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and an agricultural example”**

Jesse Dillard – Madeline Pullman

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A Structuration Frame for Social Enterprise and an agricultural example

Jesse Dillard

Retzlaff Chair in Accounting
School of Business Administration
Portland State University
Portland, OR 97207
jdillard@pdx.edu

Madeline Pullman

Willamette Industries Professor of Supply Chain & Logistics
School of Business Administration
Portland State University
Portland State University
Portland, OR 97207
mpullman@pdx.edu

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Abstract

Social enterprise represents an alternative to the traditional, economic value maximizing work organization. We describe a structuration theory based model useful in considering alternative business models and associated management systems that might support what we term as values-based organizations. We use a case study of a sustainable beef cooperative to illustrate the model's application. Transparent information systems that transit the supply chain as well as facilitating performance evaluation and reward systems are a key in organizational success. Unique product attributes acquired through the production process must be traced and transmitted along the entire supply chain so that the sustainable characteristics and processes are communicated to the end customer. The model presented is useful in indicating where organizational structure and the information systems support sustainable business models and processes as well as indicating where strategic partnerships would advantageous. We illustrate the theory based model by reporting on a privately owned firm operating in a specialty industry sector. The organization provides an example of how a facilitating organizational structure can emerge out of the application of a company's core values.

Keywords: Social Enterprise, Sustainability, Structuration, Values, Value Chain, Food

1 – Introduction

While there are inherent limits in the ability of strictly economic/market based entities to adequately address social¹ concerns, we propose that social enterprises, or values based organizations,² might provide some temporary impediments to the exponential destruction of both our social and environmental environments. By social enterprises, we mean those that engage market facets and forces in pursuing their social missions. While these types of entities are not necessarily new, they are receiving renewed attention in light of the current social and environmental crises (Nicholls, 2006). In the following discussion, we are primarily concerned with socially and environmentally sustainable business enterprises that market a product differentiated in part by its sustainable attributes. The example we use is a natural beef cooperative.

Sustainability, environmental and social as well as economic, represents an expanding organizational behavior value set with the environmental and social taking precedence over the economic for social enterprises. To be considered sustainable, an entity must not only perform well on traditional measures of cost and revenues but must also address social and environmental dimensions (Gladwin, Kennelly, and Krause, 1995; Jennings and Zandbergen, 1995; Kleindorfer et al., 2005; Starik and Rands, 1995). These dimensions often represent the means by which critical product attributes are acquired and sustained throughout the value chain. The success of values-based social enterprise may be predicated, to some extent, on differentiating their product or service in ways related to the sustainability value set.

Products containing attributes acquired from sustainable processes and practices are differentiated by these credence attributes, characteristics that intermediate and end customers may not be able to detect by examining or consuming the product (Golan et. al., 2004). Credence attributes are both physical and process-related. A physical attribute refers to content properties of the product such as whether it contains things like genetically modified organisms (GMO), herbicides, pesticides, melamine or lead. A process attribute refers to characteristics of the production or the supply chain process such as country-of-origin, fair trade, free-range, no-till, ethical labor practices, or sustainably harvested (Golan et. al., 2004). To have a positive impact in the market place, the integrity of the people and the processes creating products with credence attributes must be assured and communicated all along the production process and the distribution channels to the market place.

Ideally, for a social enterprise, the product and its attributes should be grounded in, and emerge from, the core organizational values. Success as a social enterprise is predicated on these product attributes being linked to the entity's core values. Transmitting and communicating to

¹ We use the term social inclusively to include both social and environmental issues unless otherwise specified.

² We recognize that an entity whose primary goal is to maximize shareholder value could also be described as a values-based. When we use the term, we are referring to social values other than economic.

the targeted end customer requires traceability and transparency throughout the production and distribution process and relies heavily on the operations and supply chain management areas in implementing systems and practices that support and communicate these values.

We begin by discussing social enterprise and the different dimensions to be considered following from existing literature linking values to subsequent production practices and administrative systems. We then describe structuration theory and present a general model based that specifies organizational structures that shape, and are shaped by, its agents' actions. We then introduce our research organization and context, a sustainable beef company located in the northwestern United States. We then describe the development of the organization wherein the core organizational values facilitate the emergence of its systems, processes, and methods. Through this description, we hope to contribute to the body of knowledge concerning the emergence and maintenance of systems and processes for values-based, sustainable organizational practices. The discussion ends with a brief summary and concluding comments.

2 – Social Enterprise

Traditional management theorists describe organizations as economic or legal entities created by groups who have common or compatible goals. Typically, the economic organization or corporation has received the majority of research attention. On the other hand, sustainability as the primary organizational objective has often been neglected. Instead, the traditional viewpoint assumes a denatured view of organizational environment, a production/consumption and financial risk bias, and anthropocentrism. These assumptions are less appropriate for groups of people organizing around social sustainability values where the focus shifts to management of organizational elements that have an impact on nature and society (Shrivastava, 1995).

