Institutionalization and Hybridization:
a study on Social Enterprises in the Brazilian context

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Abstract:
Social Enterprises are seen as a strategy for solving socio-environmental problems and promoting economic, social and environmental value through the sale of products and services. Which, seek the inclusion and socioeconomic improvement of individuals through the delivery of value, and seeking to meet the needs of different groups in society. Therefore, this article analyzes the dynamics of institutionalization and hybridization of Social Enterprises, having the following research question: “How does the institutionalization and hybridization of Social Enterprises happen in the Brazilian context?”. In order to analyze the management of these companies and support this qualitative, theoretical-empirical, exploratory and descriptive study, a comparative case study was carried out between June and August 2020 with four Social Enterprises operating in the city of Belo Horizonte, capital of Minas Gerais state in Brazil, which are represented by fictitious names (Agri-Urb 1, Alpha, Beta and Omega) throughout the study. As general results, it is noted that despite the common objective of social enterprises, the companies studied have different types of management, which we can associate with the isomorphisms present in the Institutional Theory. In this way, our study advances the understanding of how different forms of hybridization of institutional logics are accommodated in the universe of social enterprises operating in Brazil, building a plural context of organizational repertoires of economic performance in a social, political and cultural context marked by inequality. and permanence of poverty.

Key Words: Social Enterprises; Hybridization; Institutional Theory; Institutional Logics.
Introduction

Poverty, inequality and the degradation of environmental heritage result in serious and challenging problems in contemporary society. As one of the strategies to overcome this scenario of growing problems and socio-environmental crises, it is important to mention the Social Enterprises, also named Impact Business, Social Business, Bottom of the Pyramid Business, Social Entrepreneurship, Benefit Corporation or B Corp and Sector 2.5, which aims to goal of solving socio-environmental problems and delivering value, either through a product or service that meets the needs of classes C, D and E (Higashi, Comini & D'Amario, 2017).

The theorizing on Social Enterprises presents different currents and approaches, which not only dispute the meaning of this type of enterprise, but also different conceptions about the role of these business initiatives, their formats organizations and their way of acting, especially with regard to their management. Your studies on Social Enterprises have denoted that different institutional logics, sometimes more action-oriented in the markets from profit-oriented ways, with social and environmental impact, now more oriented to the community and the environment, having also the generation of an economic surplus. Furthermore, many of these dynamics or logics interpenetrate, making the administrative and/or managerial universe of Social Enterprises even more instigating and challenging, given the hybridization of institutional logics, as an object of study.

The study started from the Institutional Theory to problematize Social Enterprises in performance in the city of Belo Horizonte/MG, in order to investigate the management models of Agri-Urb 1, Alfa, Beta and Omega companies. Institutional Theory is based on processes, competencies, forms and standards that lead organizations to react according to the internal and external environments, that is, with market demands (Selznick, 1996). That approach allows for a more advanced understanding of pressures, dynamics, hybridizations and perspectives experienced by Social Enterprises in the reproduction of their activities. For that, the present study is organized from the following research question: “In which aspects of management Social Enterprises based on currents different currents resemble and differ?”.

The research adopted as objective to analyze how the internal processes are carried out and management in four Social Enterprises of different branches in Belo Horizonte/MG. stands out that for the analysis of the management of these companies and the basis of this qualitative study, it was conducted between June and August 2020, a comparative case study
involving four developments in Belo Horizonte-MG, which are represented by fictitious names (Agri-Urb 1, Alfa, Beta and Omega) throughout the study.

Taking these facts into account, Institutional Theory is relevant in this study, where the context of Social Enterprises was linked to traditional enterprises. Well, the companies Social have as a principle the contribution to the resolution of problems socio-environmental. On the other hand, traditional organizations or companies, throughout their trajectory has been consolidating a logic of action based on rationalization, emphasis on technical knowledge, rules, patterns and market trends, as well as compliance with legal requirements and informal norms imposed by the State and others segments of society, with emphasis on merit as a form of social ascension and legitimation of authority (Dimaggio & Powell, 1991).

In order to present the research results, the article is organized as follows: after the introduction, the chapters of the theoretical framework begin, which aim to contextualize the universe of Institutional Theory and Social Enterprises, followed by the methodological choices adopted in this qualitative research and comparative. Afterwards, the results are presented and discussed, which denote the existence of different and not always harmonious institutional logics within the analyzed enterprises. In the final considerations, new research agendas are pointed out.

