#### **ORIGINAL PAPER**



# Tension and Paradox in Women-Oriented Sustainable Hybrid Organizations: A Duality of Ethics

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Received: 20 June 2022 / Accepted: 19 April 2023 © The Author(s) 2023

#### Abstract

The pursuit of social goals and ethics in business creates challenges. Sustained efforts to address poverty, environmental degradation or health/wellbeing require meaningful and transformative responses that impact across multiple levels—individual, community and the global collective. Shifting predominant paradigms to facilitate change entails a renegotiation of business strategy—between organizations, their purpose(s), individual and collective stakeholders and ultimately with society at large. Hybrid organizations such as social enterprises are positioned to affect such change. However, in balancing divergent goals such organizations encounter tensions and paradox, creating a duality of ethics. Utilizing in-depth interviews to develop a case within the sustainable fashion industry, we identify tensions and paradox within women-oriented hybrid organizations. Significantly, managing these tensions and paradox results in multiple dualities of ethics, often with a wider impact on organizational founders/managers. We find three interrelated ethical dualities: business strategy and personal values; financial sustainability and holistic sustainability; and business, employee, societal wellbeing, and personal wellbeing. This insight is noteworthy when looked at within the broader context of sustainability and highlights the importance of sustainability in women-oriented hybrid organizations.

Keywords Sustainability · Paradox and tensions · Qualitative research

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Published online: 04 May 2023

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### Introduction

Pursuit of social goals and ethics in business brings challenges at all levels—societal, organizational and individual (Brieger et al., 2021; Islam & Greenwood, 2021). "Business ethics scholarship must deepen its engagement with the social to understand, evaluate and guide action in dialogue with society" (Islam & Greenwood, 2021; p1). Whether espoused and enacted globally (for example, through the United Nations' Sustainable Development Goals), or at a community level (for example, with hybrid organizations [HO] such as social enterprises [SE], the complexity of achieving sustainability in business practices may see organizations struggle with interrelated but at times contradictory elements (Gillett et al., 2019; Sasse-Werhahn et al., 2020). These contradictions can create tensions and paradox—for instance, between organizational social goals and working for common good versus organizational profit and personal economic wellbeing—leading to a duality of ethics (Brieger et al., 2021; Cunha et al., 2014).

While identifying and exploring tensions in HOs such as SEs is not new (Bull et al., 2018; Mazzei, 2017), critical

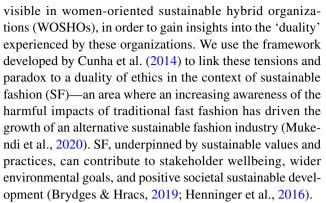


reflection on these challenges contributes a greater understanding of ethics in business. These tensions are typically presented as opposing ends of a binary continuum (Alter, 2007), the most common being social/economic (Alegre, 2015; Smith et al., 2013), but increasingly are also inclusive of divergent logics and beliefs, such as reconciling religious, spiritual or personal values with profit expectations; balancing the competing sustainability aspirations of stakeholders; or addressing real/perceived gender disparities. However structured, dyadic assumptions can certainly simplify matters in a way that facilitates analysis, yet in doing so may also potentially impede how we understand the multifaceted and holistic nature of HOs (Besharov & Smith, 2014).

In the context of sustainability, theory developed within a dyadic framework can fall short when 'real world' praxis is considered. Yet the ability to identify, accept and/or mitigate tensions is central to sustainability (Hahn et al., 2015; Sasse-Werhahn et al., 2020). HOs that embed sustainability not only accommodate a socially motivated purpose, they also take into consideration environmental issues, stakeholder wellbeing, and financial goals designed to sustain the operation (Gamble et al., 2020). Delivering on such diverse ambitions creates myriad tensions, which Joseph et al., (2020) assert must be managed through acceptance, separation, or synthesis strategies. Ethical leaders may approach such management by adopting a 'duality' perspective (Cunha et al., 2014). Duality, in this sense, combines acceptance and synthesis strategies as it "refers to the consideration, without separation, of opposites as components of a given social process" (Cunha et al., 2014, p. 442). In this sense, ethical leaders continually search for pathways to synthesize rather than trade off polar market and community goals.

A duality perspective is particularly pertinent when HOs embrace an inherently gendered approach (Muntean & Ozkazanc-Pan, 2016), such as women-led enterprises intended to benefit women (Borquist & de Bruin, 2019). Gender is an established theme in social entrepreneurship scholarship (Lewis & Henry, 2019), with growing interest in the influence of women-oriented social enterprises engaged across the sustainability spectrum (Borquist & de Bruin, 2019). However, research on 'duality' in women-oriented hybrid organizations remains sparse. Inquiry needs to extend beyond the common focus on characteristics which drive women in SE (Raman et al. 2022) to also consider the tensions and paradox that require a duality of ethics around sustainability. Work needs to encompass organizations that are led by women, and those SEs with a women-oriented mission, such as empowerment.

Our research addresses gaps in the literature by taking a holistic approach to a predominantly dyadic view of fashion, an industry which continues to attract criticism over 'unethical' practices. The aim of our research is to develop a nuanced understanding of the tensions and paradox



Using an in-depth qualitative methodology, we provide detailed analysis of sustainable fashion WOSHOs that have strong affiliations to South Asia through supply chain networks and/or setting up small-scale manufacturing. In doing so we make two key contributions to business ethics literature. First, by unpacking the inherent tensions and paradox we move scholarship forward and propose that sustainable WOSHOs encounter three interrelated dualities of ethics: business strategy and personal values; financial sustainability and holistic sustainability; business, employee, societal wellbeing, and personal wellbeing. Second, our findings demonstrate the impact of WOSHOs as extending beyond "economic" wellbeing and consider their wider impacts on personal and social wellbeing.

This paper is structured as follows. We start with a review of background literature to highlight the context of our case organizations—WOSHO. We begin with a review of women-oriented sustainable hybrid organizations and include a focus on sustainability and wellbeing. The theoretical lens is introduced, and concepts around tension, paradox, and duality of ethics in relation to WOSHO are outlined. For theoretical clarity we present paradox as a single conceptual construct derived from multiple tensions, but recognize how operationally a range of paradoxes are encountered by our featured organizations. We then discuss the methodology and extend the SF context. Themes related to tensions and paradox are identified from our data analysis, paving the way for discussion of what we identify as a "wellbeing paradox" and the associated duality of ethics for WOSHOs. We then offer concluding comments.

### **Background Literature**

# Women-Oriented Sustainable Hybrid Organizations (WOSHOs)

Society's awareness of the planet's finite resources has increased, and with that has come the quest to minimize the negative externalities of production and consumption. This has seen an initial focus on environment and



conservation (Sharma et al., 2010) morphing into a wider concern for sustainability which encompasses environment, social, cultural, and economic dimensions. Sustainability and approaches towards achieving and maintaining it have become increasingly relevant as the impact of organizations and their actions on societal welfare becomes apparent (Marcus, 2012). A commitment to sustainability, and by association the process of sustainable development, may provide organizations with a means to demonstrate corporate social responsibility to stakeholders, while also achieving competitive advantage and financial improvements (Sharma et al., 2010). A holistic view of sustainability that encompasses social (including stakeholder), environmental and economic wellbeing is increasingly relevant to hybrid organizations that seek to combine market and social goals with sustainability (Chandra, 2018).

Haigh and Hoffman (2011) identify how hybrid organizations (HO) develop competitive approaches to create positive social and environmental change. HOs combine distinct and potentially conflicting institutional logics (Savarese et al., 2021) through a range of processes to achieve positive outcomes and outputs for stakeholders. Guided by a mix of typically pro-social objectives, multiple logics are blended, creating increased complexity (Castellas et al., 2019) as the organization seeks to operate responsibly. Interdependency between these logics and values may result in one value either reducing or helping to create another value. Tension emerges when seemingly incompatible and conflicting goals compete for limited resources.

