

Understanding the Quality of Interaction of Complexity Leadership and Social Enterprise based on the Complex Science Lens

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Extended Abstract

Abstract

Leading complex social constructs and binding to socio-economical goals are two major imperatives in social science research and practice. Even though complexity leadership and social enterprise are perceived innovative approaches to address these environmental requisites, shortcomings of either construct inhibited meeting the intended objectives. Shared theoretical grounds and unique characteristics of either construct however, allows combination of elements and generation of further innovation and complexity to address some limitations of each construct. This research investigates the complexity leadership phenomena in the context of educational social enterprises deficient of sufficient financial resources, from interpretive phenomenology standpoint. Findings underline the prominence of practical reasoning and normative morality in enabling complexity leadership and development of environmentally stable states in the relevant social enterprises.

Introduction

Seeking fitness in highly connected and complex context of the "Knowledge Era" demands elevated complexity of social constructs to the level of the environment. So, the same as complexity has come to be an "overarching theoretical paradigm in the natural sciences", it is paving the way for a "paradigm shift in the social sciences, particularly in leadership and

organizational studies" (Hazy and Uhl-Bien, 2013). Complexity leadership and social enterprise are considered complex social phenomena, built on the basic complexity assumptions. Complexity leadership enables "both organizational change and organizational stability" to "absorb perturbations, thus fostering a state of changing network stability" (Marion et al., 2016). Likewise, a more complex conceptualization of the social entrepreneurship processes, builds on the circular change-stability causality (Schwandt et al., 2009). Even though social enterprise and complexity leadership are perceived novel approaches to tackle some complexities in organizational studies and leadership domains, each construct poses limitations. In one way, bringing social and economic essentials to a common space, namely in social enterprises, requires managing internal tensions between different organizational forms and external tension with broader compartmentalized institutional logics (Battilana and Lee, 2014). This implies that the leadership of social enterprises "poses a particularly complex leadership challenge" (Battilana and Lee, 2014). In the other way, the recent economic crisis well exhibited the requisite of infusing "humanitarian and social principles into modern capitalism", giving raise to reclamation of social enterprises (Battilana et al., 2012). Since survival and success of social enterprises, like all complex social evolutions, requires leadership (Battilana et al., 2012), complexity leadership can best serve the needs of the social enterprise. Alternatively, as a complex response to tackle some of the "many challenges that face the world in the coming decades" (Hazy and Uhl-Bien, 2013), social enterprise is gaining momentum (Battilana and Lee, 2014). Hence, common theoretical grounds besides unique qualities of each construct facilitate generation of further social innovation (Mulgan, 2006), using recombinatory operations (Goldstein et al., 2010).

Research Methodology

Undertaking qualitative research in the field of network studies advances understanding of the content of network relationships (Jack, 2010). Interpretive phenomenological analysis (Smith, 1996) proves appropriate if capturing the essence of a complex phenomena (Creswell, 2009), namely investigating complexity leadership phenomenon (Johnson, 2015) is intended. In line with Mulgan's (2006) recommendation for "drawing on experiences from organizations like the School" for developing leaders and leadership, we chose educational social enterprises as the context of the study. Three educational social enterprises categorized as non-governmental schools in Iran's capital, comprise the settings wherein the phenomenon under investigation is taking place. Besides the complexity of educational environment (Marion et al., 2016) and social enterprise (Battilana et al., 2012), non-governmental schools under study are particularly deficient of financial resources that are core to their

functioning (Battilana and Lee, 2014). Despite diverse internal and external tensions experienced, these schools have developed environmentally stable states (Marion et al., 2016) and are perceived as reputable organizations. Given the prominent influence of individual agents, "particularly those in positions of authority", on complex adaptive systems' dynamics and functions (Uhl-Bien et al., 2007) and their capacity to enable interaction in their "aggregates, meta-aggregates, and meta-meta-aggregates" (Marion and Uhl-Bien, 2001), this study primarily focuses on interaction of micro and meso levels of social system, as the exchange of information and influence between formal leaders and their collectives, within the confines of the social enterprise. Selection of the participants is based on purposive sampling methods, to provide information-rich samples from limited participants (Patton, 2002).

Findings and Discussion

Even though number of scholars underlined the fundamental reciprocity between complexity and social entrepreneurship constructs to "further the development of a more insightful robust theory of social dynamics" (Goldstein et al., 2011), influence of social entrepreneurship on complexity construct is rather understudied. This research aims to investigate the reciprocity between the two domains. Research findings reveal that practical reasoning and normative morality (Stanford encyclopedia of philosophy, Retrived on June 2020) serve as dynamic rules enabling the swirl of change-stability causality (Hazy and Uhl-Bien, 2015) across individual and collective levels of the social entrepreneurship system and major drivers of complexity leadership in social enterprise. Findings further suggest that complexity leadership driven by practical reasoning and normative morality nurtures psychological safety, enables affective trust and social networks (Blackwell, 2014), fosters learning in individual and collective levels, and allows processing numerous organizational and environmental perturbations, thus fostering development of environmentally stable states.

Keywords: Complexity Leadership, Social Enterprise, Normative Morality, Practical Reasoning, Interpretive Phenomenology