The phenomenon of Social Enterprises has been the subject of an increasing number of studies, not only in the Brazilian context, but throughout the planet. Even so, understanding tensions, paradoxes, contradictions and forms of articulation and coexistence of different institutional logics within Social Enterprises and within the so-called Impact Business Ecosystem remains an important focus of research, to which this article intends to contribute.

**Institutional Theory And Isomorphism**

Organizations are social systems where there are divisions of work among employees, in order to achieve organizational objectives, with their decision-making based on efficiency (Motta & Bresser-Pereira, 2004). In that context, it is important to emphasize that organizations are heterogeneous and complex, however, these differences are essential, since they result in diversified solutions that will solve existing problems and needs in the market and in society (Motta, 1993).

Therefore, it is important to mention the presence of institutionalization in organizations, since it is based on norms as well as on the knowledge arising from it of social interaction where actions linked to the institutional context are articulated aiming at legitimation (Guarido Filho, 2008).
Institutional Theory traces some organizational aspects, such as forms, processes, strategies, perspectives and competencies, and how these aspects emerge from patterns of organizational interaction and adaptation. Such patterns must be understood as responses to internal and external environments (Selznick, 1996). Grigoletto and Alves (2019, p. 249) reinforce that organizational institutionalism is based on a common assumption, that “action in organizations is influenced by referential frameworks of different orders – cultural, symbolic, interpretive, among others – articulated around the idea of institutions”.

Furthermore, Institutionalism represents a distinct approach to social, economic and political studies. However, when trying to explain and define Institutionalism, the authors point to the difficulty in doing so, since the discussion on the subject generates ambiguity as there are different interpretations and meanings in these areas (Dimaggio & Powell, 1991).

In this bias, studies on isomorphism are presented that expand the understanding of studies in the organizational field related to the pressures of the environment in which organizations are inserted. Thus, organizations will respond to the demands of the environment, where the more isomorphic, the more chances of survival in the market. This perspective is within the so-called new Institutionalism, unlike the traditional perspective in strategy on competitiveness in organizations where the focus is the need for competitive advantage. For, according to Scott (2008), organizations are composed of regulatory, normative and cognitive elements, considered pillars within organizations, as they seek to generate meaning and stability for them.

In this sense, one can observe isomorphism, its pillars and aspects within organizations in view of Scott's vision in figure 1 (1995).

<table>
<thead>
<tr>
<th>ASPECTS</th>
<th>REGULATIVE</th>
<th>NORMATIVE</th>
<th>COGNITIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission basis</td>
<td>Utility</td>
<td>Social obligation</td>
<td>Acceptance of assumptions</td>
</tr>
<tr>
<td>Mechanisms</td>
<td>Coercive</td>
<td>Normative</td>
<td>Mimetic</td>
</tr>
<tr>
<td>Logic</td>
<td>Instrumental</td>
<td>Adequacy</td>
<td>Orthodox</td>
</tr>
<tr>
<td>Indicators</td>
<td>Laws, rules, sanctions</td>
<td>Certification, accreditation</td>
<td>Predominium and isomorphism</td>
</tr>
<tr>
<td>Basis of legitimation</td>
<td>Legally sanctioned</td>
<td>Morally governed</td>
<td>Culturally supported, conceptually correct</td>
</tr>
</tbody>
</table>

Figure 1. Three pillars of institutions.
Taking into account the vision of DiMaggio and Powell (1983) together with what is shown in Figure 1 of Scott (1995), we can highlight the existing types of isomorphism, being the competitive one that focuses on the analysis of organizational ecology, and the institutional isomorphism that is based on the authors' analysis.

Institutional isomorphism can still be categorized into three types, firstly we can mention the coercive/regulatory one that is based on legal and normative issues for organizational regulation purposes, which ends up resulting in informal and formal pressures.

Normative isomorphism, on the other hand, is centered on issues that guide professionalization, influencing cognitive bases, legitimation and the formation of professional networks. And finally, we can mention the mimetic/cognitive isomorphism, which is associated with market uncertainties and the imitation of the characteristics and points of companies considered successful (DiMaggio & Powell, 1983; Gimenez et al., 2005).

Within this context about the processes of isomorphism in organizations, several bureaucratic organizations are perpetuated by institutions that end up adopting new standards and then becoming the “new” standard to be followed. For defense or survival in the market. Thus, organizational-“rational” actors transform their organizations into increasingly similar ones, hoping to bring about change (DiMaggio & Powell, 1983).

