, 2010), tackling complex social challenges such as climate change, inequality, underserved communities and global development (Datta and Gailey, 2012; Jia *et al.*, 2025; Sun and Im, 2015; Sun and Zhou, 2025). This dual focus—often referred to as the hybrid logic of entrepreneurship—has attracted attention from a wide range of stakeholders, including researchers, policymakers, investors and community leaders (Bacq and Janssen, 2011; Dacin *et al.*, 2011; Javadian *et al.*, 2023; Pittz *et al.*, 2017; Snyder, 2008; Sun and Liang, 2021). In doing so, entrepreneurship is not only reshaping markets but also reimagining the relationship between business and society (Sun and Liang, 2021; Vega and Kidwell, 2007).

This special issue of the *New England Journal of Entrepreneurship* responds to this shifting landscape by exploring the intersection of entrepreneurship and society. The featured articles seek to deepen our understanding of how entrepreneurial activities contribute to social innovation, how entrepreneurial ventures manage the tension between social and economic missions, and how individuals, institutions and broader ecosystems influence and contribute to socially impactful entrepreneurship. By bringing together diverse perspectives and methodologies, we aim to advance theoretical and empirical research on the mechanisms through which entrepreneurship engages with, transforms and is shaped by societal structures. Ultimately, our goal with this special issue is to spotlight the role of entrepreneurship as a catalyst for societal change—particularly in situations involving marginalized populations, institutional barriers and resource constraints (Ault, 2016; Dorado and Ventresca, 2013; Tobias *et al.*, 2013). In doing so, we hope to inspire further inquiry and action on the social dimension of entrepreneurial work.

Articles in this special issue

We start our overview of accepted articles with Dhanda and Malik (2025), who break new ground by examining how social entrepreneurship intersects with the rapidly expanding voluntary carbon market (VCM), a sector that remains largely unregulated and difficult to navigate. By evaluating 73 carbon offset providers across six performance criteria (project quality, additionality, certification, single ownership, price transparency and social entrepreneurship), the authors develop a robust framework to distinguish top performers and reveal overlooked dimensions of equity and impact. Through ANOVA, effect size analysis and probit regression, the study finds that while project quality, additionality and price transparency are the most significant predictors of top-tier providers, social entrepreneurship scores the lowest and is largely uncorrelated with other quality indicators. Surprisingly, while most providers support sustainable initiatives, very few are led by women or minorities, highlighting a major gap in representation. One particularly compelling insight is that although social entrepreneurship does not currently drive provider rankings, it emerges as a statistically significant variable in the regression model, suggesting untapped potential if given greater



emphasis. As the first empirical study to link social entrepreneurship to carbon offsets, this work not only contributes a novel perspective to both literature studies but also urges policymakers, entrepreneurs and investors to consider social impact and ownership structures as critical components of a more inclusive and credible carbon market.

Guo *et al.* (2025), in turn, conducted an exploratory and qualitative study that offers a compelling look into how nonprofit organizations (NPOs) in the northeastern United States embraced innovation in response to the COVID-19 pandemic's unprecedented disruptions. Drawing on in-depth interviews with ten nonprofit executives, the authors identified the dual pressures of increased client needs and diminished resources that forced NPOs to rethink operations, service delivery and staff roles so that their services can be sustained. Through inductive thematic analysis, the study uncovers key innovation enablers—including broad-based collaborative ecosystems, flexible strategic planning and inclusive organizational cultures—that helped organizations implement digital transformations, hybrid service models, new programs for emerging needs (such as mental health and domestic violence recovery for the youth population) and creative staffing approaches such as hiring former clients and expanding volunteer roles. Notably, the study contributes a novel conceptual framework illustrating how external shocks can catalyze innovation in mission-driven contexts, revealing that innovation is no longer optional for NPOs but rather a core capability for resilience and sustained impact. By contrasting these findings with for-profit innovation models, the paper underscores how NPO innovation is uniquely driven by social mission and board-based collaboration rather than market-driven competition. It calls for more tailored theoretical development and policy support to foster collaborative, adaptive and inclusive innovation in the nonprofit sector.

