

## **Integrating Social Capital into Business Models**

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Social and cultural enterprises are in a process of professionalising in which dependency on governmental subsidies recedes and a business orientation emerges. The challenge for both entrepreneurs and policy is to capture not only the economic return on investments but also include the related creation of social and cultural capital. Business models, evaluation methodologies and parameters poorly reflect the collective and pluralistic dimension of entrepreneurship in the creative, cultural and social sector. In this sector entrepreneurs build their business on the basis of a huge, stable and diverse network of social relationships, functioning both as a resource for enterprising (such as crowd-funding) and as a network of customers.

The aim of this article will be to explore and discuss practices in which entrepreneur's ingrate social capital into their business and business models, and reflect on their theoretical and political implications. The article will contribute to understand social value production, e.g. in incubator enterprises and articulate the scientific and policy dimension. Our theoretical framework is based on the key concept of social capital in the Bourdieu research tradition. The political dimension will be about governing business accelerators and incubators, so to say the "tiny business enterprises". The analysis that will be provided in the article will be grounded in a post-structuralist framework on values and value creation, providing the scientific basis to look at emerging structures such as an enterprise and its network. The start of an enterprise may consist of building social relationships and developing ideas on social value production, which happens in an explorative preliminary phase. Becoming entrepreneurial is one thing and starting an enterprise another. Support by business incubators normally presupposes an entrepreneur or a beginning enterprise that should be scaled up or accelerated in becoming a full fledged enterprise. This overlooks the various ways in which people become entrepreneurial from scratch. A post-structuralist stance in the article acknowledges the importance of the preliminary phase.

Practices that will be discussed come from:

- Community art initiatives
- The HUB network
- A crowd funding platform
- Local Exchange Trading Systems (LETS)

Based on our results we will broaden the scope of business support and definitions of enterprising to incorporate the social and cultural endeavours on the way to become an enterprise. At the end the article we will discuss the relevance of integrating social capital in business models from a governance perspective.