Also according to DiMaggio and Powell (1983), they broaden the view on Institutionalism through the understanding of social action and social behavior by emphasizing reactive aspects to the detriment of strategic action of an intentional character (Misoczky, 2003).

For, when talking about issues of social interest, Institutional Theory does so without accepting conventional models of organization or the unreflective assumptions of management, somehow disconnecting from that dominant view that the corporation is a voluntary association of shareholders that own the company that seek to maximize profits or returns on capital (Selznick, 1996).

In this sense, Crubellate, Grave and Mendes (2004, p. 43) argue that Institutional Theory represents an alternative to the conception that decisions are made by rational criteria, in addition to citing a conception of “organization as a socially constructed phenomenon, a product not only of intentional and planned human actions, but also of their cultural and political interactions and of cognitive and symbolic processes, in short, of a whole range of non-rational social processes, at least in the only economic sense.
According to Rossetto and Rossetto (2005), there are two essential dimensions in organizations in the institutional view: the technical and the institutional. The technical dimension is characterized by the exchange of goods and services and the institutional dimension is characterized by the establishment and dissemination of operating norms (Machado-Da-Silva; Fonseca; Fernandes, 1999).

Studies of Institutional Theory took place at different times, where first it was guided by a normative dimension of institutions, that is, the character of “moral rule” assumed by them guided the analysis of informal structures resulting from recurrent social interactions. In a second moment, the cultural-cognitive approach assumed a central role of analysis through classifications, routines and interpretive schemes. Therefore, both the new and the old Institutionalism treat the rational actor with skepticism and focus the analysis on the relationship of organizations with their environment, expanding the limits of this environment (Peci, 2006).

Referring to a new Institutionalism, Crubellate, Grave and Mendes (2004, p. 46) cite the two possible directions of this aspect: “a cognitivist, which seeks to reveal in the institutionalization process the tendency to repeat social meanings, and another that admits the possibility that institutions also acquire a formal aspect, increasingly external and disconnected from any original meaning”.

Linked to these aspects, it can be said that organizations shape themselves from the changes required by the environment, and in this way, they change the previous pattern and conceive a new pattern that is established by the new dynamics of the market. If we make a comparison, it works as the competitive environment between organizations, where the first to take the first steps in relation to new methods, processes and competitive actions that improve their performance and or create competitive advantage, are little by little followed by others. organizations. In this way, companies gradually modify their structure and institute other standards that will determine a new “requirement” in the market, whether in relation to its processes, activities and positioning (Dimaggio & Powell, 1991).

Social Enterprises

Currently in the 21st century, the large portion of individuals living in extreme poverty and on the margins of society is remarkable, in this scenario of precariousness, 3.4 billion people still seek to satisfy the basic needs for survival (World Bank Group, 2018).
In view of the facts, a new management model is necessary, in order to aim at social inclusion and to generate positive impacts on the environment, since mass production and consumption end up degrading the environment more and more.

Taking into account the gaps and demands existing in the market and in civil society, with regard to the existing management models, the interaction between man and the environment and the social and professional inclusion of stigmatized individuals, a new typology of organization emerges, which we can call Social Enterprises. In this context, Social Enterprises have as their main objective, to solve the existing problems of the individuals who live on the margins of society and deliver a service or product that really generates a socio-environmental impact according to the demands of social classes C, D and E (Higashi, Comini & D’Amario, 2017).

In this sense, it can be said that social businesses began in 1976 in Bangladesh, since Muhammad Yunus together with the University of Chittagong gave rise to the Grameen Bank (Village Bank) project whose purpose was to offer small loans, but without the guarantees of traditional banks, becoming an official bank in 1983, which offered credit to economically vulnerable people, especially to poor women, as it was perceived that the female public generated a greater economic return for the family (Pires, Santos & Mostagi, 2019).

However, the concept of Social Enterprises emerged from Italy, which was promoted by the magazine Impresa Sociale in 1990 and later in the United States, which made these two places the center of discussion on this theme (Defourny & Nyssens, 2010).

In view of such discussions, it is noteworthy that Social Enterprises have a perspective of inclusion and socioeconomic improvement of individuals who are often excluded by an egocentric society (Naigeborin, 2010).

Therefore, social businesses have some differences when compared to traditional companies and non-governmental organizations. Despite having a vision focused on costs, revenues and customers, its main objective is to serve society in order to mitigate existing social problems, in addition, it can be said that social businesses are self-sustainable, since they sell their products and services that meet the visualized demands (Yunus, Moingeon & Lehmann-Ortega, 2010).