Hybridity in social enterprise (SE) is well established and accepted (Davies & Doherty, 2019), bringing a range of definitions and conceptual understandings to scholarship. As a hybrid of business and social ideologies and practice (Dees & Anderson, 2003; McMullen, 2018), the SE in its most common configuration seeks to address social injustices through market mechanisms. Transformational and sustainable aspirations for stakeholders are common foci for these HOs; for example, religious and cultural values may influence sustainable consumption (Minton et al., 2022). An ethical purpose is assumed (Pearce, 2003), with the dominant discourse on SE emphasizing its hybrid organizational form, blending mission and market logics (Bull & Ridley-Duff, 2019). Increasingly, additional logics are also apparent. For example, commercial and social principles are combined with sustainable development aspirations (Chandra, 2018) or a spiritual/religious logic (Borquist, 2021). Diversity in the SE moniker facilitates application of a hybridity label to our featured organizations. Each organization has its own purpose and goals guided by personal values, circumstance and beliefs, but demonstrates similar overarching aims around sustainability.

The frequent involvement of women in SE has been proposed as a natural progression from the female-dominated not-for-profit sector and women's seemingly inherent understanding of "people-centric economies" (Scott, 2021). Serving communities in need, often through the transformation of self and others, is recognized as a key goal of woman-led SE, although it is problematic to assume that this involvement is merely an extension of gendered norms such as "caring and sharing" (Lewis & Henry, 2019; Muntean & Ozkazanc-Pan, 2016). Social and cultural norms, along with gender interactions, influence the extent and cultural capacity of women to engage in and accrue benefits from entrepreneurial activity (Haugh & Talwar, 2016; Hechavarría & Brieger, 2022). Socio-cultural environments shape entrepreneurial motivations, as does women entrepreneurs' resilience to disruptive and stressful situations (Raman et al. 2022).

Rather than be opportunity-led, women often engage in "necessity entrepreneurship" (Chakraborty & Chatterjee, 2021), servicing people excluded from traditional labor markets by social, cultural, and/or historical barriers (Scott, 2021). In so doing, the sustainability of communities becomes the driver. Women-led SE often give priority to non-economic outcomes, such as the empowerment of households and communities, and work-life balance. So, it is unsurprising that organizations led by women are more sustainability-oriented than those led by men (Raman et al. 2022).

The balance between the dimensions of sustainability will not always be equal; their respective influence, and interactions between them, will vary depending on the context and focus of the situation (Tregidga et al., 2018). Womenoriented sustainability entrepreneurship is most frequently linked to three Sustainable Development Goals (SDGs). In order of the most frequently occurring, these are: SDG10 (reducing inequalities); SDG 5 (gender inequality); and SDG 8 (decent work and economic growth) (Raman et al., 2022). All three goals contribute to the sustainability outcome of improved societal wellbeing, which in turn might manifest, for example, in the empowerment of women (Akter & Chindarker, 2020; Saripalli et al., 2019), emancipation (Chandra, 2017), and co-opetition/collaborative relationships with competitors to build a stronger community (McGrath et al., 2019) and assist with the financial sustainability of all community stakeholders. Wellbeing variables are identified as impacting health, life satisfaction, income, employment, stable government, and positive relationships (Bhuiyan & Ivlevs, 2019; Painter-Morland et al. 2017). Concern for wellbeing is inherent in SEs, with the focus often on improved wellbeing for a collective, rather than generating benefits for individuals (Jeong et al., 2020; Montgomery et al., 2012). This characteristic is particularly evident in



<sup>&</sup>lt;sup>1</sup> Importantly, if one value or logic is able to dominate, the organization is no longer considered a hybrid (Castellas et al., 2019).

women-oriented SEs where pro-social values and responsibility shape an ethic of care which may drive the SE's activity (Borquist & de Bruin, 2019).

SE is an important facilitator of the empowerment for women, in particular providing opportunities for women to access a greater range of choices, as well as providing the agency to make decisions and act on them (Borquist & de Bruin, 2019). Other dimensions of empowerment may include access to, and control over, economic and financial resources, and freedom from domestic violence. Empowerment is dynamic, relative, and influenced by perceptions of value, but to be truly sustainable empowerment must be durable (i.e., with positive outcomes maintained and carried forward over time) and diffused (i.e., spillover effects having a positive impact on other stakeholders in the same household or community) (Akter & Chindarkar, 2020). As such, SEs striving for women's empowerment may assist women to fight exploitation, improve their returns from markets, increase their contribution to their household, and finally empower themselves (Saripalli & Chawan, 2017; Saripalli et al., 2019). It is the commitment to these aspirations through strongly held values and beliefs that may cause tension within the organization, its processes, or aspects of the external environment.

# **Understanding Dualities of Ethics**

Management and mitigation processes are necessary to reduce negative impacts and maintain stability amid ethical tensions and contradiction, (Joseph et al., 2020; Lewis, 2000; Mason & Doherty, 2016). "Conceptualizing paradox entails building constructs that accommodate contradictions. Rather than polarize phenomena into either/or notions, researchers need to use both/and constructs for paradox to allow for simultaneity and the study of interdependence" (Lewis, 2000, p. 773). Duality is a holistic and complex concept identified as a means of addressing and/or understanding paradoxical processes. Consideration of opposite influences through a duality perspective can facilitate synthesis in processes, rather than distinct contradictory forces (Cunha et al., 2014).

Organizations guided by divergent values and logics see complexity within the HO and its processes grow. So, too, may tension, which in SE is typically presented as a binary contest between social and economic aspirations (Diochon & Anderson, 2011). A duality of ethics may become apparent as stakeholders attempt to navigate a way forward amid potentially opposing influences (Cunha et al., 2014). Different themes may be identified—such as wellbeing vs profit (Hoffman et al., 1998), values vs profit (Cipriani et al., 2020), or spirituality and religion vs basic business assumptions (Borquist, 2021)—but the basic pattern of social vs economic aspirations remains. Whatever the focus, tension will surface during this search for sustained consistency,

creating a need to be cognizant of any duality of ethics that may arise. Akin to what Joseph et al. (2020) describe as a synthesis strategy, duality of ethics offers a way of managing paradox and helping ensure that any tensions enhance each other (Cunha et al., 2014). We suggest that this is particularly relevant to WOSHOs, where numerous tensions emerge around meeting the needs of multiple stakeholders, including businesses, consumers, employees (often vulnerable women), the communities where they operate, society, and the natural environment.

Sustainability has its foundations in morality and ethics—and any imbalance between the ethical, moral, spiritual, and economic aspects may aggravate inequalities as well as the exploitation of resources (Kumar, 2017). Likewise, a balance between the dimensions of sustainability will not always be equal. Rather, their respective influence and interactions vary depending on the context and focus of the situation (Tregidga et al., 2018). Nothing is "valueneutral"; indicators are based to some extent on values, even when presented as "objective". Women-oriented organizations bring an overt focus on improving opportunities for women through empowerment, addressing inequality, or emancipation (Datta & Gailey, 2012). Central to perceptions of success in an WOSHO is that the values espoused are consistent with the values enacted (Burford et al., 2013), thereby creating tensions around market and social aspirations (Pina et al. 2014).