Management's personal values influence organizations' core values as they relate sustainability issues. Here values are defined as "desirable trans-situational goals, varying in importance, that serve as guiding principles in the life of a person or other social entity (Schwartz, 1994:21). For example, Egri and Herman (2000) found that leaders of environmental product and service organizations had values that were more ecocentric, open to change, and self-transcendent. Linking top management's values to production practices and systems has been the subject of several studies related to environmental sustainability. In their study of furniture manufacturers, Klassen and Whybark (1999) found that management's proactive stance toward the environment led to increased efforts to be more environmentally sustainable via investing in pollution prevention and control systems, increased interaction with and awareness of external stakeholders, and increased involvement in environmental legislation. Ramus and Steger (2000) studied employees of environmentally proactive European companies and found that those companies with a strong written environmental policy and supportive supervisory environmental behaviors led to increased eco-

initiatives from employees. Here, these initiatives refer to any action taken to improve the environmental performance of the firm.

Most of the previous research has focused on environmental sustainability because many of the most competitive and successful multinational companies have embraced this particular value system (Berry and Rondinelli, 1998). However, research on the social aspect of sustainability has been neglected in comparison with economic and environmental sustainability (Dillard, et al, 2008). Notably, researchers have paid little attention to how companies that espouse socially sustainable values organize their processes and systems. Social sustainability refers to one of the components (in addition to economic and environmental) of what has come to be known as the triple bottom line (Global Reporting Initiative, 2006; Elkington, 1999; Kleindorfer et al., 2005).

While social sustainability represents a primary focus in studying values-based social systems such as an organization, there is no widely accepted definition. Here, we will use the following working definition: social sustainability connotes the processes by which social health and well-being are initiated and nourished both now and in the future. To facilitate social sustainability, these processes must motivate, and be motivated by, social institutions that initiate and nourish economic and environmental sustainability. These processes are both the means and ends of social sustainability. For example, a set of cultural values can be formative and supportive of the organizational type that emerges. Here organizational structures are an end motivated by the social values of those who populate and thus create and recreate the organization through their actions.

Several authors have evaluated the characteristics and structures of socially sustainable organizations. They tend to be smaller, highly responsive entities and allocate power to the individuals and local communities to create their agenda (Hoffman, 1997; Korten, 1996). According to Griffiths and Petrick (2001), three alternative organizational structures best align with sustainability values: a network organization, a virtual organization, and communities of practice. A network organization is created by a number of interconnected units with a flat hierarchy, usually working collectively to obtain economies of scale and scope. Typically, a virtual organization forms to solve or address important issues and disbands once they have been resolved. Communities of practice form around areas of interest, expertise, or project orientation (Brown and Duguid, 1991).

Social enterprise is a rather loosely specified concept at this point (see Nicholls, 2006; Dart, 2004) along dimensions such as the extent to which: the social purpose is supported through commercial, market based activities; the product/service is related to the social goal; the enterprise activities are integrated with social programs; and the social enterprise is integrated with the undertakings of the enterprise. While there are many forms that social enterprises can take (Alter, 2006), we focus in the area where the entity is concerned with achieving its social objective(s) and maintaining operations through marketing a related product or service. The product or

service can vary in the degree to which it is considered to contribute to the community's well being. We consider a specific type of social enterprise where: the social objectives drives the commercial enterprise; the output of the production process acquires unique, and preferred, attributes as a result of the social objectives driving the production and logistics processes; successful commercial activities sell these unique product attributes at a premium which supports the attainment of the social objectives; and the social enterprise is a stand alone entity.

3 – Country Natural Beef as a Social Enterprise

We propose that Country Natural Beef (CNB) provides an example of a social enterprise. The social values of sustaining the family ranch constitute the basis upon which CNB was formed and provide the context whereby the organizing processes emerge. Through the instantiation of these processes, emerge the organizational structures that initially constituted CNB.

During difficult times in the mid 1980s, a group of 14 ranchers got together and decided to differentiate themselves from this “generic beef” model, which was forcing people into desperate economic conditions and often off their family ranches that had been in their families for up to five generations. Led by Doc and Connie Hatfield, a ranching couple from eastern Oregon, the group formed a cooperative in 1986, Oregon Country Beef, to sell natural beef that was free of antibiotics, growth hormone implants and feed additives. In order to retain their ranches and to perpetuate the family ranching culture, they set as their goal to provide a sustainable means to “profitably market quality beef products desired by the consumer while retaining every possible bit of independence.” They emphasized the cooperative's holistic values reflected in its management model: the rancher as the key decision maker; and the sustainability of the land and health of the animals is primary.

