

# SOCIAL ENTERPRISE STRATEGIC LEADERSHIP FOR DELIVERING SHARED VALUE

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## ABSTRACT

**Topicality:** Success in every organization is tied to the quality of its leadership performance. The importance of solving societal challenges, including delivering shared value, is growing. While there are several findings when investigating the current literature, it is evident that there is a research gap in literature on social enterprise strategic leadership. A literature review is performed to investigate the current opportunities and challenges in social enterprise strategic leadership. Based on this initial literature review, a research gap associated with strategic leadership in social enterprises is identified and presented. Strategic leadership includes dimensions, attributes, and functions crucial in helping social enterprises to confront the challenges associated with the current dynamic business environment, steer organizations through change, and deliver shared value.

**The research aim:** To provide an overview of literature on dimensions, attributes, and functions of social enterprise strategic leadership in delivering shared value.

**Methodology:** Content analysis, bibliometric analysis, text mining analysis.

**Findings:** Early exploration of this social enterprise strategic leadership topic indicates an increased complexity for strategic leaders in social enterprises delivering shared value compared with private enterprises. According to Jackson *et al.*, the complexity lies within levels of ambiguity, fast-changing social trends and the lack of an established theoretical and practical knowledge base to rely on, making strategic leadership more challenging (Jackson *et al.*, 2017). Another study identifies different attributes related to strategic leadership, such as cognition and diversity (Fernandes *et al.*, 2021). Based on literature studies, the functions of strategic leadership are identified, such as making strategic decisions, engaging with external stakeholders, delivering business model innovation, and managing social issues and company performance. In social enterprises, strategic leadership must have the same functions as any other enterprise; however, the attributes and approach to these must differ. According to Jackson *et al.*, purpose-driven strategic leadership makes it easier to stay true to the mission and engagement with stakeholders (Jackson *et al.*, 2017).

**Novelty:** As far as the authors are aware, this is the first scientific attempt to fill the research gap by bridging two parallel research streams on leadership. Stream 1: social enterprise scholars and stream 2: strategic leadership scholars. The social enterprise scholars stream focuses on strategic leadership driven to deliver social value; the strategic leadership scholars stream mainly focuses on competitiveness of business and sustainability of organizations. The attributes and functions of a social enterprise strategic leader are identified. Which are more dominant in relation to the enterprise life cycle, size, and scope must be subject to further research.

**Keywords:** strategic leadership, social enterprise, shared value, social value

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## INTRODUCTION

Social enterprise has been described as “blurring the boundaries between non-profits and profit” (Raelin, 2011). The task of a social enterprise strategic leader is filled with complexity. Social enterprises are frequently forced to negotiate between delivering social value as per the mission and hence risk financial challenges or focus on delivering financial value. Mission drift (Tykkyläinen and Ritala, 2021) is when the social enterprise leader is incapable of delivering social value without jeopardizing the financials. Established leadership researchers have selected not to focus their attention on the challenges and opportunities of social enterprises (Jackson *et al.*, 2017). Today, with an ever-increasing focus on the role of social enterprises and large multinationals’ focus on sustainability, the authors find it paramount to identify the research gap in the literature on strategic leadership of social enterprises with the objective to deliver social and financial value, which will be referred to as shared value and explained later in the section “Shared value”.

### Strategic leadership

Strategic leadership is viewed as the foundation for the successful performance of any organization operating in the constantly changing and complex environment of the 21<sup>st</sup> century (Jaleha and Machuki, 2018). Hitt *et al.* (1998) and Ireland and Hitt (1999) described the capabilities needed for effective strategic leadership in the new competitive landscape expected for the 21<sup>st</sup> century. They argued that effective strategic leaders had to: (1) develop and communicate a vision, (2) build dynamic core competencies, (3) emphasize and effectively use human capital, (4) invest in the development of new technologies, (5) engage in valuable strategies, (6) build and maintain an effective organizational culture, (7) develop and implement balanced controls, and (8) engage in ethical practices.

The topic has been researched since the beginning of the last century. It has evolved from birth traits and rights with Thomas Carlyle’s great man theory (Khan *et al.*, 2016) to Greenleaf defining contingency theories (situational) in 1977, to transformational leadership by Burns in 1978, which Bass later elaborated on in 1985 (Bass and Avolio, 1993). More recently, strategic leadership scholars defined it as follows: “The core purpose of strategic leadership theory and research is to understand how much influence top executives have over performance” (Singh *et al.*, 2016). Further, empirical and conceptual studies have shown that strategic leadership actions significantly influence performance (Quigley and Graffin, 2017; Ireland and Hitt, 1999). As for gaps in strategic leadership, according to Knies *et al.*, these divergent findings indicate either a lack of evidence in establishing a direct association between strategic leadership and performance or the many contradictory variables that make it difficult to demonstrate a clear cause and effect (Knies *et al.*, 2016). Hambrick and Quigley (2014) continue by pointing out that “scholars are yet to agree on the conceptualization and operationalization of contextual conditions strategic leaders face”. There is no common understanding among researchers of the conditions and factors impacting operations of strategic leaders (Quigley and Graffin, 2017). The question is if these conditions can be agreed on and if this will be evolving by nature and have some specifics in different forms of enterprises.

