B7 Social enterprises and their processes of managing diverse social impact reporting requirements from different funders

SM Misbauddin (PhD) Faculty of Business, Economics & Law

Social enterprises have proliferated across both developed and developing economies, valued for their dual capacity to generate social impact alongside financial returns. These enterprises rely on funding from diverse funders, i.e., impact investors, donors, and debt funders. However, the existing body of research identifies gaps in understanding how social enterprises implement different processes to meet funders' social impact reporting requirements (Islam, 2022; Ormiston, 2023). Consequently, the main research question is, 'how do social enterprises address the conflicting impact reporting requirements of different funders?' Moreover, while fulfilling multiple funders' requirements, organisations face challenges due to resource scarcity, funding constraints, and workforce shortages. Therefore, the second research question is: What are the consequences (challenges and positive impacts) of social enterprises' navigation processes for managing reporting requirements? This study employs a qualitative research design based on semi-structured interviews. Twenty-six interviews have been conducted with executives from fourteen social enterprises in Bangladesh which are creating impact across different sectors. The 'institutional work' theory by Lawrence and Suddaby (2006) has been adopted to design the research interview questions and guide the analysis of the interview transcripts. The findings show activities of the organisations which correspond to three pillars of institutional work theory: 'creating', 'maintaining', and 'disrupting' institutions. In the presentation, I will present a process model of managing conflicting reporting requirements. Specifically, I will narrate five broader themes: i. cultural negotiation of reporting requirements, ii. strategies to resolve reporting conflicts, iii. indicator mapping and internal standardisation, iv. multi-format data conversion, and v. tier-based reporting and agile organisational structure. The research aims to contribute to the accounting literature in the domains of impact investing and impact measurement and reporting. From the findings, social enterprises are expected to gain insights into adopting best organisational practices to successfully fulfil different funders' social impact reporting requirements.

Keywords
social impact reporting, institutional work theory, impact measurement, developing economies, social enterprises, funder accountability

References

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