Over the years, the cooperative grew from the original 14 to 100 ranchers from California, Hawaii, Idaho, Nevada, Oregon, Washington, and Wyoming. With the addition of ranches from other states, the group eventually changed their name to Country Natural Beef. Today, the ranches range in size from 60 to 18,000 mother cows with approximately 180,000 mother cow-calf pairs raised on 500 million acres of rangeland. The group is the natural beef supplier to Whole Foods, the largest natural foods grocery in the US and their largest customer.

Over time, the organizing structures emerging from the core values of the ranchers facilitate the processes that reinforce or reconstitute the structures that facilitate the governance, processes, environmental sustainability practices and resource allocations. The processes are codified into representations that describe the application of the core values motivated by the articulation of organizational form (structure). The form emerged as a response to the values so as to facilitate their achievement. These values are represented in stated mission statements, operating principles, and compensations schemes specified in the *Country Natural Beef Member Handbook*.

These representations constitute the means by which resource allocation decisions are made. These resource allocations, in turn, reinforce the values as well as the representations used to make the allocations.

Next, we illustrate how structuration theory as a useful framework for making sense of the way organizational norms and values are reflected within the representational artifacts of social enterprise providing the basis for allocating resources in ways that accomplish organizational objectives grounded in the social values.

4 – Structuration Theory

CNB is not an organization in the sense of owning bricks and mortar or production facilities, but it is in the sense that its function is social integration. That is, it facilitates bringing together and coordinating human, technical, financial, and material resources toward a common goal.

We frame the story of organizing using structuration theory as a sensitizing device for organizing and framing objectives and operating practices and processes.

Structuration theory explicitly recognizes values as a key dimension within social structures, as they would be in social enterprises.

The values are encoded in, and enacted through, congruent representations that articulate and implement procedures and practices.

These values and representations direct the exercise of power by legitimating and directing the allocation and use of both human and material resources.

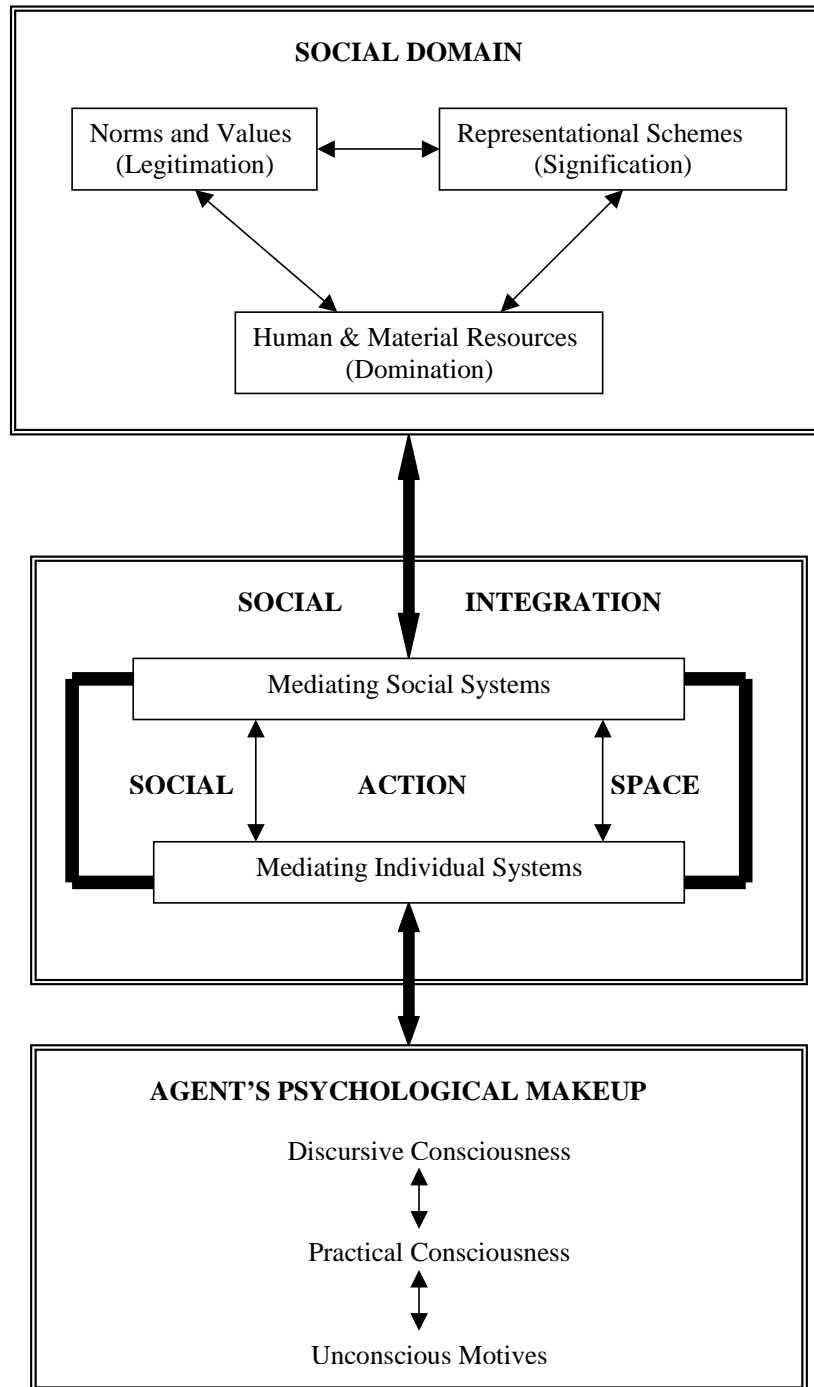
Also, the theory theorizes the relationship between the organizational structures and members of the organization.

