Social venture strategy from a resource based perspective: an exploratory study assessing Ashoka Fellows

Post, Colleen and Meyskens, Moriah

Florida International University, Åbo Akademi University

27 May 2008

SOCIAL VENTURE STRATEGY FROM A RESOURCE BASED PERSPECTIVE: AN EXPLORATORY STUDY ASSESSING ASHOKA FELLOWS

Colleen Post, Associate Director, Florida International University, USA &
Doctoral Student, Åbo Akademi University, Finland
Primary address: Florida International University, Pino Global Entrepreneurship Center, 11200 SW 8th Street – VH 130, Miami, FL 33199, 305-348-7156

Moriah Meyskens, Florida International University, USA
Primary address: Florida International University, Pino Global Entrepreneurship Center, 11200 SW 8th Street – VH 130, Miami, FL 33199, 305-348-7156

Acknowledgement of assistance:
Alan Carsrud, PhD, Florida International University
Paul Reynolds, PhD, Florida International University
Jeffrey Stamp, PhD, University of North Dakota

Pending presentation:
Babson College Entrepreneurship Research Conference, June 2008
The University of North Carolina at Chapel Hill

SOCIAL VENTURE STRATEGY FROM A RESOURCE BASED PERSPECTIVE: AN EXPLORATORY STUDY ASSESSING ASHOKA FELLOWS

Colleen Post, Florida International University, USA & Åbo Akademi University, Finland
Moriah Meyskens, Florida International University, USA

ABSTRACT

This study identifies trends and patterns of social entrepreneurs using quantitative methods in order to allow direct comparison to those of commercial entrepreneurs. It utilizes the online profiles of the Fellows in the global social venture network, Ashoka, in order to build a database of 70 social entrepreneurs. The resource-based view serves as the theoretical base by which the preliminary results are evaluated. The findings, which indicate that social entrepreneurs demonstrate similar patterns to commercial entrepreneurs, are assessed through a knowledge management lens of analyses. Statistically significant relationships were found between alliances, funding sources, innovation, and ease of replication.

INTRODUCTION

Notwithstanding the debate around social entrepreneurship as an academic field, research in the area has increased as evidenced by recent articles in top tier journals on social venture franchising (Tracey & Jarvis, 2007), social entrepreneurship partnerships (Seelos & Mair, 2007), and community-based enterprise (Peredo & Chrisman, 2006). However, the extant social entrepreneurship academic research has primarily utilized case studies or anecdotal evidence as a means to assess the phenomena of social ventures (Mair & Martí, 2006) and systemized data collection efforts are lacking. In part this trend arises from the inherent difficulty and resulting lack of a widely-accepted process or means to assess the value created by these social ventures (Dees, 1998b). Nevertheless, standardized measures of social value creation are still in the developmental stages as organizations and social investors attempt to quantify the triple bottom line benefit or blended value social ventures create for society (Emerson & Bonini, 2003; Emerson, Wachowicz, & Chun, 2000).

Similar to commercial entrepreneurship, social entrepreneurship creates value by bringing together a unique package of resources to exploit an opportunity (Morris, Kuratko, & Schindehutte, 2001). However social entrepreneurship addresses unmet social needs and as a result generates social value (Mair & Marti, 2006; Weerawardena & Mort, 2006), while commercial entrepreneurship seeks to primarily create economic value (Austin, Stevenson & Wei-Skillern, 2006). Dees (1998b) seminal article identified the primary characteristics of social entrepreneurship as innovativeness, risk-taking, resourcefulness, accountability and social mission. Many researchers have expanded on and deliberated this definition of social entrepreneurship by discussing the phenomena's distinguishing characteristics such as earned income (Dees, 1998a; Dees & Anderson, 2003; Emerson & Twersky, 1996), innovativeness (Alvord, Brown, & Letts, 2003; Bornstein, 2004; Dees & Anderson, 2006; Schumpeter, 1934), business methods (Dees & Anderson, 2006), legal structure (Dees & Anderson, 2003; Dorado, 2006) and emphasis on sustainable development (Seelos & Mair, 2004).

These distinctive characteristics of social entrepreneurship imply that the inputs and outputs of social and commercial ventures differ. However the question remains as to whether these entities share similar processes in achieving their goals (Austin et al., 2006). A major empirical study has not yet emerged in the literature which focuses on evaluating the patterns of social entrepreneurial ventures globally. This study addresses this important question and fills a gap in the literature by empirically demonstrating, using the Ashoka Fellows network, similarities between commercial and social entrepreneurship processes.

Ashoka is a non-profit organization that is considered to be one of the founders of the social venture capitalist movement. Since 1981, Ashoka has elected over 1,800 social entrepreneurs as Ashoka Fellows, providing them with living stipends, professional support, and access to a global network of peers in more than 60 countries. Although Ashoka headquarters are in the United States, Ashoka supports local clusters of entrepreneurs worldwide (http://www.ashoka.org).