In the third paper, Güngördü-Arnoğlu and Tuncalp (2025) dive into the complex yet crucial task of how social ventures assess their impact, especially in emerging economies where one-size-fits-all global frameworks often fall short. Set in Turkey, the research brings to life the stories of two ventures: Girls' Team, a nonprofit organization empowering young girls through sports, and Funding, a for-profit platform easing financial barriers to education. Through the in-depth case studies, the findings challenge the adequacy of popular frameworks like Social Return on Investment (SROI) and Impact Reporting and Investment Standards (IRIS), revealing how these models struggle to capture the full richness and nuance of social change in diverse, resource-constrained contexts. Instead, the study highlights the rise of hybrid and participatory assessment models, innovative approaches that blend quantitative data with qualitative narratives and place stakeholders at the heart of the evaluation process. In doing so, it paints a compelling picture of local ingenuity: social ventures that craft their own impact tools by merging digital technologies, contextual knowledge and inclusive strategies. These ventures not only measure what can be counted but also give voice to the intangible effects of their work, like shifts in self-esteem, community trust, or gender norms. Ultimately, the study offers both a theoretical and practical contribution to the field of social entrepreneurship by showing how context-sensitive, adaptable and stakeholder-driven methodologies can better capture the dual mission of social ventures: to be financially sustainable while driving lasting social transformation.

Finally, Oh (2025) investigates how founding teams of early-stage social ventures select their inaugural CEO, a decision that leaves a lasting imprint on the venture's identity and trajectory. By integrating human capital theory with expectancy violation theory, the study explores how prior occupational experiences and gender influence who rises to leadership within dual-mission ventures that blend social impact with financial goals. Drawing from a unique dataset of 245 founding team members across 108 for-profit or hybrid ventures funded by Echoing Green, the author finds that prior experience in socially oriented organizations significantly increases a candidate's chances of becoming the first CEO. Interestingly, while commercial experience alone does not have a significant effect, it becomes a powerful advantage, especially for female candidates. Women with commercial backgrounds are more likely to be selected as CEOs than their male counterparts with similar experience, an outcome

aligned with expectancy violation theory, which suggests that individuals who defy traditional role expectations can benefit from positive bias. Surprisingly, candidates with balanced experience in both sectors do not enjoy such a clear advantage, suggesting that founding teams prioritize signaling deep social legitimacy over hybrid expertise. These findings challenge conventional assumptions about meritocratic leadership selection, emphasizing instead the context-specific interplay of perceived credibility, mission alignment and gender dynamics. The study contributes to multiple streams of literature, including social entrepreneurship, gender and leadership, and human capital, while offering practical insights for social entrepreneurs and impact investors seeking to align leadership choices with both mission and market demands.

Looking forward

As research on entrepreneurship and innovation across different types of organizations, whether for-profit, nonprofit, or hybrid, continues to evolve, we believe it is important to pay closer attention to how organizations shape and are shaped by the environments they operate in. The social and political landscapes organizations are facing today are more complex than ever. Drastically shifting policies, uneven resource distribution, declining public trust and competing stakeholder demands, among many others, are all shaping entrepreneurial behavior in significant ways (Shepherd and Patzelt, 2011; Tracey and Phillips, 2011). Organizations do not make decisions in a vacuum. They navigate constraints, negotiate trade-offs and make imperfect choices under pressure. Future research should focus more on this interaction between organizations and their environments. How do organizations of different types respond to external pressure and systemic uncertainty? When, and how, do they push back or influence the institutional conditions they face? And which types of organizations are better equipped to survive and potentially reshape the systems they are embedded in? These questions lie at the heart of the broader conversation about entrepreneurship and society.