Scholarship is emerging to address this binary bias. Roy and Grant (2020) outline an alternative interpretation which challenges the continuum traditionally applied in SE scholarship (Alter, 2007; Dees & Anderson, 2003), and instead present economic activity as the means by which SEs achieve their social ends. With this conceptualization "there is no 'hybridity of purpose': the aims or purposes of the economic activity, and the process by which they achieve their means, are clearly on different axes or conceptual levels." (Roy & Grant, 2020, p. 5). Here, tension is not obscured or overlooked, but may be better able to be managed. Bull and Ridley-Duff (2019, p.632):

"challenge the dominant conceptualization of SE as a hybrid blend of mission and market dichotomy (purpose versus resource) by reframing hybridity in terms of the moral choice of economic system (for example, redistribution, reciprocity and market) and social value orientation (personal, mutual or public benefit)".

In this conceptualization tension is reframed as moral/political choices (knowingly and unknowingly), yet a dyadic approach remains with the need to choose between systems of economic exchange and social value orientation. Paradox theory is essentially the conceptualization of tension (Mason & Doherty, 2016), with the concept providing both a guiding framework and the subject of inquiry (Lewis, 2000). We



utilize both outcomes in this research to enable a duality of ethics. Our case study demonstrates how in most instances duality of ethics helps address tensions and paradox in WOSHO, but in others falls short.

# Methodology

The inherent and socially constructed aspects of tensions and paradox within women-oriented sustainable hybrid organizations (WOSHOs) require an in-depth understanding and exploration of duality of ethics: profit and planet; personal wellbeing and societal wellbeing; competition and collaboration (Hahn & Knight, 2021; Smith & Lewis, 2011). Case study methods appropriate for research into "complex, diverse contents and contexts of business ethics" (Brigley, 1995, p. 219) provided the basis for our exploratory qualitative, multiple-organization case design (Yin, 2018). Views across seven diverse WOSHOs have been supplemented with secondary information. Collectively, these organizations provide data for our case on WOSHOs. We were able to examine nuances of tensions and paradox within WOSHOs, providing further insights into the "duality of ethics" for these complex sustainable fashion (SF) organizations. This approach is also suitable for the SF context (see Colucci & Vecchi, 2021; Huq & Stevenson, 2020).

# **Research Context**

Two key trends form the context of our study: the growing SF movement, and the imperative of socio-economic issues across nations, particularly developing nations such as in South Asia where raw materials are often sourced, and garments are made. In the first instance, the fashion industry continues to be scrutinized for concerns pertaining to unethical behavior, unfair employment practices, and unsustainable supply chains (Colucci & Vecchi, 2021). The historical predominance of fast fashion has now placed organizations within this space under pressure to pay greater attention to all aspects associated with both production and consumption—and the urgency of this imperative has served to narrow our research focus.

Second, we are confronted with a growing array of societal grand challenges that are seemingly unsolvable. Poverty, environmental degradation, climate change and sustainability are within the purview of global problems that require holistic solutions. In this regard, developing countries provide a fertile ground for positive sustainable change, and SF provides a medium through which ambitions of sustainable transformation might be achieved (Nostrabadi et al., 2019).

## **Organization Selection**

In line with theoretical sampling, organizations were selected according to their ability to provide new insights in theory development (Eisenhardt, 1989, 2021). Utilizing the Eisenhardt Method (Eisenhardt, 2021) we selected organizations that are immersed in SF, adopt a social sustainability outlook, and demonstrate on-the-ground experience in South Asia of either managing garment 'workshops' (i.e., smallscale manufacturing set up in India and Cambodia), and/or working with sustainable growers and suppliers from the region. Hybridity became a natural consequence of these criteria. Based on the above criteria, seven organizations were drawn from a larger research pool focused on SF. Fundamentally, the seven organizations were chosen because they had common antecedents that influence the focal outcome—tensions and paradox of sustainability-driven hybrid organizations (Eisenhardt, 2021). Antecedents include a thread of deeply embedded values relating to diverse aspects of sustainability. Six of the chosen WOSHO were also centered on social sustainability with a focus on empowering underprivileged women. Four organizations employ local women in various locations in India, one employs women in Cambodia, and one organization employs former women refugees in New Zealand. All seven organizations demonstrate concern for wellbeing in their local communities and engage to build relationships accordingly. Their attitudes and values are shaped by the socio-cultural context in which they operate, often in contrast to the profit-driven sustainability actions undertaken by large multinational companies. Alongside social sustainability, the organizations were committed to producing a "sustainable" product, taking great measures to ensure transparent supply chains and the use of sustainable fabrics (e.g., organic cotton), adding a further layer of tension.

Valuable insights from these organizations, which operate from similar tenets, enabled us to investigate duality of ethics when dealing with "grand challenges", such as helping women in poverty and saving the planet (Eisenhardt et al., 2016). Importantly, the SF organizations used in this study all encounter tension and paradox, albeit to differing degrees and with different elements, thus providing a unique insight into the duality of ethics and transformative aspects of sustainability enabling theory development (Eisenhardt, 2021). We chose to study these to gain breadth of data across a range of WOSHOs. Given that our chosen organizations are predominantly run and managed by the founders, we focus on the founders' perspective to gain their insights into running a WOHOS. As the Eisenhardt Method (Eisenhardt, 2021) does not adhere to any particular type of data, we collected both secondary data and primary data in the form of interviews with the founders, as described below.



#### **Data Collection**

Contact with each organization was first established with the founder via email. The purpose of the study was outlined in a participant information document, and interviews were then arranged with the participant(s). If the organization had a New Zealand base (an office or workshop), the interview was conducted onsite, enabling valuable in situ observations. Otherwise, interviews were held at a location (a local café) convenient for the participant. Data collection comprised information retrieval from secondary sources (websites, publicly available articles) that provided the researchers with background information prior to in-depth interviews with key informants—in all cases this was the (co) founder(s).

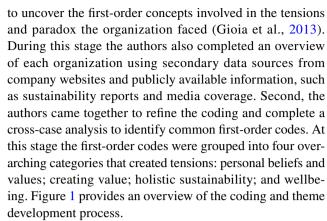
An organizational narrative approach was implemented as a fruitful way to gather data about the complex and temporal nature of organizational processes. It provides a way for the informants (in this study the founders) to tell and make sense of their personal journey (Vaara et al., 2016). Personal stories help reflect how meaning has been constructed and experiences lived in the complex context of SE research (Chandra, 2018; Jeong et al., 2020). Jeong et al., (2020) use narratives to explore the meaning of experiences in social entrepreneurs' professional lives, while Chandra and Shang (2017) unpack SE narrative to identify biographical antecedents in SE emergence. The manner in which specific discourse is chosen gives insight to the hybridity of logics and values applied within the organization and any tension or dissonance which may arise. Within the context of SF, these narratives reveal how transformation is harnessed in an industry fraught with issues associated with wellbeing across multiple levels—individual, community, societal.

Open-ended narrative was encouraged during the interviews to allow participants the space to invoke their chosen discourse in an unbiased and free-flowing manner. To this end, two main types of questions were posed to guide the conversation. General and nondirective "grand tour" questions facilitated the collection of pertinent background information (Could you tell me about how your organization got started?), supported by planned prompts to enable the researcher to follow specific areas of interest as they arose. This approach enabled the deeply personal stories of the founders to be expressed through personal accounts of organizational processes, events, and phenomenon (Vaara et al., 2016).

### **Data Analysis**

Interviews were recorded, transcribed, and then analyzed by the first two authors in accordance with Miles et al. (2014) and Eisenhardt (1989). Analysis involved five key steps.

First, both authors independently read and coded the transcripts, involving an inductive analysis of each organization



Third, the authors further refined the coding and identified four second-order tension and paradox themes: managing personal values/beliefs and business; creating value for business, employees, consumers and society; holistic sustainability—balancing ideals with practicalities; and the wellbeing paradox. This iterative higher-level analysis categorized themes, which were layered with subsequent data immersion to ensure that the themes held cross-case relevance (Gioia et al., 2013). Fourth, each emergent theoretical insight from the interviews was then triangulated with secondary data from the analysis completed in step one. In using this iterative inductive process of analysis, we retain the complexity and relevance that was apparent in our research context.