### Shared value

Porter and Kramer (2011) noticed a shift in how companies “are doing good in society”. They introduced the “shared value” concept through their article “Creating shared value. How to reinvent capitalism – and unleash a wave of innovation and growth” (Porter and Kramer, 2011). In 2016,

Kramer and Pfitzer elaborated on the concept of shared value and argued that there are three ways that shared value is achieved: 1. Reconceiving products and markets 2. Redefining productivity in the value chain and 3. Strengthening local cluster development (Kramer and Pfitzer, 2016). We argue that there are more ways to deliver shared value, for example, improving social dimensions in value proposition, increasing efficiency in the value chain of the industry, or diversifying the product portfolio, thus achieving more efficient use of resources, through building strategic partnerships and through business model innovations. McWilliams *et al.* argue that shared value contributes to sustainable business goals by emphasizing the link between business strategy and social causes/goals (McWilliams *et al.*, 2006). From the authors’ perspective, it surely makes sense to integrate delivering social value into the value proposition as an essential element of the business model. Examples provided by Porter and Kramer in 2011 focus on the multinational corporation (MNC). This is backed by examples provided in articles describing shared value and its contributions to MNCs (Pongwirithon, 2019). The research on creating shared value by MSMEs is limited.

The differences between corporate social responsibility and shared value are highlighted in Table 1: Corporate Social Responsibility vs Shared Value.

Table 1

**Corporate Social Responsibility vs Shared Value**

<b>Corporate Social Responsibility (CSR)</b>	<b>Shared Value</b>
Value delivery: “doing good in society”	Value delivery: social and financial value delivery
Good corporate citizenship, sustainability, and philanthropy	Joint company and community value creation and delivery
In response to external pressure	Part of the competitive landscape
Take part of profit and “donate” to “doing good”	Social and financial value delivered as part of business model
Agenda is determined by external reporting and personal preferences	Agenda is specific to core business of enterprise. Internal driven as integrated part of business model.
Impact limited to budget allocated and company footprint	Impact based on entire value chain and product reach

Source: Created by the authors based on Porter and Kramer (2011)

Table 1 illustrates that shared value implies social impact and financial impact delivered by the enterprise as an integral part of the business model. CSR is committed to doing socially good and allocating part of the budget towards “doing good”. The essence of shared value is that due to the purposeful actions of a company, it manages to deliver added value to the customers and added value to the company in 2 ways: by increasing cash flow and decreasing costs.

The authors’ observations are that CSR is part of the mission statement: being socially responsible is the underlying assumption of the organization, whereas shared value is a broader term which includes delivery of both social value and financial value, through the core of business activities. Social value delivered to the customers and broader stakeholders is the result of CSR. The CSR concept emerged in the context of large corporations. Following Porter and Kramer (2011), the shared value concept was also applied by, and emerged in the context of, large corporations. Therefore, the authors understand that a literature analysis needs to be conducted to determine that there has been no adaptation of this concept to MSMEs. Social value delivery through social responsibility seems to be a good fit for MSMEs. In this case, MSMEs must be enabled to deliver shared value through core

business activities. Shared value creation could become a source of competitive advantage for both large corporations and MSMEs.

According to the United Nations, social value impact can be defined according to the 17 Sustainable Development Goals (SDGs) (United Nations, 2015). This is supported by researcher Rebecca C. Kim, who states that integration of these two concepts, SDGs and shared value, can benefit business and society (Kim, 2018). In the analysis of the literature above, the following three ways of delivering social value stood out: education & skills, sustainable employment, and gender quality. These are found to comprise the combination a social enterprise should focus on. The social enterprise, by providing education and relevant skills, secures employment and finally aims to have gender equality to ensure no one group is left behind in the long term.

Furthermore, the discussion on how strategic leaders must adapt over time and how business model innovation (Chesbrough, 2007) should take place was excluded from the study by Porter and Kramer (2011). The criticism of Porter and Kramer is that they considered (CSR) as philanthropy, that is, the ‘give a part of the profit’ approach, rather than being a part of enterprise philosophy and values. From the authors’ perspective, CSR has been developed significantly, and large companies are good at setting CSR at the top of their agenda to ensure sustainable competitive advantage. According to Seaborg, financial institutions now differentiate themselves by issuing green bonds, and the energy sector is undergoing rapid transformation to respond to government and consumer needs – moving from oil to wind and recently to nuclear salt reactors (Seaborg, 2021).

## **Social enterprise**

The term social enterprise was not used before 1990, which indicates that there is a newness to the term and thus to the field of research. Today, the failure rate of social enterprises is still higher than for-profit enterprises (Massey, 2018). Definitions of social enterprise vary in different countries; for example, a social enterprise is characterized by the Danish government as follows: has a social purpose, is a legal registered enterprise, is independent from public administration, and uses its profit for social purposes by reinvesting it in the enterprise and/or through donations, with no more than 35% of the profit going to the owners (Danish Ministry of Industry, Business and Financial Affairs, 2015). Scholars and entrepreneurs believe that leaders and governments will have to adapt and become social enterprises to be able to respond to needs and wants (Jackson *et al.*, 2017). Until now, there is no common understanding of what defines a social enterprise. Doherty *et al.* identify social enterprises as hybridity, the pursuit of the dual mission of financial sustainability and social purpose (Doherty *et al.*, 2014). Dart mentions that social enterprises have been characterised as “blurring the boundaries between non-profit and profit” (Dart, 2004). Smith *et al.* argue that in a world filled with poverty, environmental degradation, and moral injustice, social enterprises offer a ray of hope; they define social enterprises as organizations which seek to achieve social missions through business ventures (Smith *et al.*, 2013). The European Commission (EC) developed a generic definition of social enterprise in 2011. According to the EC, a social enterprise is an operator in the social economy whose main objective is to have a social impact rather than make a profit for the owners or shareholders (European Commission, 2011). Later, several countries in the EU adopted a legal framework which sets criteria for when a business can get the status of a social enterprise as well as the monetary and legal benefits that come with it. Denmark adopted a legal framework in 2015 (Ministry of Business, 2015) and has around 300 social enterprises (Social Entrepreneur Denmark, 2021); Latvia implemented a special law on social enterprises in 2018 (Legal Acts of the Republic of Latvia, 2018) and has 200 social enterprises (Social Entrepreneurship Association of Latvia, 2021). Both countries offer a similar legal framework, setting legal criteria for receiving the status of a social enterprise.