We also need to think more critically about what happens inside organizations. If the external environment determines whether an organization can survive, it is often the internal culture and management practices that determine whether it can innovate and align with social values. But we still do not know enough about what this looks like in practice. What kind of leadership encourages initiative in the face of resource constraints? How do teams maintain trust and creativity under persistent stress? And how do organizations translate social missions into everyday routines that people actually believe in? These questions persist daily across organizations of all sizes and all types. Research that pays closer attention to internal dynamics and everyday management practices can help us better understand how social values are not just imagined or promised but can actually be built through ongoing, intentional and collective work (Battilana and Dorado, 2010; Dacin *et al.*, 2011).

Among all types of organizations, nonprofit organizations offer a particularly good platform for exploring these questions. Often treated as peripheral in entrepreneurship research, nonprofits are in the front line tackling many of the most urgent social challenges of our time (Eikenberry and Kluver, 2004; Smith, 2014). They are often the first to act and the last to leave when communities face a crisis. This is especially true for smaller, community-based organizations that tend to operate with limited resources, little formal support and sometimes high expectations. How do they adapt and persist through disruptions? How do they maintain legitimacy with diverse stakeholders? And what does innovation look like when it is driven not by market incentives, but by survival needs and a deep commitment to mission? These questions call for more grounded research: fieldwork, interviews and collaborative research approaches that showcase the lived experience of nonprofit practitioners and other stakeholders.

William C. Zhou, Ximeng Chen, Grace Chun Guo and Andres Felipe Cortes
Sacred Heart University, Fairfield, Connecticut, USA