Finally, a deeper analysis of the four tensions and paradox themes was conducted using a deductive approach, establishing the thread to duality of ethics. This process led to the emergence of three key "duality of ethics" that are essential to WOSHOs: business strategy and personal values; financial sustainability and holistic sustainability; and business, employee, societal wellbeing, and personal wellbeing.

We present our findings in two stages. First, to provide context, we outline the background information on each of the organizations and the common key drivers. Then we discuss the main findings related to tensions and paradox, leading to duality of ethics, which were apparent in the data (as shown in Fig. 1). These are supported by quotes from the interviews. We then discuss three "duality of ethics", in light of the literature, teasing out tensions within each.

# **Stage One—Background Case Analysis**

# **Case Overview**

A detailed overview of each of the organizations contributing to our case is presented in Table 1. To protect the identity of participants a pseudonym has been adopted for each of the organizations. The selection of SF organizations provides



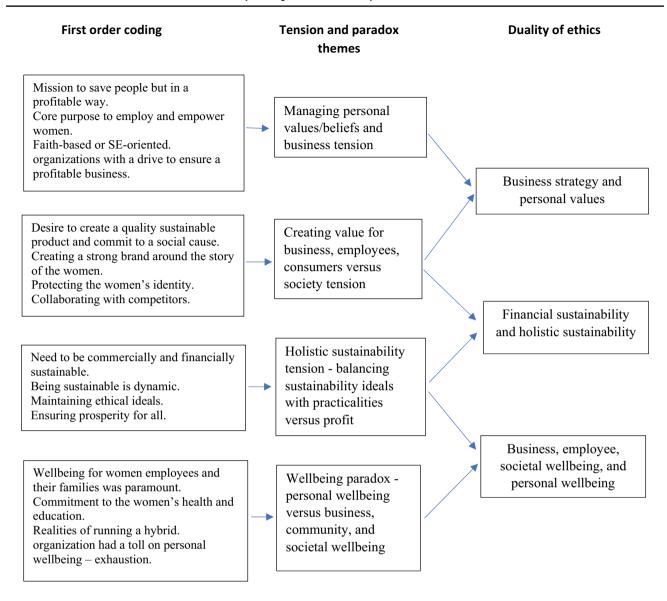


Fig. 1 Themes related to tensions/paradox of women-oriented sustainable hybrid organizations

a cross-section of participants in terms of size, locality of focal operations, and core purpose. Our primary data comes from nine interviews—with eight founders and one manager. Secondary sources of data were used to collect background information, and to triangulate what the founders spoke of regarding their vision, philosophy, and sustainable products.

# **Drivers of Women-Oriented Sustainable Hybrid Organizations**

Our in-depth interviews reveal the drivers of these WOSHOs. In this section of our analysis we outline how key drivers common across the organizations influence the focal outcome—the tensions and paradoxes experienced. In exploring the motivation for starting their organizations, we

found our respondents clearly outlined a central intent or purpose as fundamental. Purpose was context-driven, and often reinforced by personal values and beliefs. We identified two key drivers: strong values and beliefs, and a desire to empower women and improve community wellbeing. A passion to embed sustainability in all facets of the organization was a constant theme underpinning both drivers.

### **Strong Values and Beliefs**

All of the founders had strong values and beliefs around societal good and helping people, particularly those experiencing poverty. Their core purpose was to employ and empower women in poverty and transform their lives "through fair wages, safe working conditions and



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Organization	Background	Location (s)	Primary beneficiaries	Core purpose	Interviewee(s)
The Canary Co (TCC) Est. 2015	TCC focus on using sustainable fibers, sourced through ethical value chains to produce uniforms and basic casual wear—ethical uniform supply was a clear gap in the market	Office, design studio and distribution center: New Zealand Staff: 4	Fund several projects around educational, sanitary and healthcare needs of cotton farm communities they work with	Mission is to transparently supply ethical, high-quality textiles, that are free from slavery, child labor and unsustainable environmental practices	Founder, female, 30 s
	BCorp and Living Wage Certified Aligned business practice with UN Sustainable Development Goals	Work only with GOTS or Fair- trade certified factories			
Dona Est. 2017	Dona is a social enterprise founded by a former lawyer who had a strong vision of "why" she wanted to start this business—concern for issues around asylum and migration	Office, design studio, shop and manufacturing workshop: New Zealand Staff: 14	Urban women refugees	Key mission is employing refugee women. Other core values include: empowering people, creating sustainable garments with transparent value chains, creating a caring community, and celebrating diversity	Founder, female, 30 s
Vital Fabric (VF) Est. 2018	VF is a small clothing start-up that produces and stocks sustainable fashion garments. Organic fabrics used are certified by GOTS (Global Organic Textile Standard). VF has empowering women as its core purpose. This central aim informs all collaborations and activity	Office, design studio and store: New Zealand Manufacturing workshop: New Zealand (small runs with local business) and India (collaborates with a sewing production house) Staff: 2	Rural women in South Asia	Employing and empowering rural women in India. Creating sustainable products that honors planet and people	Founder, female, 40 s
Restore Est. 2013	Restore operates as a charitable trust with 100% of profits donated to the community. The core goal of providing fair employment to women in a small Cambodian community provided the impetus to set up a contemporary clothing brand. Restore produces ethical and sustainable garments designed in New Zealand and crafted in Cambodia. Fabrics are accredited by GOTS, BCI (Better Cotton Initiative) and WFTO (World Fair Trade Organization)	Office and design studio: New Zealand Workshop: Cambodia Staff: 10	Rural women in South East Asia	Mission to see lives transformed through ethical and sustainable garments. Committed to employing and empowering rural women in Cambodia through fair wages and education	Co-founder, female, 30 s Note: Other co-founder is female, 30 s



Table 1 Summary of organizations

Organization	Background	Location (s)	Primary beneficiaries	Core purpose	Interviewee(s)
Mama Mia (MM) Est. 2010	MM is an ethical women's clothing manufacturer and fashion label based in rural India. It provides training and employment to women in rural India with the goal of lifting their standard of living. A range of eco-friendly garments are sold globally	Office and design studio: India and New Zealand Workshop: India Staff: 21	Rural women in South Asia	Founded on the belief that fashion can be a vehicle to empowerment and dignity for women. On a mission to fight poverty and upskill women living in poverty through fair wages, safe working conditions, and meaningful employment	Founder, female, 30 s
Gratitude Garage (GG) Est. 2012	GG creates ethical quality leather bags and accessories. It was founded on the central premise that everyone has the right to freedom from modern-day slavery. Women are equipped with life skills and trained to produce beautiful leather goods which are sold around the world	Office, design studio and production workshop: India Staff: 22	Urban women sex workers	Employ and empower urban sex workers (new life, born again). Every product created is part of a woman's freedom journey. They have a commitment to sustainability	Co-founders (GG 1&2), female and male, married couple, 30 s Founding volunteer (GG3), female, 30 s
Just Transitions (JT) Est. 2001	The core purpose of JT is to provide employment for women and families in India. They are exclusive distributors for a number of product ranges centered around community good	Office: New Zealand Design studio and workshop: India Staff: 200	Work with a range of producers to benefit the lives of sex workers in India	Employ and empower urban sex workers	Co-founder, male, 30 s

Table 1 (continued)



meaningful employment" (see Table 1). It was this strong humanitarian belief that was a key driver, as expressed by one of the founders of Gratitude Garage (GG): "I think a humanitarian motivation that's shared by most people that it's right and good to care for people" (GG3).

