Examining the Motivations for Social Entrepreneurship in Tourism using Max Weber’s Typology of Rationality

Makarand Mody  
*School of Hospitality and Tourism Management, Purdue University*

Jonathon Day  
*School of Hospitality and Tourism Management, Purdue University*

Sara Sydnor  
*School of Hospitality and Tourism Management, Purdue University*

Xinran Lehto  
*School of Hospitality and Tourism Management, Purdue University*

Follow this and additional works at: [https://scholarworks.umass.edu/ttra](https://scholarworks.umass.edu/ttra)


This Event is brought to you for free and open access by ScholarWorks@UMass Amherst. It has been accepted for inclusion in Travel and Tourism Research Association: Advancing Tourism Research Globally by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact scholarworks@library.umass.edu.
Examining the Motivations for Social Entrepreneurship in Tourism using Max Weber’s Typology of Rationality

Makarand Mody
School of Hospitality and Tourism Management
Purdue University

Jonathon Day
School of Hospitality and Tourism Management
Purdue University

Sandra Sydnor
School of Hospitality and Tourism Management
Purdue University

William Jaffe
School of Hospitality and Tourism Management
Purdue University

and

Xinran Lehto
School of Hospitality and Tourism Management
Purdue University

ABSTRACT

Despite increasing recognition of its contribution to development in many parts of the world, academic research about social entrepreneurship remains in its infancy. There has been little inquiry into the rationale for social entrepreneurship, despite its potential to clarify many conceptual ambiguities associated with this emerging phenomenon. In response to such a gap, the present study advances a compelling framework from classic sociology, that of Max Weber’s Typology of Rationality, as a means to explain the motivations of social entrepreneurs in the tourism industry. The framework is applied to the cases of two social entrepreneurs in India. The study emphasizes the concepts of formal and substantive rationality, which represent Weber’s most significant contributions to the understanding of human behavior. It also reveals the dynamic interplay between the two types of rationality, thus extending the understanding of Weber’s Typology in the context of social entrepreneurship in tourism.

Keywords: rationality, social entrepreneurship, Weber, responsible tourism.

INTRODUCTION

The contemporary, more popularized phase of social entrepreneurship began in the 1980s and resulted in a proliferation of the social enterprise ecosystem, creating an industry replete with investors, academics, consultants, media watchdogs, and others (“Evolution of the social enterprise industry: A chronology of key events,” 2008). However, India remains notable in its
inconspicuousness in the discourse on the social enterprise landscape. This is somewhat surprising given that the country has often been considered a hotbed for social innovation (Clinton, 2010; Joseph & Sood 2011). Moreover, India’s social enterprise industry is only set to grow in the future with initiatives such as the Government of India’s National Innovation Council’s (NIC) plans to invest INR 5,000 crore (USD1 billion) to support innovations in critical goods and services for India’s bottom of the pyramid (BOP) (Allen, Bhatt, Ganesh, & Kulkarni 2012). In response to its absence in the social enterprise discourse, the present study seeks to examine the social entrepreneurship phenomenon in India. More specifically, it examines social entrepreneurship in India’s tourism industry, since livelihood development enterprises promoting non-farming livelihood activities, such as tourism, comprise the third largest sector for social enterprises in the country (Allen et al. 2012).

The prevailing academic discourse on social entrepreneurship is mainly theoretical, replete with “reductionist drawing-board concepts” (Mauksch, 2012, p. 156) and in need of a critical re-examination (Mason, 2012). The role of the social entrepreneur, particularly as understood from their own perspective, remains obscure. In this regard, Zahra, Gedajlovic, Neubaum, and Shulman (2009) have suggested that clarification of the ambiguities associated with social entrepreneurship, its definition and the role of its protagonists, requires “appreciating the motivations of individuals and groups who take the risks associated with conceiving, building, launching, and sustaining new organizations and business models” (p. 529). To understand these motivations, the authors advance a compelling paradigmatic lens from classic sociology: Max Weber’s Typology of Rationality. While Kalberg (1980) identified four main types of rationality in Weber’s writings - practical, theoretical, formal, and substantive - we focus on formal and substantive rationality, as suggested by Boudon (1997), and consistent with extant work in tourism that has utilized Weber’s typology (McGehee, 2007; McGehee & Kim 2004; McGehee & Meares 1998).

**METHODOLOGY**

To operationalize Weber’s typology in the context of social entrepreneurship in tourism, we used narrative inquiry as a form of data collection since “entrepreneurs are generally keen to share their experiences and love to tell stories about them” (Mckenzie, 2007, p. 310). Our study is based on the narratives of two social entrepreneurs in the tourism industry in India: Gopinath Parayil of The Blue Yonder and Inir Pinheiro of Grassroutes. These social entrepreneurs were selected via stratified and criterion purposive sampling in order to facilitate comparison between the cases (Patton, 1990). We analyzed the data using the hybrid thematic coding procedure suggested by Boyatzis (1998) and Fereday and Muir-Cochrane (2006), which combines both theory-driven a priori coding with data-driven inductive coding.

**FINDINGS**

We found that Gopi’s narrative had a greater self-conscious substantive rational orientation, whereby he framed much of his work as a social entrepreneur as driven by strong, moral, non-consequential reasons. He explicitly or implicitly referenced the values of passion: enduring sacrifice, integrity, humility, benevolence, responsibility, spirituality, humanism, and the Gandhian virtue of Swavalamban (self-reliance), and relatedly, self-determination. He proclaimed his adherence to his utopian 3C philosophy of co-creation, collaboration, and
crowdsourcing, and its associated value postulate of local ownership, pride, and dignity. In contrast, Inir was much more self-consciously formal rational in his orientation, and only explicitly highlighted the value of passion and spirituality to his work. His narrative was much less laden with substantive-speak, and more oriented towards the practical realism of social entrepreneurship that Davis (2002) considers characteristic of social entrepreneurial behavior.

Moreover, the relationship between the formal and substantive rationalities of these entrepreneurs was not straightforward, rather the outcome of a complex interplay. While these two types are often discussed in purely “antagonistic” terms, there was evidence to support the alternative conceptualizations of “emergence”, “molding”, “limitation”, and “reverse emergence”, each with its own dynamic that differently impacted social entrepreneurial behavior. For example, in the case of emergence, it was found that several of Gopi and Inir’s formal rational actions were supported rather than inhibited by their substantive rationalities, as is the case in antagonism. These various conceptualizations are more cognizant of Weber’s vision of a “multiplicity of rationalization processes” (Kalberg, 1980, p. 1147) than are highlighted in extant literature, and constitute one of the most significant theoretical contributions of this study.

**CONCLUSION**

The present study contributes to addressing the paucity of research in the “terra incognita” (Page, Forer, & Lawton 1999) of the field of tourism entrepreneurship, by providing “more accurate representations, understanding, and knowledge of the multiple realities, cultures, and contexts in which entrepreneurs actually live and operate” (Carmichael & Morrison, 2011, p. 116). It provides a solid foundation for future multiple-method inquiry into the motivations for social entrepreneurship, which we hope will inform the development of a process based model of social entrepreneurship along the lines of that developed by Shane, Locke, and Collins (2003) for conventional entrepreneurship.

**REFERENCES**