From the authors' perspective, the status of a social enterprise presents challenges and opportunities. After speaking to two CEOs, it became evident that the status must be researched and defined without being limited by legal definitions. One CEO from an energy company stated that "my company is not interested in obtaining the status. We would fulfil the criteria, but we are not interested in having additional audits and legal frameworks determining how we run our business. We are also not in need of the financial support which is offered". Another CEO stated that "we have received the status of a social enterprise mainly so we can have financial support. We will then figure out how to fulfil the criteria moving forward". Each enterprise decision on delivering social value in the form of a social enterprise or traditional enterprise must be examined by its founders at the initial stage of forming a company. Lastly, there is the research question of how social enterprise leaders manage to integrate social value into their business model to ensure delivery of shared value to both stakeholders and the company itself.

## **RESEARCH DESIGN AND EXECUTION**

This study was carried out by using relevant aspects of the methodology of systematic literature review proposed by Kitchenham (2009). In these sections, the research questions will be presented, followed by the literature selection criteria and process, and lastly the post-selection sample will be presented.

### **Research questions**

The overall aim of the research is to provide an overview of the literature to identify attributes and functions of social enterprise strategic leadership when delivering shared value. To achieve the objective of the study, four research questions (RQs) have been defined:

RQ 1: What are the current research trends in strategic leadership and shared value? This question aims to determine any research trends by the number of publications related to strategic leadership and shared value.

RQ 2: Is there evidence of a research gap regarding strategic leadership's impact on shared value? The objective of this question is to compare research trends and understand if there is a research gap between strategic leadership and shared value scholars.

RQ 3: What are the attributes and functions of social enterprise strategic leadership for delivering shared value? We hope to identify strategic leaders' attributes and functions, with the aim of selecting and mapping them.

RQ 4: What is the further research agenda? After answering the above, it is paramount to determine the future research agenda or conclude that no further research would add value.

### **Collection of studies**

Being able to access the knowledge produced about a certain subject is essential for the development of quality research. In order to be efficient in searching the electronic database, three search strings were identified: "strategic leadership", "shared value" and lastly, to identify any research gap, Boolean AND's and OR's were applied to the final search string "strategic leadership AND shared value". The selected search strings were executed in the electronic database Scopus.

## Selection of studies

Once the relevant studies have been obtained from the database, they must be evaluated for their relevance according to the RQs (Aboud, 2007). Scopus was selected as it is the largest abstract and citation database of peer-reviewed literature (Scopus, 2020). The selection of the publications from Scopus was conducted through a process consisting of three stages. First exclusion criteria (ECs), then inclusion criteria (ICs) and lastly a validation of the quality criteria (QCs) were applied. In the first stage of the selection process, the ECs were defined and applied. The definition and order of the ECs are as follows: EC1: studies published before the year 2000 and after the year 2020. This has been selected to ensure a range of data that can identify trends, and the decision to exclude studies published after 2020 was made to prevent the data from being skewed since only half of 2021 had passed. EC2: studies published in languages other than English. EC3: studies which are not available as “open access” publications. The second stage was carried out by applying the predefined ICs in the following order: IC1: studies with keywords and titles related to the search string are to be included. IC2: studies published in business management, social science and environmental science journals are to be included. The third and final stage of the selection process consisted of QCs: studies with a clearly stated research design. Studies found via applying the ECs and ICs must go through this step to ensure a valid research design has been applied by the researcher(s).

## Analysis of studies

Analysis of applied search strings and selection criteria will follow a three-stage analysis process. First, Scopus Analysis will be applied to understand trends and regions and to start identifying any gaps in publications. Second, a bibliometric analysis will be conducted by using VOSviewer. The objective of this analysis is to identify correlations, research directions and gaps in the selected publications. Thirdly, text mining will be applied by using the Voyant text mining tool. The aim of this research step is to validate previous stages of the analysis and explore new directions for research.

As seen in Table 2, “Sample Size”, below, the search string “strategic leadership” returned 902 studies, while the “shared value” search string returned 3314 and the third search string “strategic leadership AND shared value” returned 162. After applying the selection criteria, ECs, ICs and QCs, the first search string returned 343, the second returned 484 and the third returned just 14.

After applying the selection criteria, the sample will be used for analysis based on the sample size according to the criteria table.

Table 2

Sample Size		
Search string	total	after criteria
Strategic leadership	902	343
Shared value	3348	484
Strategic leadership and shared value	162	14

Source: Created by the authors based on Scopus

## FINDINGS

This section will highlight the main findings after carrying out the analysis. The results will be presented in the following order: literature descriptive review, bibliometric analysis and text mining analysis. This will be followed by determining if there is a research gap or not and finally the RQs will be answered.

### Strategic leadership

The search string “strategic leadership” returned 343 publications (see Table 2). Below is an illustration of the descriptive part of the analysis. In Figure 1 (see below), Strategic Leadership: Documents by Year, there is an upward steepening trend in publications, especially after 2012.