An upbringing grounded in faith-based values was expressed in five of the seven organizations we studied. The co-founder of Restore reflected on her own background, and the values that drove her to start the organization:

I think it's something in my soul ... [Values] stem largely from my faith. I have a very strong belief that you should help the poor ... I should be doing more. (Restore)

Our interview with the co-founders of Gratitude Garage also reveals how religious beliefs and practices define how social issues are addressed through community engagement:

Our main motivation is God and our relationship with Him: because He loves us, we love others. And that's the core of why we go and we serve and we love other people. (GG1)

The above statements reveal a connection between strong values to do good, including those associated with a faith, in shaping the drive to work for or create a purpose—in these situations a sustainability-focused organization. Importantly, a key common driver and antecedent shared by all was to create a dual-logic organization committed to sustainability (not just as a token gesture) *and* was financially viable. As such, hybridity is evidenced in all our featured organizations.

# Commitment to Empower Women and Improve Community Wellbeing

A drive to improve the wellbeing of local communities and empower individuals by setting up a financially viable SF business was evident in our organizations. Five of the seven organizations were committed to empowering women (and their families and community) who were experiencing poverty and/or were caught in the sex trade. One organization was driven by the need to provide employment for refugee women, and one was concerned with workers' environment.

For TCC the original business purpose was deep-seated: "... the canary in the coalmine, with both fashion and mining having links to slavery ... What we're trying to do is provide better work outcomes or better systems for workers ... That was the original idea for the brand." Likewise in the instance of Dona, where the initial drive was to help solve bigger social issues, as the founder explains:

It was definitely to try and solve ... a big social problem with an easy solution, which was that former refugees really struggled to find work. They had valuable skills that weren't particularly well suited to the New Zealand economy. And so it was about catering to their strengths, rather than the economy's needs ... I wanted to make something that anyone who wanted to support us would have a high likelihood of needing ... Cotton underwear seemed like an obvious bridge [that] united a lot of different people. (Dona)

For Restore, a connection to a local Cambodian nonprofit organization working to empower families to protect their children from brothels was a powerful impetus for their own venture, which provides training for women in garment sewing:

We teach everything from pattern-making to sewing the full garment. Quite a few people that work with us have been in [a] garment factory before sewing garments, but they never could sew anything because it would just be one seam over and over ... [We] just look at what the individual person needs—reading, writing, budgeting, anything—it's tailored to the individual. (Restore)

Emphasis on providing holistic care and 'employment for life' was also evident in many of the other initiatives. Mama Mia felt a sense of responsibility and started a sewing and pattern-making course for women in their local village:

I can pass on pattern-making skills to the village ladies, and they can use it in their daily life. I just had this real burden, and I feel really close to the women; there [is] a sense of responsibility. It doesn't feel like a negative thing, but it just feels like part of who I am, that I want to create an environment [where women can] be women, be safe, flourish, feel cherished, and grow. (MM)

This aspiration is supported by a childcare center for children whose mothers are attending the course, and by the provision of life skills such as budgeting. Many of these women are now employed by Mama Mia in their own design center. Growth in demand for their work has encouraged some decisions around fabrics and enabled access to organic cottons, which previously were either too expensive or sold in minimum-order quantities that Mama Mia could not use.

The Gratitude Garage also provided a workspace that is holistic—educating women in basic literacy and numeracy while teaching skills.

GG was first and foremost ... about the loyalty to the women who work there. And, you know, that ... when we employ someone, we're employing them for life. ... In terms of the product and the quality of the product, that it's something that's solid. (GG1/2)



For our organizations, sustainability manifests as "allencompassing", pervading every aspect of how business is conducted. Respondents stressed the importance of manufacturing in a way that is sustainable for the planet, ensuring that people are at the heart of your concern, as is running the business in a financially sustainable way: "Suppliers, processes, and creating employment for life" (GG3). Ethics was clearly considered to be an integral aspect of our respondents view of sustainability: "I was thinking ethics, ethics, ethics" (VF); or "ethics, sustainability—ethics is more, sustainability is included in ethics" (TCC).

We identified varying perspectives on sustainability from our respondents. Concern for people, planet and prosperity (3Ps) came through clearly for all, despite each having a distinct focus. Some participants sought to provide employment to marginalized groups of women, others focused on ethical production. A collective emphasis on creating value for *all* stakeholders—employees, suppliers, consumers, society and planet—was discernable across the organizations. The importance of people and planet (in terms of environment) was evident:

For me, it always comes back to the people ... [I] started to look at production from this viewpoint ... It affects our environment and the environment that people live in if we're dealing with pesticides and dyes ... It's all interlinked, but for me it was ... about: how can I produce in a way that doesn't harm people? (VF)

# Stage Two—Main Findings

Our in-depth interviews with the founders reveal tensions and paradox that each have to manage to be socially, environmentally and economically sustainable. Significantly, we found the above drivers create tensions and paradox around: managing personal values/beliefs and business; creating value for business, employees, consumers and society; balancing sustainability ideals with practicalities and profit; and compromises on personal wellbeing. Consequently, these tensions and paradox lead to dualities of ethics whereby founders and managers attempt to synthesize the tensions between business strategy and personal values; financial sustainability and holistic sustainability; and business and societal wellbeing, and personal wellbeing. Figure 1 provides an overview of the emergent themes uncovered in our analysis relating to organizational drivers, subsequent tensions/paradox of sustainable hybrid organizations, and how they lead to three distinct but interrelated dualities of ethics.

The tensions and associated paradox identified in Fig. 1 are now outlined and illustrated with quotes from our interviews.

#### Tensions

#### Personal Values/Beliefs and Business Tension

Tensions arose around personal values and beliefs and the recognition of what it took to run an effective and profitable business. A key tension was around compromising ethical ideals and the need to be financially viable, as the founder of TCC expresses:

[F]or me, ethics is ... labor rights and also how we treat our staff here; it's all the other decisions around community, or even how we price our products ... In business, I'm having to constantly make decisions where I have to compromise one of those things in order to achieve something else ... Sometimes [you] have to make a decision that you're not 100% happy with, with the knowledge that you'll be able to change your processes or improve your processes later on to maximize the overall benefit. (TCC)

For many organizations the central premise of the business was driven by both faith and a strong belief that business should not be driven by profit alone:

... all decisions we made were through that lens. For example, our decision not to set up a production line, but to have each woman produce a bag [or belt] from start to finish ... Not because that's the most efficient way to produce, but because that's the most satisfying way to produce products for the maker ... They become an artisan.(GG)

Although a strong faith provided a firm sense of purpose that could potentially create tensions with regards to profit, these strong personal values actually supported the conviction to do good business to ensure the organization's social goals were met, a sentiment expressed by the founder of Mama Mia:

My mission is to love ... I have my faith, but I have no intention to push that on anyone. The only thing that I want to push is just radiate love and peace, and provide a safe place for women to come to ... [However] I'm there for business, that's our stand on it. We're legit, doing what we say we're doing ... we are there to make a profit, [and] the purpose for making that profit is to employ more women. (MM)

# Creating Value for Business, Employees, Consumers and Society Tension

Tensions relating to creating value for the business (organization), employees (often underprivileged women), consumers and society concurrently were evident. Of particular



importance to these organizations was an uncompromising emphasis on quality, so as to create value for the business, employees and consumers. Ensuring that their product(s) were of a high quality provides value to the business that ensures long-term sustainability. The consumer gets value from quality products and contributes to the lives of women in poverty. While any value created is dependent on the outcomes and outputs being "fit for purpose", the founders sought to reach beyond this narrow view to consider both quality and social cause; i.e. purpose becomes a duality, or even a multi-dimensional construct Transformational sustainability also generates an informative narrative. Whether it was transporting women out of poverty, empowering them to walk away from abusive relationships, or say no to prostitution, attention to producing a product range that spoke to a market was paramount and universally evident in our interview data:

[The customer] might buy it once because they like the story, but we don't get repeat customers based on a nice story. So, it really has to be a good product ... It's almost expected that you ... treat workers well and care about the environment. But what they are actually buying and wanting is the nicely designed, highquality product that's going to work well. (TCC)

Interestingly, a number of organizations realized that the story of the "artisan", "refugee" or "urban sex worker" employee was important to creating value for the brand, and had the potential to create value for consumers through the narrative. Our respondents were able to articulate very strong pictures of their consumer and the positive market dynamics that their products were able to create. Many see their consumers as individuals who care for ethical businesses and sustainability "... the story is a big part of it, and they make a... lot of effort to be able to communicate that. But then the bags still sell themselves, because they're quality leather, handmade" (GG). Restore have a simple but powerful tag-line: "Boutique fashion that transforms lives". According to the co-founder, their work has had a positive impact on the lives of many women who have upskilled in their workshops and created a better life for themselves, thereby building value for their families and the wider community, too.