A general depiction of the structuration process is presented in Figure 1, showing the integration of social structures and individual capabilities in social action. We see structuration theory as providing a high level theoretical framework for making sense of organizational structure and action.

The theory is, of course, not without its critics.³

However, we, following Stones (2005), see much to commend it especially as refined and extended by Sewell (1992) and Stones (2005). Also, the theory has been broadly applied in accounting and organizational studies (e.g., Orlikowski, 1992, 2000, 2002; DeSanctis and Poole, 1994; Macintosh, 1994; Barley and Tolbert, 1997; Burns and Scapens, 2000; Huff, et al, 2000; Dillard and Yuthas, 2002; Aherns and Chapman, 2002; Dillard, et al, 2004; Sarason, et al, 2006; Free, 2008) as well as sociology and cultural studies (see Stones, 2005 for a review). We provide a brief overview of structuration theory.

Figure 1 – Structuration Theory



³ See Held and Thompson (1989), Bryant and Jary (1991), Clark, et al, (1990), Mauzelis (1991), Craib (1992), Archer (1995).

We use structuration theory as a framework to identify and describe the organizing structures operating within CNB. While the framework theorizes change over time, at this point our primary concern is to describe the extant structures. In addition, structuration theory provides for multiple level analyses from a global/society level to the individual work organization (Dillard, et al, 2004). Our focus here is the individual work organization. While we recognize the importance of the meta level influences, a serious treatment of them is beyond the scope of the current discussion.

Structuration theory is useful for highlighting the relationship between everyday actions of organizational participants and the structures operating in the organization (Dillard and Yuthas, 2002). As formulated by Anthony Giddens (1976, 1979, 1984), structuration theory hypothesizing a dynamic interrelationship between structure and agency whereby changes in social structures and systems take place as a result of human action, which is both enabled and constrained by the structures.

Giddens (1984) stipulates that actions are the result of the knowledgeable, reflexive intentions of the agent, and postulates that the motivations for these actions emanate from the conscious and unconscious make up of the individual. Incongruences and inconsistencies, recognized or subliminal, provide an impetus for individual, and therefore organizational, change. For example, if the economic system is unquestionably accepted, the morality of that system will dominate the resulting representations, providing an uncontested context for action. Ultimately, CNB is, in fact, questioning the fundamental tenets of the economic system.

The theory identifies three different but interrelated structural types: legitimation (values), signification (representation), and domination (resources). Legitimation structures relate to norms and values. Signification structures have to do with symbolic representations that provide meaning and facilitate communication. Domination structures relate to power as it concerns the ability to control resources. These structures are conceptualized independently, but they are interrelated and can be separated only analytically. Knowledgeable, reflexive human agents instantiate these structures in action. As a result, the structures are reinforced and/or modified. Giddens refers to this process as the dialect of structure, and it moves the actor/agent to center stage in the construction and reconstruction of social reality. The premise is that structuration theory provides a theoretical representation of the primary dynamics of action that not only describes the primary context dimension but also the dynamics for organizational change.

For Giddens (1984),⁴ structure refers to rules and resources recursively implicated in the reproduction of social systems, existing as memory traces that represent the organic basis of human knowledgeable, and instantiated in action. The duality of structure conceptualizes structure as the recursively organized medium and outcome of the agent's actions. Structuration is the struc-

⁴ See Giddens (1984, pp. 374-377).

turing of social relations across time and space, via the duality of structure. The structured features of social systems, especially features stretching across time and space, are referred to as structural properties. Social systems refer to the patterning of social relations across time and space, understood as reproduced practices. The structural properties of the social systems exist only in action and are chronically implicated in the system's production and reproduction.