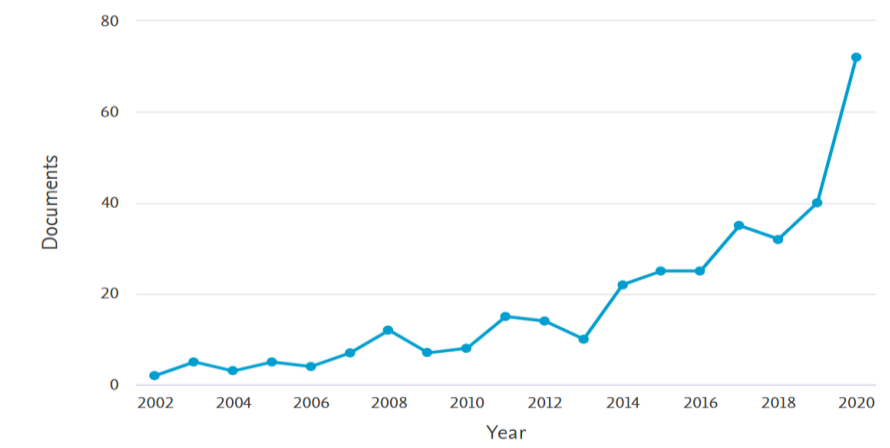


Figure 1 Strategic Leadership: Documents by Year, 2002–2020, Numbers

Source: Scopus

Figure 2, Strategic Leadership: Documents by Country, below, clearly indicates that the majority of publications come from the United States, followed by the UK and Australia. From this it can be determined that limited to no publications come from the Nordics. This may also be related to the search string, as leadership is often referred to as TMT (top management team) (Nielsen and Nielsen, 2009).

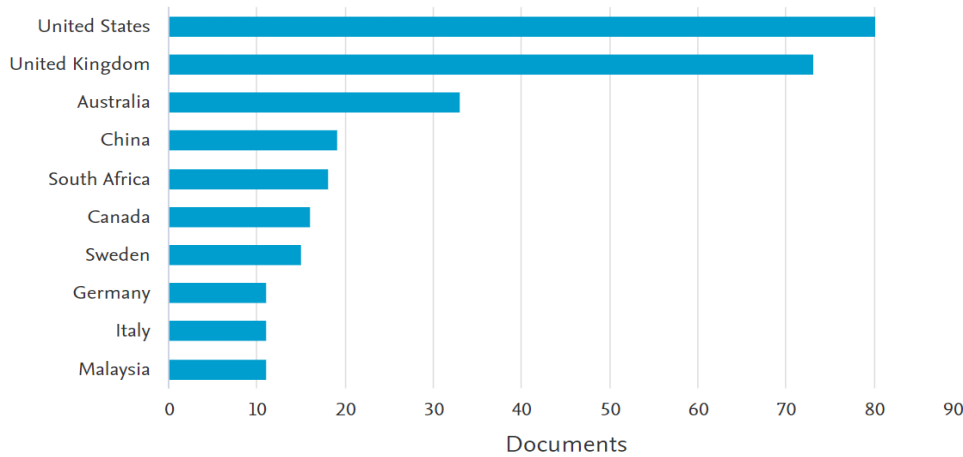


Figure 3 Strategic Leadership: Documents by Country, Source: Scopus

Based on the bibliometric analysis (see Figure 4, Strategic Leadership: Bibliometric Analysis), the main findings are that there is a clear relation between strategic leadership and decision-making, competitive advantage, performance, and vision.

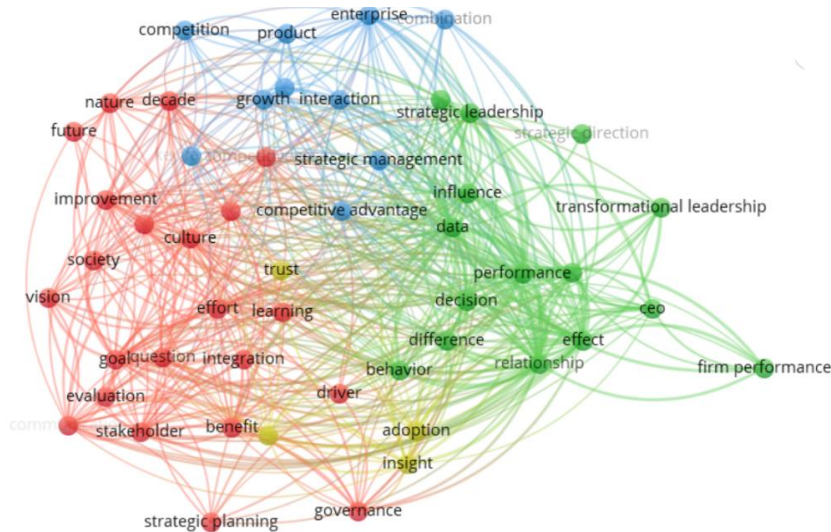


Figure 4 Strategic Leadership: Bibliometric Analysis

Source: VOSviewer

From the bibliometric analysis, seen in Figure 5 below, it becomes evident that transformational leadership (Bass, 1999) is the only theory which appears. Transactional leadership is another major theory, which, according to Bass and Avolio (1993), is “a type of contingent-reward leadership that had active and positive exchange between leaders and followers whereby followers were rewarded or recognized for accomplishing agreed upon objectives”. Transformational leadership distinguishes itself from the rest of the previous and contemporary theories on the basis of its alignment to a greater good as it entails involvement of the followers in processes or activities related to personal factors towards the organization and a course that will yield a certain superior social dividend (Khan *et al.*, 2016) It provides a clear correlation with performance, decision, and data (Fernandes *et al.*, 2021). Looking deeper, transformational leadership is regarded as the key in strategic leadership, and this analysis indicates that a strategic leader will be data driven in the decision-making process and this



will translate into sound firm performance (see Figure 5). Also, this gives direction for where to focus potential future research.