Having said this, there were tensions between utilizing the stories and protecting the employee. A number of founders "want to focus more on telling the story of the individual people in a way that preserves the dignity of the person, but also that people can truly see the impact and easily connect what they've bought to a person" (Restore). The founder of Dona recognized the fine balance between meeting the consumer's interest in the story behind the brand and protecting the privacy and dignity of her employees:

We really rely on the social element of the business to sell the product. But a lot of our employees don't like to be photographed that much ... if people want to see what we do they can come in and see us. It's almost an impossible balance to strike ... white entitled people want to hear stories that move them, but they don't really think about whether people are particularly interested in telling their stories. (Dona)

Additionally, as small organizations struggling to ensure that their operations were ethical, forging collaborative relationships with competitors has provided a higher level of financial sustainability as well as a means to mitigate the tensions each organization faced. These relationships were seen in many ways—linking the seven organizations that we selected to study. For instance, employing Mama Mia to sew final garments has allowed Vital Fabric to ensure that they are grounded in creating a positive social impact; at the same time, the arrangement has provided Mama Mia with the ability to create further employment opportunities. The two organizations operate distinct customer-facing brands but collaborate in terms of resources and supply access. In the same way, TCC now sews certain non-cotton peripherals for Dona, and the Dona workshop is stocked with TCC products. Vital Fabric, one of the few in our study to have a retail store, stocks clothing and accessories by Mama Mia, Restore and Gratitude Garage. In an environment where the size of operations provides efficiencies of scale, these organizations have ensured that efficiency has been created without scale impacting the core intent of the business. In doing so, they have mitigated further tension and paradox.

#### **Holistic Sustainability Tension**

Many organizations wrestled with the reality that they have to be "commercially sustainable". The resources associated with sourcing sustainable fabrics, paying fair wages, ensuring a transparent supply chain all contribute to costs. In this respect, a further tension is seen in trying to create a platform of ethical fashion that is also accessible and affordable to a wider market of consumers.

My products are literally made in the same factory as businesses that charge \$300 for a product. So the cost is the same, but what I wanted to do is also make ethical fashion accessible. [The] price point for me is important, and you can buy one of our t-shirts for \$35, which makes it sustainable for us, sustainable for manufacturers [and] more people can access it. (TCC)

An overwhelming narrative was that "sustainability" is dynamic, not static. Organization processes are continually evolving and changing in response to context-specific



experiences and increased knowledge, as exemplified here by the founder of Mama Mia:

It is like trying to balance everything, and we are by no ways there ... it is a journey. And the more that I learn about it, the more things we want to try and implement, and just keep getting better and better at how we do things ... We want to keep changing, ... developing, growing and becoming more sustainable with everything that we learn. (MM)

In this sense we also saw a tension in how sustainability was viewed from an organizational perspective, positioned alongside how the market viewed sustainability. This was articulated by one of our GG interviewees:

GG is an ethical business ... that is important. The marketplace comes at [sustainability] from an environmental perspective, for GG it was more about the social [recognition] that it would be [antisocial] to be doing something that caused issues outside of [us] (GG).

All our organizations viewed sustainability holistically, as an ongoing process with multiple dimensions. The dynamic nature of holistic sustainability provides a medium by which to manage tension and paradox. Participants acknowledged the need to continually adapt and refine their practices—most considered sustainability as a "journey". Each was committed to being part of the solution to social and environmental issues, not only in association with the fashion industry but for the world as a whole. Even for small aspects to "be completely sustainable" is sometimes a struggle, as a co-founder of Restore expresses:

... it's been such a struggle. There are certain courier stickers that we have to use to send [our products], and you can't recycle the backing of it. It's so frustrating. There are always these little aspects of how do you be completely sustainable?... [But] there are more and more options. (Restore)

Ensuring prosperity for all was paramount. A level of financial sustainability was common to all of the organizations, and was recognized as important for the sustained long-term success of the business. Dual emphasis on the social and financial uncovered tension increasingly faced by sustainability-oriented organizations. The founder of Dona expressed this duality as she described her view on sustainability:

One of my big regrets is going down an organic cotton route ... It has really threatened the social goals of our business because it has put us in such difficult financial situations ... What I should have done is picked one ultimate goal ... our other reasons for being then

revolve around that. You try and do as much good as you can, but you never want to interfere with your core aim. [Our] core goal is to offer employment to people from refugee backgrounds. (Dona)

# The wellbeing paradox

When we prompted them to talk about their views on the future, we uncovered how involvement in these initiatives had a positive impact on the wellbeing of those they sought to help, while at the same time creating an often-untenable working reality for some of the founders and core employees. As our TCC founder said: "I have noticed that previously, I was working all hours ... [S]ince I have stopped doing that, I'm actually better, I'm more effective." The realities of running an organization with a social purpose often rendered planning and moving forward on the vision of the organization difficult. "I would like to employ myself out of a job, that's like the dream ... to see this existing outside of me" (Dona). But there was a strong recognition by the respondents of the fine line between facing challenges and being realistic about setting achievable goals. Wellbeing was in many ways seen in direct conflict with the overriding goals of being sustainable and ethical.

Personal sustainability was rarely possible as reported by Gratitude Garage co-founder:

Part of the level of dependence is created by the women in the businesses on the people who run the businesses. And that's an ongoing challenge in terms of figuring out how you try and facilitate intra-dependence within the business, not necessarily just on the founders. (GG3)

The overwhelming demands of running a HO was reflected by the observations of one of Restore's co-founders:

The buck definitely stops with me overseeing all the functions, [and I am a] workaholic, in that my capacity to do work seems to be very high. I definitely get exhausted physically ..., but emotionally I'm always okay to keep going. (Restore)

A sense of "exhaustion" felt by our founders was often compounded by the complex environment in which some functioned. For instance, the Gratitude Garage, based in the heart of Kolkata's red-light district, and working with vulnerable women from the streets, created a burden of care in ensuring that the women's emotional and physical health and wellbeing were paramount. Hauora, the Māori philosophy of health and wellbeing, formed a crucial component of how physical, spiritual, social and emotional wellbeing was the basis from which the organization operated. This approach



was underpinned by the founders and volunteers strong faith in God:

Some women ... considered themselves to be ... rubbish, dead ... Their lives began again, which is very humbling ... Because the culture taught them that they had no value, it was a ... shock to their system ... for us to say You know, we don't believe that, ... Jesus didn't believe that. (GG1/2)

Counselling, healthcare and retirement plans were also supplemented with daily prayers as an integral part of helping these women transition. The transformation that the founders witnessed was mirrored in an important and ongoing self-awareness:

When we came home, it transformed us ... our thinking and the way we live here is influenced by that. I guess we came back with a vision to try and take the things that we had learned over there, and figure out a way to sort of live missionally [sic] here (GG1/2).