Giddens postulates two general structural types: rules and resources. Legitimation and signification structures refer to rules that provide meaning and legitimacy for organizational actions and the evaluation thereof. Norms and values, legitimating structures, provide legitimacy, and symbolic representations, signification structures, convey meaning. Resources, associated with domination structures, include both human and material resources. The way in which resources are allocated facilitates or impedes action and supports or retards development of signification and legitimation structures.⁵ Framed within the perspective of structuration theory, the individual's understanding and values initiate and direct resource expenditures toward the accomplishment of the goals. However, these individual values and understandings are enabled and constrained by the social systems within which the person resides.

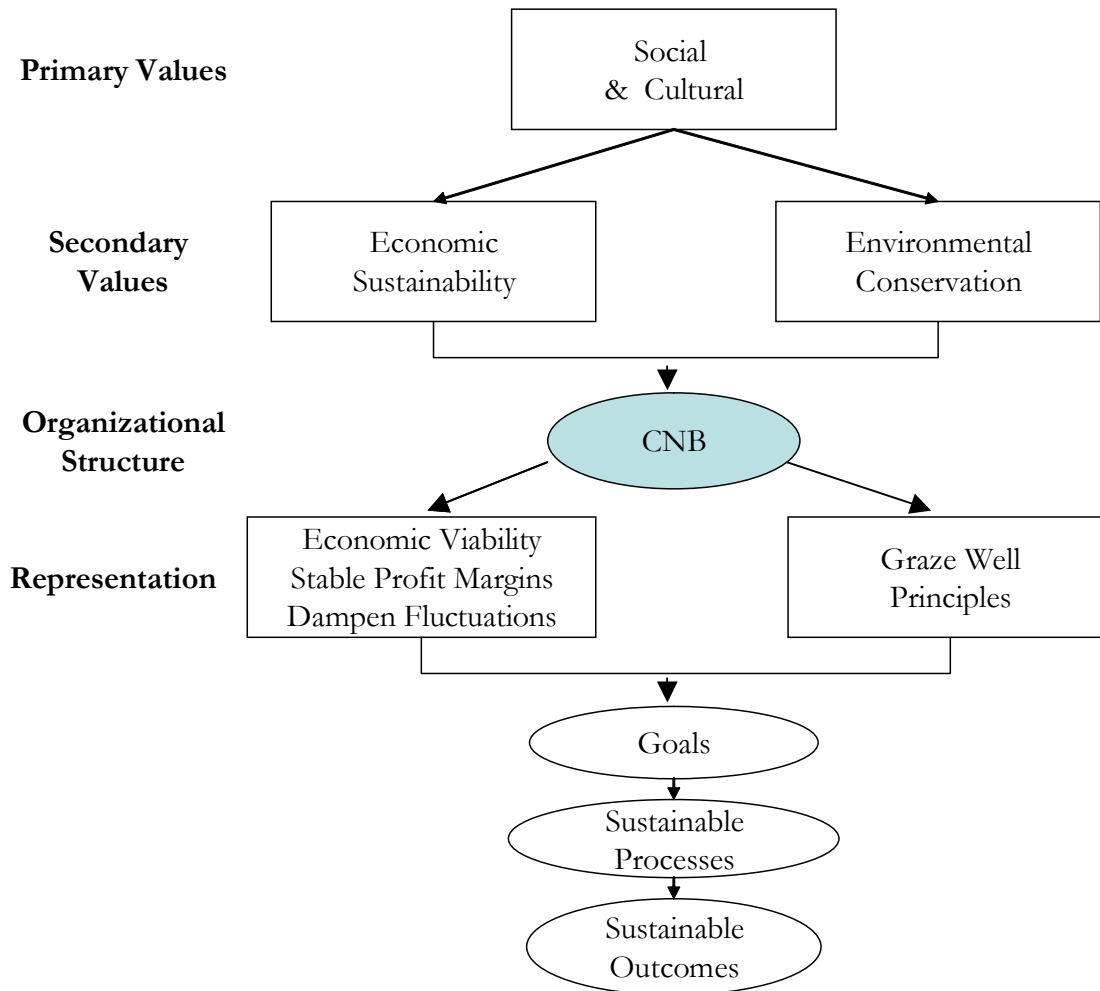
Here, we are primarily concerned with describing the extant structures within CNB as they represent a sustainable business model for what we have classified as a social enterprise. These social structures, made up of normative rules, represent a matrix of admissible transformations—a normative framework that “makes things seem” logical, correct, or appropriate. Social agents articulate the normative rules, which represent and reflect norms and values, as specific rights and responsibilities. These rights and responsibilities are represented (formalized, codified, spoken, etc.) and implemented through accompanying sanctions and rewards (signals of approval and disapproval). The reward/punishment mechanisms reflect both the formal and informal manifestations of the collective social structures within a work organization. The structuration model for CNB is summarized in Figure 2.