Given the difficulty in measuring the value created by social ventures, this study utilizes the resource-based view as a theoretical base to analyze the entrepreneurial process of social ventures through evaluation of knowledge management practices. Applying a resource-based view serves as a means to assess a social venture's ability to reach their goals through their resource management and mobilization strategies (Wernerfelt, 1984). Since successful social and commercial entrepreneurs efficiently assemble and manage resources to achieve their objectives (Dees, 1998b; Stevenson & Jarillo, 1990) this approach seems appropriate.

This study focuses on identifying patterns and relationships surrounding the strategies employed by social entrepreneurs and their ventures and comparing them to existing patterns and relationships previously identified in commercial entrepreneurship related literature. The knowledge management draws comparisons and models theory development from existing literature surrounding firm formation and the strategies employed in the beginning stages of a venture. Basic theoretical constructs are described in the literature review, which will be followed by a description of the development of the dataset, the preliminary findings, and possible future research scopes.

LITERATURE REVIEW

This study fills analytical gaps in the literature by empirically assessing the strategies employed by social entrepreneurs and their ventures. As supported by knowledge management literature, preliminary results indicate that social entrepreneurs demonstrate similar patterns as commercial entrepreneurs.

Commercial & Social Entrepreneurship Conceptual Framework

Social and commercial ventures share both similarities and differences in the inputs, outputs, and resources mobilization techniques that make up the entrepreneurial process (Austin et al., 2006).

The primary inputs may include the opportunity, resources, individual, and context (Austin, et al., 2006; Morris, Lewis, & Sexton, 1994). An entrepreneurial venture, both social and commercial, produces several outputs such as products, services, assets, failure, loss, benefit and value (Morris et al., 1994). Figure 1 identifies these inputs and outputs of social and commercial ventures as distinctive as well as similar. The goal of this study is to focus on the process that occurs between the input and the output. The identification of patterns surrounding how processes

are structured and how information flows within those structures suggests that while inputs and outputs are distinctive, the process involving them is more similar than different when comparing social and commercial ventures.

INSERT *Figure 1:* Social & Commercial Entrepreneurial Process Framework

Differences in the markets and motivations for financial and human capital attracted to social and commercial ventures imply distinct resource mobilization techniques for these different types of ventures (Austin et al., 2006). However, the results of this study indicate that the resource mobilization process of commercial and social entrepreneurs demonstrate many similar patterns in terms of the assembly of managers, employees, funders and other organizations. As part of this process, both types of entrepreneurs must implement innovation and growth strategies and manage a diverse range of relationships and partnerships to gain these financial and human resources and build organizations (Dorado, 2006).

According to the resource-based view, resource mobilization and management serves as a means to attain a competitive advantage. The conduits by which these resources are mobilized are often through partnerships and knowledge management as discussed in the next section.

Resource-Based View

This study utilizes the resource-based view as a means to better understand social ventures and how their strategies impact their performance. According to this perspective, a firm is a collection of resources (Penrose, 1959; Wernerfelt, 1984). Barney classifies resources as "all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by the firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness" (1991; 101). Each firm possesses unique resources which are superior then those held by other firms (Peteraf, 1993). Although industry factors help determine the profitability of firms (Porter, 1980), resources and capabilities are key in influencing the development of a sustainable competitive advantage (Hansen & Wernerfelt, 1989).

The knowledge management view used in this study proposes that social entrepreneurs demonstrate more similar patterns to those of entrepreneurs operating in knowledge intensive industries, such as biotechnology, in that much of their knowledge is tacit rather than explicit. Explicit knowledge can be described as highly replicable and transferable to others at a relatively low cost. This allows for the opportunity to quickly diffuse in the market, allowing numerous entities to take advantage of it. However, tacit knowledge is difficult to transfer to others, often times it is created from the individual's personal experiences. Tacit knowledge, by its nature, is less likely to rapidly diffuse within the marketplace among a set of economic actors than explicit knowledge (Alvarez & Barney, 2004).

Social entrepreneurs typically operate based on their own specific knowledge of a social issue or their personal observation of a social problem they believe they can solve. Take the example of Ashoka Fellow José Ancán, who has pioneered an innovation in the Chilean school system to keep the Mapuche culture a well-respected piece of Chilean society.

> *"Acutely aware, from personal experience, of the economic and other forms of discrimination that that the Mapuche people have long endured, José also witnessed the attendant loss of self-esteem and hope for a better future among many of his Mapuche brethren. He came to realize, as well, that such problems were gravely exacerbated by an education system that in*

essence denied not only the worth but the very existence of indigenous people in Chilean society. José learned, from his own school experience, that many of the underlying tenets of the Chilean education system and the curriculum that all students followed were incompatible with Mapuche teachings. And that discovery was the genesis of what is now his central mission (Ashoka Fellow Profile)."