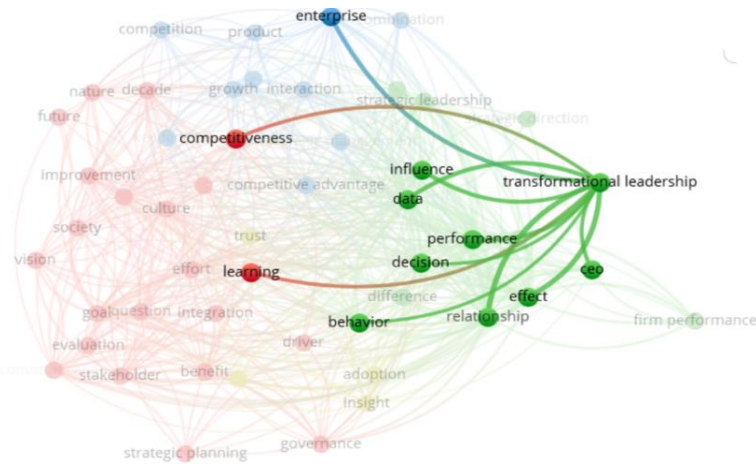


Figure 5 **Strategic Leadership: Bibliometric Analysis, Transformational Leadership**, Source: VOSviewer

### Shared value

The trend for our “shared value” search string is similar to “strategic leadership” with a clear upward steepening trend during recent years. The search returned 484 publications. The sudden spike in publications might be explained by the article published by Porter and Kramer in 2011 (Porter and Kramer, 2011). Peaking with 88 publications in 2020, shared value is still an attractive field of studies among scholars.

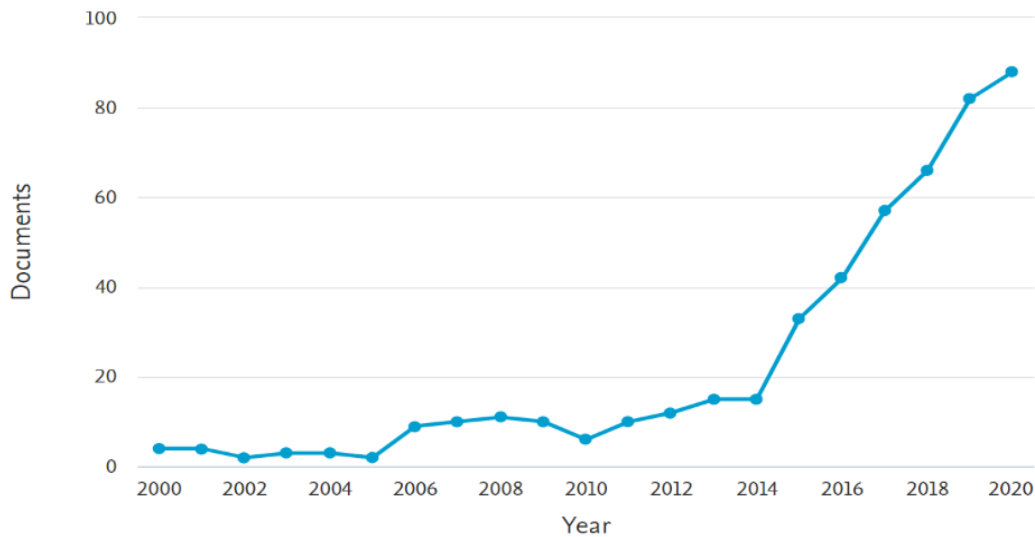


Figure 6 Shared Value: Documents by Year, Source: Scopus

As we can see in Figure 6, Shared Value: Documents by Year, above, it seems the majority of publications come from the United States and the UK. Though there are publications from Europe, it is limited, especially from the Nordics.

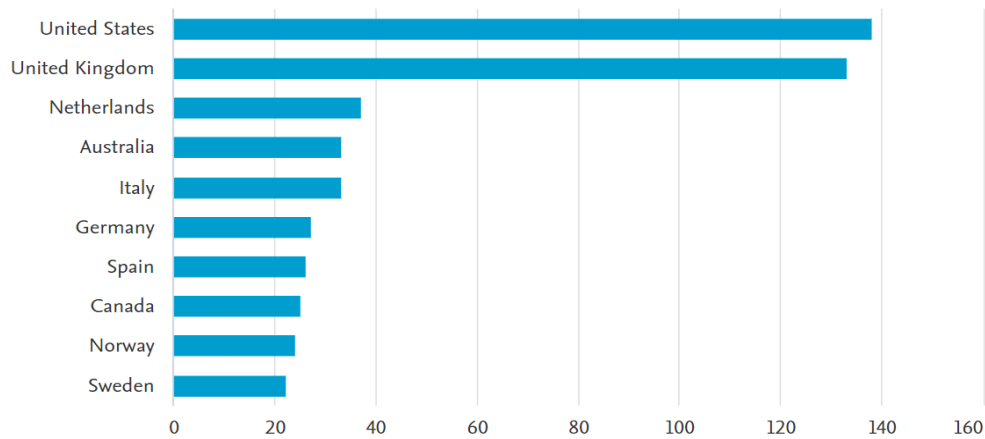


Figure 7 Shared Value: Documents by Country

Source: Scopus

From Figure 7, Shared Value: Documents by Country, above, it is evident that shared value publications are dominant in the United States and the United Kingdom, while there are limited publications in Northern and Eastern Europe. The complete bibliometric analysis results of shared value are presented in Figure 8, Shared Value: Bibliometric Analysis.