As noted above, the three constructs can only be separated analytically because in the flow of social action, they are highly interrelated, interdependent, and inter-influential. Thus, our discussion considers legitimation, signification, and domination structures. The traditional organizational budgeting process exemplifies the constructs' interrelated nature. Norms and values (short run accounting profits) are implemented through signification structures (the budgeting process).

The budgeting process translates and represents the goals in the dominant financial language of accounting. Resources are allocated based on the anticipated needs associated with attaining goals specified in the budget.

⁵Sewell (1992) persuasively argues for refining Giddens' formulation such that rules (i.e. signification and legitimation structures) are virtually existing schemas, and resources (domination structures) are media and outcomes of the operation of these structures, and vice versa.

Figure 2: CNB Sustainability Business Model



In addition, rewards and sanctions follow from a comparison of the expected performance as specified by the budget or plan and the actual performance achieved by the responsibility center and/or manager as measured using the financial language.

5 – Legitimizing Structures of CNB

The influence of values through the organizational structures can be illustrated in the process through which one becomes a member of the organization. To join this cooperative group, ranchers must profess to share certain values articulated in the current mission statement. The statement specifies the member's responsibilities in terms of caring and respecting the land,

community, and customers. To facilitate achieving these values, the organization provides management, marketing and information services to the members. CNB manages its supply chain and fulfills its responsibility to the members through the intermediate values/goals, the implicit and explicit representations and codifications, and the ways and means by which resources are used.

We would expect operating processes to be more specific, but again predicated on the core values. Signification structures specify processes for setting goals. Resource allocations are authorized based on the representations, and rewards and sanctions are imposed in relation to the actual outcome of the actions. For example, the organization espouses a three part sustainability model in which the different ranchers participate to various extents. The ranchers are particularly concerned with a sustainable, cultural lifestyle. Their primary goal is for the ranch operations to be sustainable so that their children can have the option of carrying on the ranching life style. As a means to this end, most ranchers recognize that if they treat the environment well, the environment will treat them well. The key values are tightly interwoven: the cultural aspect of ranching life (social sustainability), keeping the ranch viable for raising cattle (environmental sustainability), and financially surviving (economic sustainability).

Each of the three key aspects of sustainability involves multiple values for the group but preserving the social and cultural aspects of ranch life is the overriding value. The core aspects of the ranching culture encompass individualism, egalitarianism, trust, health (human and animal), family, and ranching community. It is important to note that these values also represent secondary credence attributes associated with CNB meat products – beef raised on family ranches by ranchers who hold, and act in accordance with, the associated values.

To the ranchers, environmental and economic sustainability are secondary or complementary values. The ranch environmental and economic sustainability are a necessary condition to achieve the primary goal of social sustainability. CNB was started to keep the family ranch viable economically, but the environmental aspects are key to the health and longevity of the land, animals, and people. Environmental sustainability addresses all aspects of ecological stewardship particularly for water, land, and biodiversity. Because many of the ranches are in the dry parts of the western US where water is relatively scarce, these three elements are tightly intertwined. Water values concern using water prudently, keeping the water safe from contamination, and improving riparian areas rather than letting the cattle destroy those zones. Land values predominately revolve around healthy grazing practices to build better grass quality rather than overgrazing and causing soil erosion. Biodiversity values address an appropriate balance between different plant and animal groups rather than sacrificing birds and other animals and their habitats for cattle and their respective habitat.

Economic sustainability is a value for all ranchers, but generally, the economic goal is not profit maximization but rather financial solvency, debt avoidance, and maintaining a livelihood

so they can continue ranching. Consistency of the product is related to economic sustainability since it is a key value to consumers and applies generally to the meat flavor and texture.

These values are translated into processes, procedures, and techniques through signification structures that direct actions and resource allocations and constitute the social organizing principles of the organization, CNB. These representations articulate the production processes and management systems that make up, and are implemented in, managing the natural beef supply chain. They provide the means by which the objectives of the organization stated generally in its mission statement are pursued as well as the means by which the product acquires the requisite credence attributes and by which they are transferred and communicated throughout the value chain.

6 – Signification Structures of CNB

To implement the aforementioned values, CNB has multiple procedures (signification structures) in place. First, ranchers cannot join the organization without insuring that their ranch can abide by the “Graze-Well Principles” (Appendix 1). These signification structures provide the context and guidance by which the organizational values are enacted at the ranch level by each rancher in the way he or she chooses. These principles indicate that each ranch must have a set of written goals that describes the desired health and appearance of the land they manage and live on, the desired products they hope to derive from the land, their animals, and themselves and the type of lives they wish to lead. The organization establishes accountability networks by requiring that the ranchers indicate the action that they are taking to achieve these goals. These written principles cover how natural resources should be protected and used sustainably with the long-term health and productivity of the land in mind. On the preventative side, both water and land should be used with care and protected from damage from cattle production. On the proactive side, streams and grazing land should be continuously improved through maintenance and recovery of grasslands, growth of plants near water resources, improving and enhancing biodiversity on the land, and elimination of erosion.