In this self-sustaining bias, a question arises about Social Enterprises, which is based on profit distribution. Given this situation, it is important to take into account the two approaches that refer to this field and that were discussed at the World Microfinance Forum Geneva (2008).
The first approach considers that the profits obtained in Social Enterprises should be reinvested in the company seeking its development. In this aspect, Yunus emphasizes that only invested capital can be withdrawn. On the other hand, there is the vision of Stuart Hart and Michael Chu, discussed at the World Microfinance Forum Geneva (2008), who view the distribution of profit through Social Enterprises as something positive, since this distribution draws the attention of new investors, which end up disseminating impact businesses and making it possible for socio-environmental demands to be increasingly met.

Such profit distribution issues directly influence the governance of Social Enterprises. Therefore, relevant aspects are considered within this context, given that this type of company aims to promote social inclusion, therefore, they must serve the low-income population and include these individuals in the production chain, but without compromising decision-making (Defourny & Nyssens, 2010).

However, internal differences in Social Enterprises are plausible, since this typology of company has three different currents: the European, the North American and the one used in emerging countries (Iizuka, Walchhutter, Dias & Barbosa, 2014).

**Social Enterprises And Management Typologies**

In view of the impact business scenario, it is noted that there are three currents within this type of company which differ in their management model. With a strong influence from NGOs and the social economy, we can mention the European trend that is characterized by its main purpose of helping the community, by not distributing profits and having a cooperative vision, where democracy is prioritized in relation to taking decision (Dees, 1996; Reficco, Gutiérrez & Trujillo, 2006).

Therefore, it is understood that a social enterprise with perspectives consistent with the European current, seeks collective profit and the generation of social value, which is given internally through the retention and use of talents of individuals who live on the margins of society, who are stigmatized and face several barriers to joining traditional organizations (Laville & Nyssens, 2001).

In this context, it can be said that the North American current also seeks a positive impact on society, but unlike the European current, the North American current seeks to associate the impact on society with profit and its distribution among dividends. Since it originated from influences between the third sector and traditional companies, which make up the private sector, therefore, which emphasizes that employees of this type of company must
solve the problems present in society and have a return financial (Reficco, Gutiérrez & Trujillo, 2006).

And finally, we have the third current that has Yunus as one of its representatives. This current is associated with emerging countries and has the objective of reducing poverty. Therefore, like the European trend, this type of social enterprise is also characterized by not aiming at profit distribution, but only at the return on invested capital, with the remainder being reinvested in the company to help resolve the causes that the same fight. Thus, it seeks to create purchasing power for social classes C, D and E, through improvements in civil society and also by maximizing access to credit for these individuals (Prahalad & Hart, 2002; Yunus, 2008).

In this bias, social businesses, in addition to serving low-income people, must work together with them, always seeking improvements in the world. In view of this, the possibility of developing new types of governance in Social Enterprises is visualized, since this typology of company is comprehensive and aims to include different types of individuals (Naigeborin, 2010).

In agreement with these facts, Dutra et al. (2017), points out that social businesses should not adopt people management practices based on command and control, as in traditional companies, but must adhere to management practices that encourage the mutual development, where freedom of action is provided for employees, which promotes people's engagement and continuous learning. Therefore, management in companies Social must be guided by the consistency of the actions developed by the organization, valuing an alignment between professional and personal goals.

In addition, it is important that impact businesses have a flexible routine that does not require extremely structured rules or high hierarchy and are adept at change, since their indicators are based on an environment of open dialogue and continuous learning with the other. , as this type of company is characterized by the diversity of professionals (Battilana, et al. 2019; Comini et al., 2019).

Methodology

Our study has a qualitative, exploratory and descriptive character. In addition, it presents a collection method focused on the comparative multi-case study between four Social Enterprises, which aimed to analyze what the management model adopted in the different aspects of this type of company, being the North American and the European aspects.
Thus, the present article carried out a holistic collection of primary data, that is, at two different times. Initially, a questionnaire was applied to the four companies in June and August 2020. This questionnaire sent by email contained 16 opinion questions and 2 open questions that were linked to the company's area of activity and the number of active employees, hierarchy, engagement, functions, among other points, which was answered by one person in each company and was intended to collect initial data of Social Enterprises in order to guide the formulation of the second questionnaire.

In this perspective, a second moment of primary data collection was carried out through a second semi-structured questionnaire, which was applied during the months of June and August 2020, which was answered by the manager of the company Agri-Urb 1, by the respective owners of the Alfa, Beta and Omega companies and included 16 questions based on the type of management of the companies.