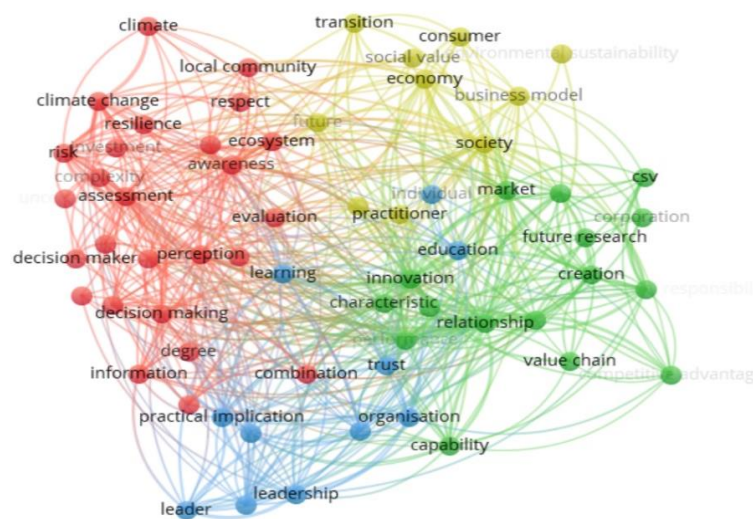


Figure 8 Shared Value: Bibliometric Analysis

Source: VOSviewer

Figure 9 highlights CSV (creating shared value) and how this is correlated with CSR, as mentioned by the authors above. CSV is also correlated with competitive advantage and strongly correlated with “business model”.

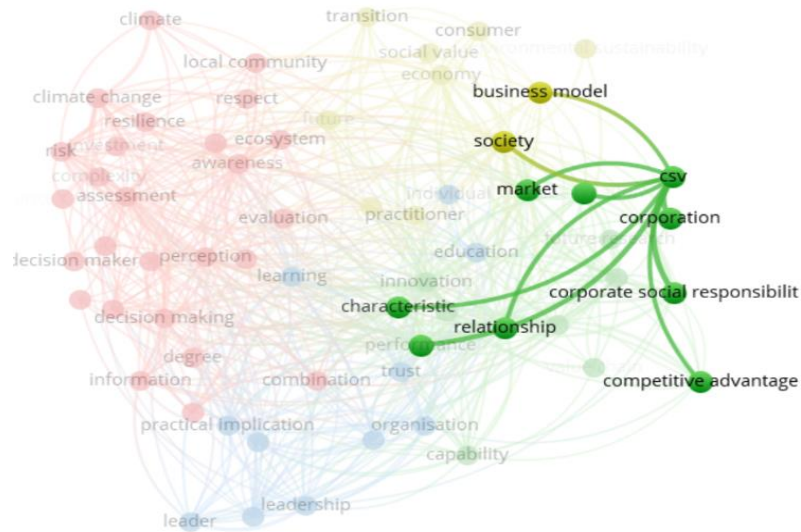


Figure 9 Shared Value: Bibliometric Analysis, CSV

Source: VOSviewer

Figure 10 shows the connection between business model and ‘innovation’, ‘investment’, and ‘characteristics’.

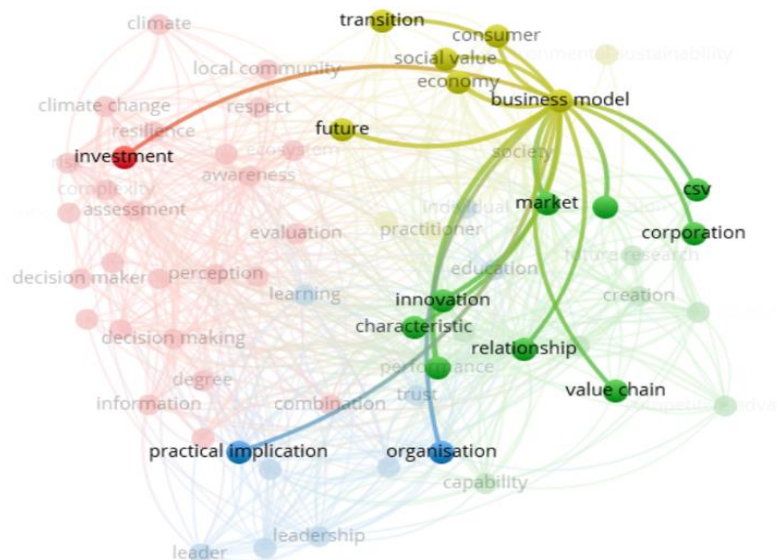


Figure 10 Shared Value: Bibliometric Analysis, Business Model

Source: VOSviewer

Regarding the findings in Figure 10, innovation relates to business model innovation and how leaders can innovate according to market needs (Schoemaker *et al.*, 2018). Investment relates to a leader’s relationship with investors and how they can secure funding at different stages. Lastly, characteristics identifies which attributes and functions leaders who deliver social value should have.

The final search string “strategic leadership AND shared value” shows that there is little to no indication of the combined research streams trending upward, although both individually are trending upward.

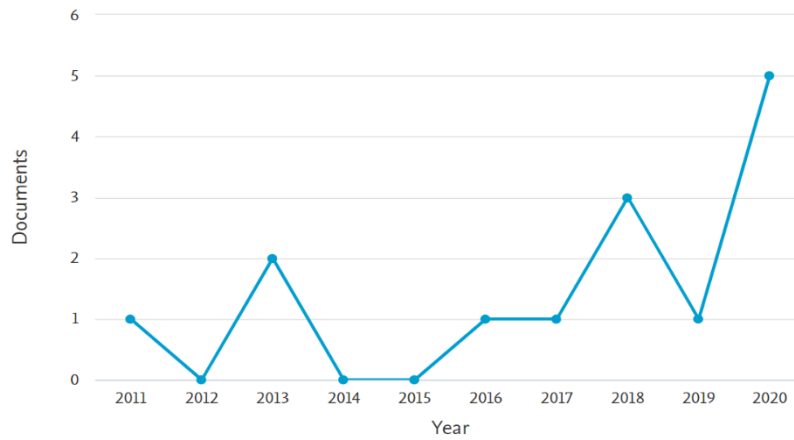


Figure 11 Strategic Leadership AND Shared Value: Documents by Year

Source: Scopus

There is a gap in the research on the role of strategic leadership in delivering shared value, with only 14 publications in total (see Figure 11). Both strategic leadership and shared value are trending upward with more than 70 publications in 2020, but when strategic leadership AND shared value is entered, there are only 5 publications in 2020 and 14 in total. Table 3 below provides an overview of publications; it is evident that more research is needed and additional criteria for literature selection is required. For example, Inclusion Criteria 1 (IC1) stated that keywords must be relevant for the search string. When executing the search string “strategic leadership AND shared value”, some publications only have words related to part of the full search string.