Given the breadth of sustainability and wellbeing issues faced by participants, it is not surprising that each organization encountered tension at some level. Maintaining an oversight of sustainability that is holistic and dynamic facilitates the management of paradox. Focusing on "the big picture" ensures that tensions are less likely to be blown out of perspective, potentially avoiding fragmenting operations and stakeholders. Maintaining relationships between stakeholders may help mitigate the negative pressures felt by the founders and core employees experiencing tension and paradox at a personal level.

# **Duality of Ethics in Women-Oriented Sustainable Hybrid Organizations**

Our findings highlight the tensions and paradox that arise in WOSHOs. These findings also demonstrate how although we often conceptualize paradox as a singular construct, operationally the WOSHOs encountered a range of paradoxes. In doing so, the holistic influence of the founders applying duality of ethics perspectives is evident (Cunha et al., 2014). Consistent with Joseph et al., (2020) we observe the founders attempting to meet multiple demands, finding ways to link or accommodate conflicting facets of tensions and paradox simultaneously. Acknowledgement of tension is an independent strategic act, which is separated from the choice to engage, act upon and/ or manage the perceived tension (Joseph, et al., 2020). We observe variance in the influences shaping the respective dualities of ethics identified in Fig. 1. There is no single dominant duality of ethics; rather, we identify three interrelated dualities: business strategy and personal values; financial sustainability and holistic sustainability; and business, employee, societal wellbeing, and personal wellbeing. Each duality of ethics is now discussed in turn, while recognizing the interconnected nature of each. We also consider the nuances of the key tensions and paradox evident in the WOSHOs, as well as the duality of ethics strategies which emerge to manage them—including the reality that a decision to engage with the duality might sometimes be ignored. For quick reference, we provide an overview of each, along with key strategies for WOSHOs to manage a duality of ethics, in Table 2.

## **Business Strategy and Personal Values**

Managing personal values/beliefs and business goals was a key tension identified in all of the WOSHOs we studied. All of the organizations were shaped by the strong motivations driving their basic purpose. Narratives and perceptions shared by the WOSHO founders highlight how deeply personal their value propositions are, and as such provide a resource to sustain and motivate, despite the tensions around ensuring a profitable business (Chandra, 2018; Jeong et al., 2020). Each of these organizations has been established with the intention of doing good-at individual, community, environment, and societal levels. As well as reflecting the passion and vision of their respective founders, this ethos underpins everything the organization does and stands for, and shapes propositions of economic, social and environmental value in the short, medium and long term (Morioka et al., 2017).

For many of our organizations creating value for business, employees, consumers, and society produced tensions, which were often mitigated by implementing "sustainable" business practices that enable change, providing both the opportunity and the ability to make choices (Saripalli et al., 2019) that create value for all stakeholders (Akter & Chindarkar, 2020). Tensions often oscillate in influence across different time periods. For example, tension in the short term may be reduced or eliminated over time, or vice versa (Smith et al., 2013). When faced with dynamic fluctuations, tensions must be navigated even if they cannot be eliminated (Galuppo et al., 2019). Most of our organizations were cognizant of having an open mindset and implementing flexible organizational structures to respond to changing business, employee, and consumer needs, while ensuring their core purpose never wavered. Often a no-compromise stance was taken, particularly with regards to their core ethos. Empowerment of marginalized groups, such as women, was critical to their business ethos and was a necessary precondition to achieving economic and social goals (Akter & Chindarkar, 2020).

### Financial Sustainability and Holistic Sustainability

A key tension our WOSHOs face is maintaining financial sustainability while implementing a *holistic sustainability* approach (i.e., ensuring all aspects of the organization are sustainable while still being financially viable) and *creating* 



 Work closely with employees and their immediate community (e.g., suppliers) who have the same values, providing a quality Sustainability (social, environmental, and economic) needs to be embedded in the organizational and business structure and Intent and ethos match; i.e., the intent to "do good" is embedded in the structure of the organization and business strategy • Set up a flexible structure and mindset to be able to meet the e.g., taking time out, sharing the workload, adopting wellbechanging needs of the business, employees, and consumers (family), and set up programs and education to ensure their No-compromise stance - business strategy goals should be with competitors (co-opetition), working with stakeholders • Build in structures that enable founders/leaders' wellbeing • Maintain a holistic vision of sustainability which includes • Implement sustainable practices, including: collaborating practices, and not just as an add-on or token gesture "sustainable" product that consumers want built around personal values and beliefs Strategies to manage 'duality' being economically viable wellbeing and success ensure business, employee, community, and societal wellbe-Balancing personal values/beliefs and business goals, including creating value for business, employees, consumers, and Wellbeing paradox—compromises on personal wellbeing to and profit; while creating value for business, employees, Managing holistic sustainability ideals with practicalities Key tensions and paradox experienced consumers, and society Table 2 Implications for WOSHOs to manage a duality of ethics Ensuring business, employee, societal, and personal wellbeing Achieving business strategy goals while adhering to personal Obtaining financial sustainability while realizing a holistic sustainability approach Duality of ethics



value for all stakeholders (business, employees, consumers, and society). Previous research has considered the tension between social and economic aspirations (Diochon & Anderson, 2011), where a duality of ethics becomes apparent as stakeholders attempt to mitigate these opposing influences (Pina et al. 2014). Our WOSHOs have the added complexity of adopting a holistic approach to sustainability (considering social, environmental, and economic aspects), creating tension around business goals (e.g., being financially viable, producing a quality product that consumers want) while balancing sustainability ideals (employing and empowering impoverished women, having transparent supply chains). Our findings show that organizations that have a holistic vision of sustainability that is embedded (i.e., not just a token gesture) are not only mitigating these tensions but are also able to forge "real" transformation within the system (Mukendi et al., 2020); for example, collaborating with competitors.

Sustainability outcomes may occur at an organization level, with co-opetition being of particular relevance to our organizations. Defined as the "simultaneous use of competitive and co-operative business strategies" (Christ et al., 2017, p. 1030), co-opetition with a sustainable focus broadens the scope of interactions between organizations to ensure that social, environmental, and economic issues are addressed to secure mutual advantage across a network or industry sector. We recognize co-opetition as action embodying a duality of ethics. Financial sustainability across their community of competing organizations is a tangible, and potentially more obvious, outcome from the collaborative relationships established between organizations such as Mama Mia and Vital Fabric, and TCC and Dona, which spills over to greater financial sustainability among their respective stakeholders. Relational value benefits community, and potentially even industry. When the connection between people and their work is strong, there is typically a correlation between personal values and the organization's purpose. For example, empowerment of employees can be facilitated by an open organizational culture (Morioka et al., 2017). Tension and paradox erode any such benefits.

Although strategic alliances may be formal or informal (McGrath et al., 2019), commercial entrepreneurs may be more likely to compete with competitors than collaborate, given many exhibit strong independent tendencies. We suggest this tension is less prevalent in a hybrid environment where a collective focus may be normalized—even between organizations that may be competing for resources. Brieger et al., (2019) observe links between empowerment aspirations and pro-sociality in business. In the case of WOSHOs, co-opetition may emerge more organically to mitigate tensions across a community, and may help maintain and progress empowerment and emancipation processes.