Linked to the applied questionnaires, secondary data collection was carried out, which sought evidence related to the theoretical framework through a bibliographic study, in which publications, theses, articles, magazines, books and data present on websites of public agencies and private parties to support the article.

In view of the analysis of the data obtained through the multiple sources of collection present in the study, the article in question was based on a comparative analysis. Thus, a grouping of the data obtained by the questionnaires was carried out, so that a systematic analysis of the data in an individual and comparative way was made possible, since the material was organized according to the research hypotheses, which resulted in a greater representation of the data.

Finally, there was a triangulation of the data collected through documents and the questionnaires applied, since the problem in question, the data and the conclusion are linked to each other, which allowed a confrontation between the reality found in the management of Companies Social with the existing theory, for the elaboration and systematization of the data discussed in the section of analysis of the results.

**Social Enterprises Analysed**

In the present stage of the article, the data collected from the comparative case study made with the Social Enterprises Agri-Urb 1, Alfa, Beta and Omega, which are located in Belo Horizonte (BH) - MG.
Agri-Urb 1 is a company that has branches in Belo Horizonte, São Paulo and Rio de Janeiro, has a total of 20 employees and operates in the food sector, more specifically in the cultivation and commercialization of products without the use of pesticides already the Alfa Social Enterprise is dedicated to the preservation of heritage and culture, it only has its headquarters in BH and does not have employees, but a collective of people who develop projects that meet with the rescue of cultures that are stigmatized.

As for the company Beta, it operates in the agroecological food sector with a total of 5 employees, located in two different neighborhoods in BH. Finally, the company Ômega operates in a single location in BH in the area of microfinance and, like the company Alfa, it does not have employees, but volunteers.

In order to support the present study, two questionnaires were applied to the companies at different times. It is worth mentioning that in the company Agri-Urb 1 the questionnaires were answered by the manager and in the company Alfa, Beta and Ômega they were answered by the respective owners. The first questionnaire was applied in June 2020 and the second questionnaire was applied in August of the same year.

Both questionnaires addressed questions guided in the management of companies, if they adhered to norms, rules, if they had branches, how many employees the companies had, if there was a systematization in the activities developed, as well as if there was a hierarchy and how the return of these companies to society was carried out, since Social Enterprises must generate a positive social impact and seek to fill the socio-environmental gaps existing in society (Sousa & Costa, 2018).

In this sense, in an analysis of the questionnaires answered by the company Agri-Urb 1, it is possible to verify the existence of institutionalized standards, since there is a standardization of the processes, which are well systematized, distributing in a very clear way to the employees, as well as the functions of each one within the operational context of the company.

These standards extend to the salary bases and also to the working hours of employees. Furthermore, at Agri-Urb 1 there is a well-defined hierarchy of supervision that is very clear to everyone within the company.

The Beta company has a hierarchy in its structure, where the decision-making is done centrally in the owner and is later informed to the employees. In addition, the company has an institutionalized pattern of processes where the employee routines are pre-defined, also involving time and salary standards. These characteristics are very similar to the Omega company, with an essential difference in decision-making, which takes place collectively.
In short, it is possible to identify that such characteristics of Agri-Urb 1, Beta and Omega can be associated with the characteristics present in traditional companies. Since traditional companies are adept at command and control, norms, hierarchy and systematization, always valuing the efficiency of operations (Motta & Bresser-Pereira, 2004; Dutra et al., 2017).

Thus, it can be said that institutional isomorphism is strongly present in the company Agri-Urb 1, as normative, because, in the view of DiMaggio and Powell (1983), normative isomorphism takes into account issues that cover the professionalization of the employee, as well as, the development of professional networks. In this bias, this is in line with what is performed at Agri-Urb 1, because, based on the data collected, it was found that the company works through an interconnectivity of sectors that have a base of employees with specific knowledge for the tasks, where their level of education is taken into account.

Still based on DiMaggio and Powell (1983), the presence of normative isomorphism in the Beta company is perceived, however not due to the search for professionalization of the employees, but it seeks to develop a professional network with its suppliers, which are small farmers close to the BH region.

Another point to highlight present in Agri-Urb 1 is the mimetic isomorphism, where it is identified in the company's response about the influence or not of the external environment on its activities, and Agri-Urb 1 says that it “follows the trends of Marketplace”. This is in line with what Redmond (2003) identified in his study on innovation, diffusion and institutional change, which found that companies do not operate in different ways than that already exist, and that most companies act in accordance with the institutional environment in which they are inserted.