Table 3

**Return on the Search String “Strategic Leadership and Shared Value” with Authors’ Comments**

Publication	Year	Author(s)	Keywords	Authors’ comment	Authors’ ranking
Managing people in organizations	2018	Leroy, H., Segers, J., van Dierendonck, D., den Hartog, D.	alignment; fit; HRM; leadership; people management	Social value delivery through people development is mentioned.	This article is rated as limited value added.
Embedding corporate responsibility and sustainability	2011	Grayson, D.	corporate sustainability; engaging stakeholders; shared value; sustainability through value chain	Despite being published a decade ago, this is still highly relevant and meets all criteria.	This publication receives a high ranking due to its focus on strategic leadership and

					shared value delivery.
The Normative Justification of Integrative Stakeholder Engagement	2018	Patzer, M., Voegtlin, C., Scherer, A. G.	corporate social responsibility; discourse ethics; leadership ethics; nationalism; philosophy; refugee crisis	Despite not meeting all criteria directly, this publication still addresses strategic leadership.	Due to its strong focus on social value delivery and how leadership impacts this, this receives a medium ranking.
Shared Leadership and Innovation	2013	Hoch, J. E.	antecedents; innovative behavior; leadership; shared leadership; team management	This publication addresses leadership and innovative behavior.	Medium ranking for this purpose.
The role of leadership in shared value creation	2020	Chen, Y.-R. R. <i>et al.</i>	CEO characteristics; comparative study; corporate social responsibility (CSR)	This publication is unique as it addresses CEO characteristics.	The only article addressing leadership characteristics and their impact on CSR and CSV.
Rethinking strategic leadership: stars, clans, teams and networks	2013	Kruger, M., Zhovtobryukh, Y.	distributed leadership; dynamic role changes; leadership networks; strategic leadership	This does not address social value added. The focus is on organizational structure.	The publication can be used to investigate how dual structures can be implemented to deliver value. Medium ranking.
The chairperson and CEO roles interaction and responses to strategic tensions	2018	Morais, F., Kakabadse, N., Kakabadse, A.	chairpersons; role theory; strategic paradox; tensions	This addresses the paradox of leaders we have seen like leaders aiming to deliver shared value.	Low ranking. Focus on the leadership paradox in the UK.
The role of corporate identity in CSR implementation: An integrative framework	2020	Tourky, M., Kitchen, P., Shaalan, A.	communication; corporate identity; CSR; culture; leadership; mission statement; values	Despite not meeting all criteria, this publication addresses both leadership and delivery of social value.	Medium ranking. Addresses CSR and the impact of leadership. Missing the CSV concept and the balance between financial and social value.

The Value of Speaking for “Us”: the Relationship Between CEOs’ Use of I- and We-Referencing and Organizational Performance	2020	Fladerer, M. P., Haslam, S. A., Steffens, N. K., Frey, D.	CEO leadership; financial performance; identity entrepreneurship; linear mixed modelling; social identity approach to leadership; we-referencing language	Not all criteria are met. Addresses leadership’s impact on company performance.	Medium ranking. Findings on how strategic leaders’ communication impacts financial performance. No mention of social or shared value.
Nestlé South Africa: leading multi-stakeholder partnership response in the COVID-19 context	2020	Pillay, R., Scheepers, C. B.	leadership; management; sustainability	Nestlé is one of the first companies used by Porter and Kramer as a case study.	High ranking. This publication meets the criteria and addresses both CSR and CSV.
Can Shared Value and the UN SDGs Collaborate for a Better World?	2018	Kim, R. C.	CSV; CSR; sustainability report; SDGs; East Asia	Meets criteria and addresses CSV, CSR and the connection with SDGs.	Medium to high ranking. The publication is just one of two found which is close to addressing the topic.

Source: Created by the authors based on Scopus; Kim, 2018; Chen *et al.*, 2020; Tourky *et al.*, 2020; Fladerer *et al.*, 2020; Pillay and Scheepers, 2020; Morais *et al.*, 2018; Hoch, 2013; Kriger and Zhovtobryukh, 2013; Patzer *et al.*, 2018; Leroy *et al.*, 2018; Grayson, 2011

Based on Table 3, Return on the Search String “Strategic Leadership and Shared Value”, it is evident that not one publication addresses social enterprise strategic leadership for delivering shared value. However, combining the findings from the articles with a medium and high ranking, further research directions are discovered and must be explored. Through this literature review, there are clear indications that strategic leadership and shared value are two separate research streams. Therefore, more analysis is needed to confirm this and to understand strategic leadership in social enterprises.

## Text mining

To better understand this research gap between the two streams, the sample was added to the Voyant text mining tool. The outcome of the analysis shows that strategic leadership and shared value are treated as two separate research streams by scholars, as illustrated in Figure 12 below, Strategic Leadership and Shared Value, Text Mining.