# Business, Employee, Societal Wellbeing, and Personal Wellbeing

A key finding and critical aspect of WOSHOs is managing tensions around wellbeing—what we refer to as the wellbeing paradox. We denote wellbeing as a paradox because compromising on personal wellbeing for the "greater good" of business, environment, community, and societal wellbeing creates multiple tensions within WOSHOs. Essentially, creating value for all stakeholders (business, employees, consumers, society) was attained once the founders perceived that the stakeholders' wellbeing was achieved and that a holistic sustainability approach was implemented. Paradoxically, the founders compromised their own wellbeing to ensure their values were enacted; only then did they attend to their own personal wellbeing. Central to perceptions of sustained organization success are that the values espoused are consistent with the values enacted (Burford et al., 2013), and from this consistency comes improved wellbeing. Without consistency, tensions will emerge. Pathak (2020) highlights how wellbeing may also be an antecedent—essentially a resource and/or motivator to support entrepreneurship. As with any resource, when placed under pressure (such as psychological stress on the founder), this resource may deplete. Responses from some of our founders indicate how the pressure of pro-social motivations paradoxically drains the psychological resources of the founders/managers as the stress they experience increases (Kibler et al., 2019).

Any conversation about transformational wellbeing should be embedded in the context of socio-economic change, including links between geography and wellbeing (Abreu et al., 2019, in Wiklund et al., 2019). Such a context is particularly important in organizations within developing countries, such as some we present here. Comprising physiological and psychological components, wellbeing may be experienced (and hence should be analyzed) across multiple levels (e.g., individual, organizational, societal), across timeframes (e.g., short- vs long term), and may differ between cultures (Painter-Morland et al. 2017; Pathak, 2020). Paradoxical tensions, contradictions, and resulting demands for trade-offs may occur across these dimensions (Painter-Moreland et al., 2017). In this sense paradox was evident in our participating organizations, with several of our women founders observing decreased emotional wellbeing as their sense of responsibility saw them struggle to serve the other stakeholders. Stakeholder benefits may not be spread equally, with some individuals or groups benefiting more than others. Adding further scope for potential tension, perceptions of social and economic wellbeing may differ, given the range of values which may drive HOs as compared to profit-oriented business ventures (Diochon & Anderson, 2011).



A critical understanding of context can help manage paradox. Our participants demonstrate how wellbeing must not be accepted uncritically as a positive/transformational outcome, without first considering some of the assumptions which shape our interpretation of the concept. Success cannot be applied unilaterally across stakeholder groups. Wiklund et al., (2019) challenge the assumption that change is inherently good by considering whose wellbeing is improved. Do all stakeholders benefit equally? Do employees benefit at equal or even greater levels than founders? What are the spill-over effects to other stakeholders? These questions are particularly pertinent with our focus on women. Painter-Morland et al. (2017) delve even deeper with their critical consideration, observing how "business case" discourse has shaped our understanding of wellbeing. Overall, wellbeing may increase as the focus of organizations and stakeholders moves from a market logic governed by contract to one of reciprocity based on gratitude (Alkire et al., 2019).

# **Theoretical Contributions and Conclusions**

#### **Theoretical Contributions**

We contribute to business ethics literature in two important ways. First, we provide a nuanced understanding of the tensions and paradox experienced by WOSHOs. Importantly, we move scholarship forward with regards "duality of ethics", proposing that WOSHOs have three interrelated dualities of ethics to manage. In doing so, we build on Joseph et al., (2020) notion of synthesis strategy, whereby a duality of ethics offers WOSHOs a way of managing paradox and helping ensure that any tensions enhance each other. We also extend Cunha et al., (2014) duality of ethics conceptualization, by providing insights into the various tensions and paradox of women-oriented hybrid organizations that have sustainability embedded as a core value. Previous research has focused primarily on social versus economic aspirations of HOs per se. At an individual level, personal motivational factors may determine if tension is embraced or rejected (Joseph et al., 2020, p365). Given our WOSHOs' stated intention to address inequality and societal imbalances, a key tension for all our organizations was managing a holistic vision of sustainability where their business strategy considered all facets and multiple stakeholders (i.e., not just women—society, community, employees, suppliers), competition, financial goals, and the environment, as well as more intangible aspects such as spiritual values or wellbeing. In this sense, while our findings derive from women-oriented organizations and contribute to literature on WOSHOs, our findings have important implications for "sustainable HOs"

per se, with many grappling with tensions between environmental and social missions (Gamble et al., 2020).

Second, we extend Brieger et al., (2021) findings beyond economic wellbeing to also consider impacts on personal, business, employee, and social wellbeing. For many of our chosen WOSHOs, stakeholder wellbeing was a key focus, often at the expense of the founder's personal wellbeing. Of particular importance to a number of the organizations was the wellbeing of women employees because "wellbeing" is not a given, be it for cultural, social, economic, or political reasons. Likewise, wellbeing does not inherently equate to empowerment. Despite empowerment of women mostly being a positive aspect of WOSHOs, sometimes focusing on increasing women's empowerment has reduced business opportunities or resulted in women leaving the organization. For example, the effort and focus required to ensure women employees have opportunities to learn new skills and grow (enabling them to work on a whole garment, for example) has meant that business goals needed to fit around this vision. Therefore, opportunities to scale up the business were usually not possible. Also, women employees who gained valuable skills would often leave to seek new employment, leaving a skill gap and the need to employ and educate new women.

Sustained empowerment requires durability and diffusion, which is often achieved through family or local networks (Akter & Chindarkar, 2020). Consistent with Akter and Chindarkar (2020), durable and diffuse empowerment levels are also necessary for sustained wellbeing. When sustained empowerment enables new social roles and connections, potentially providing a platform to build a new future on, emancipation occurs (Chandra, 2017). Although his context is very different to our research context, Chandra (2017) demonstrates the potential SE has to develop and engage emancipatory processes, releasing participants from social, cultural, and ideological constraints and past behavior.

### **Conclusion**

"A paradox perspective has the potential to unshackle research on corporate sustainability from the hegemony of the business case" (Hahn et al., 2018, p. 245). WOSHOs offer a strong pathway for challenging and/or changing dominant paradigms and creating new ways of "doing business". However, although sustainable HOs are capable of incorporating multiple goals for multiple stakeholders at individual, organizational, and societal levels, they also encounter tensions in fulfilling such divergent missions. Adopting a duality of ethics perspective(s) can help address tension and paradox in some but not all contexts. These tensions may not always be recognized by founders/managers—and we reflect on what this tells us. Is it an intentional inaction? Paralysis



by analysis? Perhaps an opaqueness derived from deep purpose that obscures visibility? Exploring spirituality, empowerment of women, and the importance of embedded sustainability collectively, provides a path for future research. Such scholarship contributes to our understanding of what it takes to ensure organizational forms are connected, relevant, and responsive to prevailing grand challenges. Future research must also consider further whether the tensions and paradox encountered are specific to women-oriented organizations or are common across the wider spectrum of HOs.

The narratives we engaged in highlight the centrality of wellbeing, its emergence and impact in HOs. Wellbeing is shown to stretch beyond the immediate stakeholders (e.g., employees) to the collective (e.g., local community, society). Counterintuitively, adverse impacts of wellbeing have been identified with regard to the founders/managers of our chosen organizations. The empowerment of women, ethical and spiritual value, and co-opetition between organizations also arose as important aspects of sustainability in sustainable fashion. Certain elements of wellbeing and spirituality are not widely considered in the sustainable fashion context—our research begins to address this paucity, which in turn expands SF engagement with the social dimensions of society. Some of these themes were outcomes deliberately sought, others emerged as a means of managing the paradox faced. The importance of wellbeing as a transformational force warrants further research.

Funding Open Access funding enabled and organized by CAUL and its Member Institutions.

#### **Declarations**

**Conflict of interest** Disclosure of potential conflicts of interest—not applicable.

Research Involving Human Participants and/or animals Interviews with founder/managers, ethics approval following Massey University guidelines.

**Informed Consent** Consent was secured following Massey University protocol.

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