In this sense, the Beta company also has a direction for mimetic isomorphism, so that it follows the trends imposed by the market, since it suffers strong external influences from suppliers, customers, competition and legislation. Where the decisions taken, even if preventive, are a reflection of what happens in the market.

On the other hand, in a comparative way, the company Alfa has some characteristics that are different from the other companies. Taking into account the data obtained through the questionnaires answered by the owner of the company, it appears that there is no standardization and systematization in the internal processes, since the decisions taken in the company occur in a reactive way to the market.

Still, it appears that the company Alfa does not have a standardization of hours and salaries, in this sense, it is important to emphasize that the company works with the
development and promotion of projects that act in the anti-racist fight, therefore its internal composition, does not have a team of employees but with a community collective, which helps in the company's decision-making and that is changed every time a new project is executed.

In view of the above, it is understood that the characteristics of the company Alfa differ from the characteristics of other companies, in terms of systematization, composition, standardization of internal processes, for having an informal control of the actions developed, and it is distinguished from Agri-Urb 1 for being based on common beliefs and logic of shared actions.

Taking into account the aforementioned characteristics of the Alfa company and linking these characteristics to the institutional logic, it is possible to associate the management of the Alfa company to the mimetic/cognitive isomorphism, since this institutional pillar is not limited to rules and norms, but is based on in shared beliefs, in the word, in the subjective interpretation shaped by the culture, in the symbols and meanings given to objects and activities (Scott, 2003; Coraiola et al., 2011).

This connection with mimetic isomorphism is also present in the Ômega company, where the external environment is monitored, more precisely the economic scenario, for the evaluation and granting of credit to the population.

However, the company Omega has characteristics of normative isomorphism punctuated by DiMaggio and Powell (1983) regarding the search for professionalization, since, despite the company working with volunteers in the development of its activities, it is required that they have specific technical knowledge, a certain level of education is also required to be part of the volunteer staff.

As for the context of Social Enterprises, it is important to point out the characteristics present in companies in the 2.5 sector, which according to Defourny (2001) are based on criteria economic and social as can be seen in Figure 2.

<table>
<thead>
<tr>
<th>Characteristics of Social Enterprises</th>
<th>Economic Criteria</th>
<th>Social Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustained activity aimed at the production of goods and services</td>
<td>Explicit aim to benefit the community</td>
<td></td>
</tr>
<tr>
<td>Self degree of autonomy</td>
<td>Initiative launched by a group of citizens</td>
<td></td>
</tr>
<tr>
<td>Significant level of risk</td>
<td>Decision making not based on capital ownership</td>
<td></td>
</tr>
<tr>
<td>Minimum level of paid work on your payroll</td>
<td>Participatory nature in decision making</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Limited profit distribution</td>
<td></td>
</tr>
</tbody>
</table>

Figure 2. Characteristics of Social Enterprises

In this sense, it is worth noting that despite the various characteristics of traditional companies present in Agri-Urb 1, it is also clear that situations are specific to Social Enterprises. Given that, Agri-Urb 1 stands out for its final product and mission as an institution.

Its mission is to bring healthy food to people, and for that, it produces food free of pesticides. These characteristics are in line with what Higashi, Comini and D’Amario (2017) about the main activity of Social Enterprises, which is to deliver a service or product that really generates a socio-environmental impact according to the demands of the companies disadvantaged social classes.

This is reinforced in the questionnaires answered, in which Agri-Urb 1 explains why it is a Social Enterprise: “The company always aims at social practices that will benefit society as a whole, from nature to the final consumer”. Another point to highlight is that the company annually makes a large donation of its products as one of the ways to directly return its investments. Therefore, the practices of Agri-Urb 1 meet the social criteria defended by Defourny, J. (2001) when talking about the characteristics of Social Enterprises, since he argues that impact businesses must have an explicit objective of benefit the community.

In view of the data collected, it is important to emphasize the type of management of Agri-Urb 1 with regard to the chains of Social Enterprises, in this sense, it can be seen that the company presents management characteristics of the North American chain of Social Enterprises, since while it seeks a positive impact on society, it emphasizes several characteristics of market companies, such as employees who must solve problems present in society and have a financial return (Reficco, Gutiérrez & Trujillo, 2006). This can be verified in the entire institutionalized and systematized process present in the company, in addition to having a return for results and productivity.