The cattle production process carries out the physical/biological requirements of cattle in a manner consistent with the environmental, economic and social values espoused by the group assuring that the product acquires the expected credence attributes. The graze-well principles provide the parameters that encourage/require certain types of production processes while economic viability provides the economic context within which the production process is undertaken. Note, these dimensions provide the means by which the overall values are to be attained. Here, the values become less visible but still provide the legitimating basis for the more applied components of beef production. The ranchers must balance environmental sustainability with economic viability. At times these are complimentary and at other times not, but there is a tension

between the needs of the environment and the cost of producing quality product. The ranchers act in this context, either reinforcing or changing the extant production process.

As noted above, raising “natural” beef in a sustainable manner is the general production strategy. This is driven by both the desire to engage in sustainable ranching operations, and the desire to sell the product in the higher margin niche natural beef consumer market. The production processes reflect the procedures thus articulated. The processes associated with maintaining the health and well-being of the animal without compromising the natural beef requirements represent one example. Producing healthy animals sustainably is central to achieving the stated values and objectives. It is their belief that ecologically healthy land creates healthy, naturally cultivated animals that do not require antibiotics or growth hormones. Because no CNB program calves can receive antibiotics, growth-stimulating hormones or steroids, if animals get sick enough to require an antibiotic, they must be pulled out of the CNB program. For their entire life, the cattle can only receive a vegetarian diet with no feed-additives or ionospheres. By using both ecological and humane feedlot and slaughter practices, the animal’s stress is reduced, and this improves their physical and mental well-being. As a means for facilitating these requirements, all animals in the CNB program must be managed from birth until death by the CNB rancher without supply chain handoffs.

7 – Domination Structures at CNB

Management information systems frame and reframe the way organizations are understood, and subsequently, the way resources are allocated. Using our general theoretical framework, we can conceptualize how values central to the successful implementation of sustainable practices are integrated into representational schemes (i.e., management systems) so that through the facilitating allocation of resources the anticipated outcomes are attained. We consider these systems and practices in light of how decisions are made and resources are allocated in accomplishing the objectives of the organization.

CNB was originally organized as a network organization of ranch families with no net assets or liabilities. It remains the individual rancher’s responsibility to raise and care for cattle from birth to the store. Each ranch family has a seat on the board of directors with one vote although they rarely make a decision by “voting”. Over the years, the organization has found that the most effective way to set policy or solve problems has been by reaching consensus. To accomplish consensus during their meetings, they sit in a large circle and talk about the opportunities and issues until everyone is comfortable with the outcome. This format allows and at time requires every member to contribute their ideas and provide input with the whole group present (as many as 200 people including spouses and some children). The process often seems inefficient, time consuming, and at times, tedious. However, consistent with its values, it has allowed the ranchers

to develop and maintain an organization that has an unusual amount of trust and openness, contributing substantially to the ongoing success of CNB.

The ranchers are held accountable by both the company and their customers for the quality of their product. By maintaining the association between ranchers and animals through the production process, CNB is able to implement rewards systems, evaluate and maintain credence attributes associated with the quality of specific cattle, and maintain consistent quality control. This is the critical inflection point in the value chain where the systems turn back on themselves and become evaluative instead of facilitative. What have been proactive means and guidance for designing and implementing processes and procedures become the ends, at least intermediate ends, focusing on the outputs or the characteristics of the outputs that are most highly valued. These representations now create the context for providing feedback and attaching resource distributions to performance criteria. If these rewards and sanctions are well designed, they reflect the organization's values, both intermediate and core, and thus are instrumental in achieving them through motivating and facilitating actions by the participants. Values, representations, and control systems work together to enable and constrain action. One unique feature of CNB is the intention and ability to connect and maintain the integrity of these systems by being able to evaluate and reward the output characteristics of the end product as opposed to at some intermediate hand off point, thereby maintaining the transparency of the credence attributes to the customer.

It is noteworthy that at this level, the focus of the formal reward system is almost solely on the specific output – the animal. The animal represents the manifestation of all that has gone before – land management, livestock management, and ranching culture. These are required for the output to have the necessary credence characteristics. The supply chain management system now morphs into an evaluation and reward system. It facilitates the future by evaluating and rewarding the past. The resources applied provide the means by which the future is created.

8 – Summary and Closing Comments

Our purpose in undertaking this study is to identify and articulate a viable business model for a social enterprise. CNB is identified as such an organization. The values based objective of CNB is to provide a sustainable means for its members to ranch by operating in the consumer natural beef market. CNB's business model is to produce and market natural beef in such a way that: the production processes employed conform to, and sustain, the members' values; the resulting product exhibits the intended sustainable value based attributes; and these product attributes so acquired are transparent to the end customer. CNB has constructed an integrated supply chain wherein the producer of the core product (natural beef) maintains ownership of the product throughout the process facilitates the direct linkage between core values and the ultimate marketing of, and compensation for, the end product.