References

- Ault, J.K. (2016), "An institutional perspective on the social outcome of entrepreneurship: commercial microfinance and inclusive markets", *Journal of International Business Studies*, Vol. 47 No. 8, pp. 951-967, doi: [10.1057/jibs.2016.18](https://doi.org/10.1057/jibs.2016.18).
- Bacq, S. and Janssen, F. (2011), "The multiple faces of social entrepreneurship: a review of definitional issues based on geographical and thematic criteria", *Entrepreneurship and Regional Development*, Vol. 23 Nos 5-6, pp. 373-403, doi: [10.1080/08985626.2011.577242](https://doi.org/10.1080/08985626.2011.577242).
- Battilana, J. and Dorado, S. (2010), "Building sustainable hybrid organizations: the case of commercial microfinance organizations", *Academy of Management Journal*, Vol. 53 No. 6, pp. 1419-1440, doi: [10.5465/amj.2010.57318391](https://doi.org/10.5465/amj.2010.57318391).
- Cortes, A.F. and Lee, Y. (2021), "Social entrepreneurship in SMEs: a note on three essential questions", *New England Journal of Entrepreneurship*, Vol. 24 No. 2, pp. 62-78, doi: [10.1108/neje-03-2021-0014](https://doi.org/10.1108/neje-03-2021-0014).
- Dacin, M.T., Dacin, P.A. and Tracey, P. (2011), "Social entrepreneurship: a critique and future directions", *Organization Science*, Vol. 22 No. 5, pp. 1203-1213, doi: [10.1287/orsc.1100.0620](https://doi.org/10.1287/orsc.1100.0620).
- Datta, P.B. and Gailey, R. (2012), "Empowering women through social entrepreneurship: case study of a women's cooperative in India", *Entrepreneurship Theory and Practice*, Vol. 36 No. 3, pp. 569-587, doi: [10.1111/j.1540-6520.2012.00505.x](https://doi.org/10.1111/j.1540-6520.2012.00505.x).
- Dhanda, K.K. and Malik, M. (2025), "Voluntary carbon markets: potential for social entrepreneurship?", *New England Journal of Entrepreneurship*, Vol. 28 No. 1, pp. 7-24, doi: [10.1108/neje-01-2025-0010](https://doi.org/10.1108/neje-01-2025-0010).
- Dorado, S. and Ventresca, M.J. (2013), "Crescive entrepreneurship in complex social problems: institutional conditions for entrepreneurial engagement", *Journal of Business Venturing*, Vol. 28 No. 1, pp. 69-82, doi: [10.1016/j.jbusvent.2012.02.002](https://doi.org/10.1016/j.jbusvent.2012.02.002).
- Eikenberry, A.M. and Kluver, J.D. (2004), "The marketization of the nonprofit sector: civil society at risk?", *Public Administration Review*, Vol. 64 No. 2, pp. 132-140, doi: [10.1111/j.1540-6210.2004.00355.x](https://doi.org/10.1111/j.1540-6210.2004.00355.x).
- Güngördü-Arnoğlu, M. and Tuncalp, D. (2025), "Hybrid and participatory impact assessment in social ventures: rethinking social venture evaluation", *New England Journal of Entrepreneurship*, Vol. 28 No. 1, pp. 41-54, doi: [10.1108/NEJE-08-2024-0073](https://doi.org/10.1108/NEJE-08-2024-0073).
- Guo, G.C., Chen, X., Christian, V.L., Zhou, W., Cortes, A.F. and Brown, S.M. (2025), "Innovation in nonprofit organizations in the post-pandemic era: an exploratory study", *New England Journal of Entrepreneurship*, Vol. 28 No. 1, pp. 25-40, doi: [10.1108/neje-09-2024-0105](https://doi.org/10.1108/neje-09-2024-0105).
- Javadian, G., Nair, A., Ahlstrom, D., Moghaddam, K., Chen, L.-W. and Lee, Y. (2023), "Transitional entrepreneurship: unleashing entrepreneurial potential across numerous challenging contexts", *New England Journal of Entrepreneurship*, Vol. 26 No. 2, pp. 78-87, doi: [10.1108/neje-12-2023-103](https://doi.org/10.1108/neje-12-2023-103).
- Jia, P., Zhou, W.C. and Li Sun, S. (2025), "Uplifting the underdog: the impact of remittances on transforming informal entrepreneurship", *Journal of Business Research*, Vol. 186, 114999, doi: [10.1016/j.jbusres.2024.114999](https://doi.org/10.1016/j.jbusres.2024.114999).
- McMullen, J.S. and Warnick, B.J. (2016), "Should we require every new venture to Be a hybrid organization?", *Journal of Management Studies*, Vol. 53 No. 4, pp. 630-662, doi: [10.1111/joms.12150](https://doi.org/10.1111/joms.12150).
- Meyskens, M., Robb-Post, C., Stamp, J.A., Carsrud, A.L. and Reynolds, P.D. (2010), "Social ventures from a resource-based perspective: an exploratory study assessing global Ashoka fellows", *Entrepreneurship Theory and Practice*, Vol. 34 No. 4, pp. 661-680, doi: [10.1111/j.1540-6520.2010.00389.x](https://doi.org/10.1111/j.1540-6520.2010.00389.x).
- Miller, T.L., Grimes, M.G., McMullen, J.S. and Vogus, T.J. (2012), "Venturing for Oohers with heart and head: how vompsonassion encourages social entrepreneurship", *Academy of Management Review*, Vol. 37 No. 4, pp. 616-640, doi: [10.5465/amr.2010.0456](https://doi.org/10.5465/amr.2010.0456).