Therefore, such a comparison becomes plausible, given that Sousa et al. (2019) cites that in the North American perspective, Social Enterprises have social objectives compatible with traditional companies, in addition to their product and/or service delivery being aimed at people with low purchasing power.

Alfa and Omega companies, on the other hand, present characteristics of Social Enterprises, which are based on the social criteria defended by Defourny (2001), such criteria aim at the benefit of the community and the initiative launched by a group of citizens. In this
sense, this is in line with what was answered in the questionnaire by the owner of the company Alfa, who reports: “it emerged from the need and demand of the local community itself, aiming to supply the silences and negligence related to the black and indigenous populations in Belo Horizonte and the Metropolitan Region, whose function is to preserve the material and immaterial heritage of urban slums and quilombos”. And what was answered by the company Ômega about its social role: “Because our actions are based on the search for impact. We accompany the development of people and communities”.

In addition, it is possible to link the social criterion of Defourny (2001) to the company Alfa, regarding decision-making not based on capital ownership, as well as the participatory nature in decision-making and the non-distribution of profits, since, through the collective the company aims at the preservation of cultural heritage and the development of projects that fight for its causes.

In this bias, it appears that the company Alfa has characteristics of a company in the 2.5 sector that is adept at the European current, since it offers free courses, seminars and lectures to the interested population and, despite selling some objects, it does not seek financial profit, but a common profit to society. For, the Social Enterprises associated with the European current aim at the social profit that is given through the internal insertion of individuals who live on the margins of society, who are stigmatized and face several barriers to insert themselves in traditional organizations. Therefore, they are guided by the social economy, not the traditional market economy (Laville & Nyssens, 2001; Kerlin, 2006).

In analyzing the data collected through the questionnaires, it was measured that the Ômega company has similar points to the European current and the third current of Social Enterprises. It is similar to the European current, due to the fact that its structure does not have employees, but volunteers "hired" for their specific skills, where decisions are taken collectively, always with a logic of inclusion and similar to third current, because, through its activities, it seeks to create purchasing power for the stigmatized community through microcredit.

As for the Beta company, it is possible to verify that it has characteristics aimed at the third current of Social Enterprises, since it seeks to work with the concept defended by Yunus, which in general, aims at the eradication of poverty and the reinvestment of profits obtained in the company aiming to serve and benefit the most vulnerable community, through social profit.

This view of Yunus is predominant and visible in the Beta company, because when the owner is asked about her management processes and profit distribution, she claims that:
“eventual profits are reinvested in rural producers. In addition, we are a bridge between producers and consumers and the whole process, from pricing, definition of routes, order is made together with producers. We focus on fair trade, which involves what is paid to producers, not working with consignments, not working with intermediaries, placing orders and communicating directly with producers. In other words, the focus is not profit, it is a form of social work that values producers and provides fair customer service”.

In short, based on the analysis of Agri-Urb 1, Alfa, Beta and Omega, a distinction can be seen between Social Enterprises based on the North American current, with the European current and the current applicable to emerging countries that are guided by the concept from Yunus.

Evidencing mainly the differences in the systematization of internal procedures, in the legitimacy, foundation of the companies and their indicators, since the company Agri-Urb 1 is based on certification and reliability, Alfa and Omega are based on common beliefs and logics of shared actions and Beta is based on rules, laws and sanctions as well as common beliefs and logics of shared actions, such as can be seen in figure 3.

<table>
<thead>
<tr>
<th>Companies</th>
<th>Basis of submission</th>
<th>Logic</th>
<th>Indicators</th>
<th>Legitimacy basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agri-Urb 1</td>
<td>Normative</td>
<td>Regulatory</td>
<td>Normative</td>
<td>Normative</td>
</tr>
<tr>
<td>Alfa</td>
<td>Cognitive</td>
<td>Cognitive</td>
<td>Cognitive</td>
<td>Cognitive</td>
</tr>
<tr>
<td>Beta</td>
<td>Normative</td>
<td>Normative</td>
<td>Regulatory / Cognitive</td>
<td>Normative</td>
</tr>
<tr>
<td>Ómega</td>
<td>Normative</td>
<td>Normative</td>
<td>Cognitive</td>
<td>Normative</td>
</tr>
</tbody>
</table>

**Figure 3. Pillars of Institutions (Regulatory, Normative and Cognitive Isomorphism)**

**Source:** Research Data (2020)

In addition, they differ in terms of their internal composition and distribution of profits. Since Agri-Urb 1 has branches and 20 paid employees and seeks profit distribution, Beta which has 5 paid employees but does not seek profit distribution just like Alfa, which does not have branches or paid employees, carries out its projects through the interest of the
community and its collective, and the company Omega, which works through volunteerism and does not have employees.