The primary value of the members of CNB is to sustain the family ranching culture. Accomplishing this social sustainability goal requires environmentally sustainable and economically viable operations. Environmental sustainability includes caring for the land and the animals. Economic viability requires that the unique attributes acquired by the product as a result of the values based processes and procedures must be traced and transmitted along the entire supply chain and that the associated credence attributes are transparent and clearly communicated to the end customer.

The organizational form of CNB has emerged in response to the values of its members as it facilitates them in attaining their social, environmental, and economic objectives. Implementing these sustainability values results in CNB's product acquiring unique characteristics (credence attributes) that facilitate the economic sustainability of its members. CNB must manage the complete acquisition, production, and distribution processes. On the production and acquisition side, CNB has a responsibility to articulate, facilitate, and support its members through specifying and monitoring operational guidelines that enhance and sustain the core values. On the distribution side, the organization also has a responsibility to manage the product attributes acquired as a result of the values-based operations and to make sure they are traceable and transmitted to the end customer. To effectively maintain the necessary connections throughout, management control and evaluation systems are designed and implemented that ensure that performance is assessed on the ultimate output not.

Using structuration theory to help in interpreting this organizational context, we describe how the values of the social enterprise (ranch culture) are translated through various levels of specificity ultimately to be restated in specific output criteria (the characteristics of the beef) that facilitate the core values. The refinement and application are accomplished through the organizing medium of the cooperative. Standard production processes are specified, product quantity and quality characteristics are articulated, and quality, performance, and reward systems are formulated and applied. The operators allocate resources based on these parameters and specifications, and the organization distributes its resources based on the outputs of the compensation and reward systems. The analysis notes how the structures circumscribe the operating context and how the context enables and constrains the actors whose actions in turn construct and reconstruct the circumscribing structures.

We consider this a preliminary foray into specifying and evaluating social enterprise as a viable alternative to economic maximizing work organizations. Our premise is that social enterprise represents a viable alternative to the traditional, economic value maximizing work organization. We have shown structuration theory based model to be useful in framing alternative business models and associated management systems that might support values-based organizations. We are hopeful that social enterprises can provide some temporary impediments to the exponential destruction of both our social and environmental environments.

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Appendix 1: Graze-well Principles

The following principles are an affirmation of what the members of Country Natural Beef strive for in the management of their resources.

1. We believe good management is goal driven. Each member ranch in Country Natural Beef has a written set of goals that describes the desired health and appearance of the land they manage and live on; the desired products they hope to derive from the land, their livestock and themselves; and the type of lives they wish to lead. In addition the members describe the actions they are taking to achieve these goals.
2. Water is our most limiting natural resource. We manage the land to get the precipitation we receive into the soil that it falls upon and make it available for plant growth for as long as possible. To achieve this we strive for a dense stand of perennial plants with the spaces between plants occupied by decaying litter. When water enters streams we want the streams to flow year-round and have a minimum of sediment in them. We want the streams to be lined with shrubby vegetation.
3. Grazing by our livestock during the times of year when grass plants are growing is done in a manner that minimized the re-biting of plants after they have been grazed and maximizes the time of rest between grazing. On our non-irrigated rangelands we minimize the amount of time we are in a particular area when plants are growing. Once cattle leave an area they have grazed we maximize the period of time before they return. In areas where re-biting of growing plants does occur, we defer those areas from grazing during the next growing season. When plants are growing we leave enough vegetation behind that the plant has photosynthetic area with which to re-grow.
4. We recognize that truly healthy and productive land is biologically diverse. We prefer a diversity of grasses, forbs shrubs and trees over a monoculture. Rodents, insects, birds, predators and other grazing animals all have their role in a healthy ecosystem. We adapt our management to fit our individual environments rather than fitting the environment to our management. Grazing is planned in advance to coordinate livestock presence and forage removal with watershed, wildlife and human needs.
5. Our land management decisions are based on the long-term health and productivity of the land rather than the maximization of short-term gain. In order to make sound decisions we make sure our decisions are in accord with our long-term ranch plans and that they are economically, ecologically and socially sound.
6. By grazing livestock on land that is ecologically healthy and in a manner that is compatible with the environment, we rarely have the need for antibiotic treatment and eliminate the use of growth hormones and feed additive antibiotics. Routine immunizations and sound man-

agement are all our cattle require to flourish. By grazing well we hope to benefit not only the land and our families but our society as well. We want our final product to be good food at a reasonable price that is an integral part of a healthy diet. We want our customers to know that their purchases are helping the land as well as people.