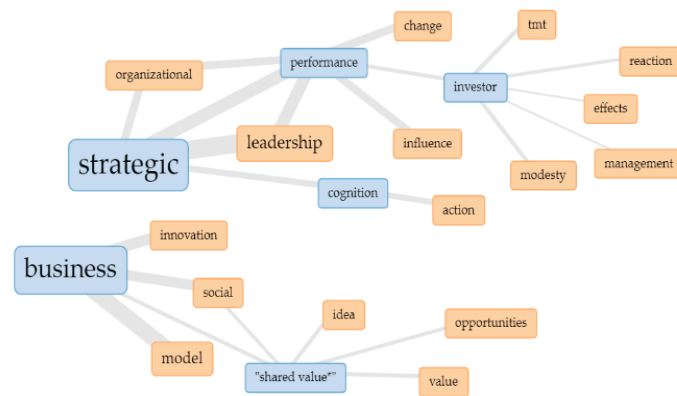


Figure 12 **Strategic Leadership AND Shared Value, Text Mining**, Source: Voyant

The Voyant analysis, seen in Figure 12, Strategic Leadership AND Shared Value, Text Mining, confirmed two separate research streams where strategic leadership is one and shared value is the other. Furthermore, the authors see strong correlations between strategic leadership and performance. And according to our text mining, strategic leadership and company performance are correlated with the relationship with investors and the ability to secure resources from external stakeholders. Shared value has a strong correlation with social value and business model innovation (Mueller-Seeger *et al.*, 2020).

To sum up the analysis conducted through the search strings and applying VOSviewer and Voyant, the following functions must be highlighted: making strategic decisions, engagement with stakeholders, a focus on business model innovation and managing social issues. These are crucial to delivering shared value (Nemanich and Vera, 2009). The following attributes of strategic leadership were identified through text mining: managerial cognition, diversity, and purpose driven. Based on this analysis, these three seem to be crucial.

## DISCUSSION

In this section the authors present answers to the research questions based on the analysis of the data extracted from Scopus. It is a fact that both strategic leadership and shared value have an increasing number of publications in Scopus. It is a striking fact that trends within strategic leadership are related to transformational leadership with a focus on data-driven decision-making, building relationships with external stakeholders, and setting the vision. All these factors impact firm performance (Singh *et al.*, 2016). Shared value focuses on functions and attributes of a leader who aims to deliver shared value. The focus here is, again, on building relationships with external stakeholders, driving business model innovation and a balance between social and financial value. That is, the strategic leader must avoid mission drift (Tykkyläinen and Ritala, 2021) and stay true to purpose (Jackson *et al.*, 2017).

It becomes evident through careful analysis that strategic leadership and shared value are treated as two separate research streams. Shared value scholars are addressing functions and attributes a leader should have but are not doing so on a strategic or tactical level. Examples from shared value are focused on large multinationals rather than SMEs. Strategic leadership scholars are yet to address how to deliver both social and financial value at the same time. This is especially true when the focus

is on how social MSMEs deliver social and financial value. Transformational leadership is presented as the main theory towards delivering shared value.

Looking at correlations in how strategic leaders of social enterprises deliver shared value, several functions and attributes stand out. The selection was based on an analysis with the aim to avoid mission drift and to bridge the gap between delivering social value and financial value. It seems beneficial to connect the social value with sustainability development goals (SDGs). This will provide a solid foundation for each subcomponent of social value (Kim, 2018).

It will be paramount to replicate the search string and analysis using other databases. Web of Science and ScienceDirect would be two good options. Moreover, additional criteria should be added to narrow down the number of articles for further analysis. Adding selection criteria that will ensure that the introduction and conclusion are relevant for the RQs would be desirable. Then, further research must be conducted on how to determine social value and how to measure this. Financial value must be added to ensure that strategic leaders of social enterprises will deliver shared value without risk of mission drift. Lastly, it would be advisable to conduct a qualitative analysis of the research gap, the functions and attributes of strategic leaders in social enterprises. One observation from reading the publications is that a comparative study would add value to existing research. The authors advocate for further empirical research on the topic to gain a better understanding of strategic leadership and its impact on the enterprise.

## CONCLUSION

1. In this paper, the authors have presented what, to their knowledge, is the first scientific attempt to identify the research gap systematically, with an analytical approach, and fill it by bridging two parallel research streams on leadership: social enterprise scholars focusing on delivering shared value and strategic leadership scholars.
2. While there are similarities in the attributes and functions, it is evident that strategic leadership in a social enterprise is significantly more challenging. This is due to the levels of complexity: delivering both social and financial value, adapting to trends in sustainability and adopting new technology.
3. A critical literature review has been conducted including descriptive analysis and bibliometric analysis. Lastly, text mining was performed to confirm or not confirm the research gap.
4. Based on the articles analysed, it was found that there is clear evidence that strategic leadership and shared value are treated as two separate research streams.
5. The number of publications on strategic leadership and shared value is increasing, yet there is a very limited (14) number of publications on a combination of both. Close to none of the publications addresses the challenge which social enterprise strategic leaders face.
6. From the authors' perspective, as for the relationship with investors, the attributes and functions of strategic leadership are paramount in attracting the right investors. Lastly, social enterprise strategic leaders must adapt these according to the enterprise's life cycle and size.

## AGENDA FOR FUTURE RESEARCH

Future research is needed to bridge the gap and develop new theories. The ambiguity and lack of a theoretical model for social enterprise leaders and the shallow theoretical base make strategic leadership even more complex. The future research agenda should focus on determining attributes of



strategic leaders and the impact on delivering social value, explore how enterprises measure social impact and its connection to financial performance, and finally aim for a combinatory perspective including shared value delivery and strategic leadership in one research stream.

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