Such points lead to questions about the distribution of profits, since this agenda emerges from a deep debate, as there are literatures that defend the distribution of profits and others do not agree with such an act. In this perspective, it is observed that Yunus, Hart and Chu have different views on the distribution of profits for dividends, thus, Yunus emphasizes that only the invested capital can be withdrawn by another.

On the other hand, Stuart, Hart and Michael Chu, see the distribution of profit as something beneficial, since it allows the insertion of new investors and the expansion of the business, that is, the opening branches, as in the case of Agri-Urb 1 (World Microfinance Forum Geneva, 2008).

But despite this questioning about profits and the very different characteristics between the four companies studied, it is clear that the characteristics present in these companies are in line with what is punctuated within the context of Social Enterprises, since they are linked to generating benefit to the society, have autonomy, as well as a participatory nature in decision making and have an activity aimed at producing goods and services (Defourny, 2001).

Thus, as the purpose of Social Enterprises, these four companies studied seek to fill the gaps present in civil society, which are often not filled by the public sphere. Making it essential for the private sphere of sector 2.5 to interact with civil society, in the pursuit of the common good and in order to generate a positive socio-environmental impact, whether through the production and marketing of pesticide-free products that help reduce the environmental footprint, or through microfinance or through anti-racist struggles and insertion of individuals who live on the margins of society and are stigmatized.

**Final Remarks**

The main objective of this article was to survey and identify how the internal processes and management take place in four Social Enterprises from different institutional environments. For this, a comparative case study was carried out with four projects in Belo Horizonte/MG, also taking into account for the analysis the type of management chain that these companies claim to adopt.

When analyzing Agri-Urb 1, a company in the food sector (cultivation and commercialization of products without the use of pesticides), the data indicate that the company has more characteristics of the North American chain of Social Enterprises, with
strong characteristics of market companies, such as well-defined and systematized processes and departmentalization, but on the other hand, it has specific characteristics of Social Enterprises, delivering a product that generates a socio-environmental impact on society.

As for Alfa, a company in the culture sector, the analysis of the data indicates a characterization of the European current in the context of Social Enterprises, since it has values aimed at generating social value through the preservation of the heritage and culture of the favelas. In addition, Alfa has some characteristics that are not common to market companies, such as the lack of institutionalized standards and without a clearly defined institutional objective.

In an analysis of the company Beta, which operates in the agroecological food sector, it is noted that its type of management is directed towards the third stream of Social Enterprises, since it works strongly with the concepts of poverty eradication defended by Yunus. As well as the Ômega company, which has aspects of the third current and the European current, for seeking a social impact on the community that is inserted through work with voluntarism and with the offer of microcredit.

Given the objective and problem of the study, the research showed that there are differences in the management of these four Social Enterprises that operate in different branches, and Agri-Urb 1 has stronger characteristics of market companies and has a management tendency based mainly on normative isomorphism, unlike Alfa, which operates in a less systematized way in its processes, resembling its management to mimetic isomorphism based on the cultural/cognitive pillar. Also different from Beta and Omega, which despite the institutional systematization present in some parts, they are also based on common beliefs and shared logics and have a logic of worker inclusion, thus having characteristics of isomorphism normative and cognitive in its corporate structure.

But in general, despite the differences in management, systematization of processes and the search and distribution of profits, it is understood that the four companies fall into sector 2.5 of the economy, since the European current, the North American one, as well as the third current that is applicable to emerging countries, seek improvements in society, through the development and offer of goods or services aimed at the inclusion of stigmatized individuals in civil society and offer social value to social classes C, D and E. Therefore, this typology of company becomes essential because of the interaction with civil society, seeking to fill the existing socio-environmental demands and gaps that are often not met by the public sphere.
Therefore, it is expected that new research agendas can multiply from the present analysis, seeking to understand in greater complexity the paths and misdirections that Social Enterprises present in the Brazilian context. It is suggested, for future research, a deeper analysis of Brazilian Social Enterprises, seeking a greater number of companies in the analysis contemplating more operating environments to have a broader context of management in these companies. In addition, comparative studies between enterprises in different countries can shed new light on this phenomenon, that of Social Enterprises, which renews the investigative challenges in the field of knowledge of Social and Environmental Management.

References