This example, which is representative of many of the Ashoka Fellow's backgrounds, demonstrates the tacit nature of José Ancán's knowledge in relation to his social venture. Not only does this social entrepreneur make use of his knowledge of the Mapuche tribe and their culture, he also utilizes his knowledge of the nuances within the Chilean systems of government and education to implement change. This wealth of experience-based knowledge he had developed over time is not easily transferable to another individual or entity.

In both cases, the entrepreneur's rare and specific knowledge in relation to an opportunity lead to two challenges in launching the entrepreneurial venture, resource acquisition and the management of these resources once acquired in order to either gain a profit, or in the social entrepreneurship case achieve sustainability. Traditional transaction cost theory suggests that when the knowledge is exchanged in a transaction that is explicit, the most efficient way to manage this transaction will generally be nonhierarchical governance (Williamson, 1985). Nonhierarchical governance includes both intermediate governance (e.g., strategic alliances) and market governance (e.g., market contracts) (Alvarez & Barney, 2004). The implication is that since the transferability of the knowledge can be done with relative ease, the creation of alliances is less costly, as all of the players will be able to understand and make use of the explicit knowledge to jointly create opportunities. Both transactions cost and resourced-based logic suggest that when the knowledge that an economic actor has about how a market opportunity can generate economic rents is tacit, that hierarchical will typically be preferred over nonhierarchical organization for marshalling the resources necessary to generate those rents (Alvarez & Barney, 2004).

METHOD

This study uses the online profiles of the Fellows in the global social venture network, Ashoka, to build a database of 70 social entrepreneurs and their ventures. Since 1981, the Ashoka organization has elected and supported over 1,800 leading social entrepreneurs or Fellows, providing them with living stipends, professional support, and access to a global network of peers in more than 60 countries (http://www.ashoka.com). Based on an analysis of these profiles, 70 variables were coded encompassing different domains, including partnerships, financial resources, structure, non-monetary resources, and strategy characteristics. Content analysis was used as means to classify these profiles and quantify the textual material through inferences from text "by systematically and objectively identifying specified characteristics" (Stone, Dunphy, Smith, & Ogilvi, 1966:5) through a set of developed procedures to ensure validity, replicativity, and reliability (Krippendorf, 1980).

Sample

Ashoka chooses their Fellows based on five fundamental criteria: system changing new idea, potential social impact, creativity, ethical fiber and entrepreneurial quality. At the time the social entrepreneurs are elected, Ashoka staff members compose profiles of these Fellows based on the Fellow's application to the program and make these profiles available to the public on the Ashoka

website (http://www.ashoka.org). The profiles vary in length from approximately 800 – 2,500 words.

These profiles contain qualitative data regarding the idea, problem, strategy and personal history of the Fellow. The idea section briefly details the basic ramifications of the venture by mentioning the methods of the venture and the people being served. The problem section describes the social issue being addressed and why it is currently not being addressed effectively by others. The strategy section details the strategies employed by the Fellow while describing the goals of the venture and how they are achieved through partnerships, donors, earned income, staff, and volunteers. The person section describes the educational and professional background of the Fellows and their motivations for pursuing the social venture.

This initial exploratory analysis focuses on a sample of 70 Ashoka Fellows, evenly divided between the sectors of economic development and learning/education. Economic development and learning/education Fellows represent two of the largest sectors supported by Ashoka. Table 1 illustrates the total number of Ashoka Fellows represented in each sector.

INSERT *Table 1:* Ashoka Fellows Sector Frequencies

The Fellows included in the dataset were chosen using a stratified-random sampling procedure. The Fellows were divided into three time periods and three purchasing power parity (PPP) per capita categories to create a total of nine categories. Data from the 2005 World Bank's World Development Indicators as well as the International Monetary Fund's World Economic Outlook were used to identify the 2005 purchasing power parity per capita Gross Domestic Product (GDP) in United States dollars of the Fellow's country of origin.

Variables

The researchers coded the profiles of the social entrepreneurs into 70 variables composing five different domains: general characteristics, partnerships, financial resources, non-monetary resources, and strategy characteristics. These domains provided a means to assess general trends of social ventures and the role of partnerships in assisting social ventures in achieving their goals.

An initial exploratory content analysis of eighteen randomly selected Ashoka Fellows was conducted by the researchers to develop a robust coding procedure as well as a coding procedure manual. Each profile was evaluated to determine if it showed evidence of multiple characteristic which were coded individually as its own variable. The study assessed the activities surrounding the venture at the time the profile was written by the Ashoka staff, generally near the time the Fellow was selected. Therefore, references to what was planned for future endeavors was not included as part of the analysis.