- Oh, N. (2025), "Nascent social ventures' inaugural CEO appointment: human capital and gender expectancy violation perspectives", *New England Journal of Entrepreneurship*, Vol. 28 No. 1, pp. 55-78, doi: [10.1108/neje-08-2024-0088](https://doi.org/10.1108/neje-08-2024-0088).
- Peredo, A.M. and McLean, M. (2006), "Social entrepreneurship: a critical review of the concept", *Journal of World Business*, Vol. 41 No. 1, pp. 56-65, doi: [10.1016/j.jwb.2005.10.007](https://doi.org/10.1016/j.jwb.2005.10.007).
- Pittz, T.G., Madden, L.T. and Mayo, D. (2017), "Catalyzing social innovation: leveraging compassion and open strategy in social entrepreneurship", *New England Journal of Entrepreneurship*, Vol. 20 No. 2, pp. 37-52, doi: [10.1108/neje-20-02-2017-b003](https://doi.org/10.1108/neje-20-02-2017-b003).
- Shepherd, D.A. (2015), "Party On! A call for entrepreneurship research that is more interactive, activity based, cognitively hot, compassionate, and prosocial", *Journal of Business Venturing*, Vol. 30 No. 4, pp. 489-507, doi: [10.1016/j.jbusvent.2015.02.001](https://doi.org/10.1016/j.jbusvent.2015.02.001).
- Shepherd, D.A. and Patzelt, H. (2011), "The new field of sustainable entrepreneurship: studying entrepreneurial action linking 'what is to be sustained' with 'what is to be developed'", *Entrepreneurship: Theory and Practice*, Vol. 35 No. 1, pp. 137-163, doi: [10.1111/j.1540-6520.2010.00426.x](https://doi.org/10.1111/j.1540-6520.2010.00426.x).
- Smith, S.R. (2014), "Hybridity and nonprofit organizations: the research agenda", *American Behavioral Scientist*, Vol. 58 No. 11, pp. 1494-1508, doi: [10.1177/0002764214534675](https://doi.org/10.1177/0002764214534675).
- Snyder, L.W. (2008), "Entrepreneurship as social change", *New England Journal of Entrepreneurship*, Vol. 11 No. 2, pp. 9-68, doi: [10.1108/neje-11-02-2008-b007](https://doi.org/10.1108/neje-11-02-2008-b007).
- Sun, S.L. and Im, J. (2015), "Cutting microfinance interest rates: an opportunity co-creation perspective", *Entrepreneurship Theory and Practice*, Vol. 39 No. 1, pp. 101-128, doi: [10.1111/etap.12119](https://doi.org/10.1111/etap.12119).
- Sun, S.L. and Liang, H. (2021), "Globalization and affordability of microfinance", *Journal of Business Venturing*, Vol. 36 No. 1, 106065, doi: [10.1016/j.jbusvent.2020.106065](https://doi.org/10.1016/j.jbusvent.2020.106065).
- Sun, S.L. and Zhou, W.C. (2025), "Global value chain envelopment: how do emerging multinational enterprises innovate and compete in green transitions?", *AIB Insights*, Vol. 25 No. 3, doi: [10.46697/001c.128377](https://doi.org/10.46697/001c.128377).
- Tack, L., Simon, M. and Jiang, R.J. (2017), "The role of trust in social entrepreneurship: a case study of global brigades", *New England Journal of Entrepreneurship*, Vol. 20 No. 1, pp. 46-59, doi: [10.1108/neje-20-01-2017-b004](https://doi.org/10.1108/neje-20-01-2017-b004).
- Tobias, J.M., Mair, J. and Barbosa-Leiker, C. (2013), "Toward a theory of transformative entrepreneuring: poverty reduction and conflict resolution in Rwanda's entrepreneurial coffee sector", *Journal of Business Venturing*, Vol. 28 No. 6, pp. 728-742, doi: [10.1016/j.jbusvent.2013.03.003](https://doi.org/10.1016/j.jbusvent.2013.03.003).
- Tracey, P. and Phillips, N. (2011), "Entrepreneurship in Emerging Markets: strategies for new venture creation in uncertain institutional contexts", *Management International Review*, Vol. 51 No. 1, pp. 23-39.
- Vega, G. and Kidwell, R.E. (2007), "Toward a typology of new venture creators: similarities and contrasts between business and social entrepreneurs", *New England journal of entrepreneurship*, Vol. 10 No. 2, pp. 15-28, doi: [10.1108/neje-10-02-2007-b002](https://doi.org/10.1108/neje-10-02-2007-b002).