Financial resources – Each of the types of funding sources, including NGOs, government entities, corporations, foundations, religious entities, educational institutions, communities, individuals, or streams of earned income, were identified and coded separately. Earned income includes resources derived from a product or service that a venture is offering and multiple streams of earned income were counted.

Partners – Each of the types of partners, including NGOs, government entities, corporations, foundations, religious entities, educational institutions, communities, or individuals, were

identified and coded separately. Partners were considered entities that a venture or Fellow collaborates with in order to achieve the mutual goals of both organizations.

In order to provide a framework for analysis, five indices (each on a 6-point scale) were developed in order to identify patterns across the social ventures: number of types of partners, number of types of funders, feasibility, ease of replication, and innovativeness. Theses indices were developed based on different components of strategy according to the Ashoka Citizen Based Initiative (CBI) definition along with the actual information available in the Fellow's profiles.

Number of types of funding sources – This index was calculated based on the variable: financial resources. A six-point scale was developed based on the frequencies of funding sources within the dataset.

Number of types of partners – This index was calculated based on the variable: partners. A six-point scale was developed based on the frequencies of partners within the dataset.

Feasibility – This index was calculated based on the number of infrastructure characteristics in place: staff, location, volunteers, indicators of growth, and funding plan. A six-point scale was developed based on the count of each of these characteristics.

Innovativeness – This index was calculated based on the number of innovative strategies currently being utilized: offering a new technology, offering a new way of doing things, changing attitudes or mindsets, offering new products or services, and collaborating or creating new relationships.

Ease of replication – This measure was calculated based on the extent to which the strategy can be duplicated, copied, reproduced or repeated. Based on a six-point scale of not replicable, evidence of a center or location, evidence of a replicable center, evidence of a program or model, evidence of developed materials accompanying a model, and evidence of a network.

Reliability and Validity

The inter-rater reliability was assessed on 10 cases out of 70 and the range of agreement across cases was from 76% to 93% with an overall average of 86%.

PRELIMINARY FINDINGS

Empirical analyses of these social ventures show results similar to patterns demonstrated by commercial entrepreneurial ventures. This study uses the results of the data analysis to develop theory in this field, a method supported by Weick (1995). Since this study is exploratory, theory construction is social construction that takes place after the fact (DiMaggio, 1995). As a result we analyze the data utilizing resource-based view theories to support the findings.

This study examines the structure and management of resources employed by Ashoka Fellows within the context of entrepreneurial resource-based theory. A preliminary correlation analysis of the constructed Ashoka dataset revealed interesting findings. The correlation matrix in Table 2 displays the results and appears to lend support for similar behavioral patterns between social and commercial entrepreneurs.

INSERT *Table 2:* Correlation Matrix of Strategy Indices

Combining the results of the correlation matrix with the knowledge management view, the model in Figure 2 shows the five strategy indices in relation to their contribution to the entrepreneurial process. Patterns were sought to identify how a social venture proceeds from assembling resources and capabilities to managing resources and assets necessary to achieve its objectives. The funding and partner indices represented resources in a straightforward fashion. Both of these indices displayed correlations with innovation and created a triangular type of pattern. The model was extended to illustrate the relationship with ease of replication. Feasibility displayed a significant relationship at the .10 alpha level, so it was included in the model. This seemed appropriate, especially due to the negative relationship. The correlations included in Figure 2 were conducted as two-tailed analyses.

INSERT *Figure 2:* Correlation Model of Strategy Indices

Other reported research shows a positive relationship between resources, capabilities, and knowledge (Barney et al., 2001). This relationship also emerges in this study. Cases with a higher funding index, also tended to have a high partner index. This makes intuitive sense from the basis of a resource-based theory as funding serves as a primary resource requirement for attracting and retaining resources. Resources provide both the needs and the opportunities for alliance formation. This implies that as the funding base becomes more diversified, the ability of the venture to generate resources may improve. Both funding and partners displayed significant relationships with innovativeness. This relationship supports entrepreneurial patterns in that the more innovative strategies a venture employs, the more able they are to attract funding and partners. The reverse is also true, the more resources a venture has access to, the more innovative their strategies can become (e.g. offering new technology, products, ways of doing things). Thus if the venture is able to respond with an innovative strategy and effectively manage the stream of diversified resources, these three components will work together in favor of the venture.

The negative correlation between alliance and feasibility ($r= -0.21$, $p= .09$) provides a call for future research to establish a more complete picture of this relationship. From a commercial entrepreneurship perspective, an increase in partnerships should provide an opportunity for the entrepreneur to minimize transactional costs in order to accomplish the mobilization of resources (Alvarez & Barney, 2004). Therefore, a positive correlation between the partner index and the feasibility index would be expected. However the weak negative correlation in the social entrepreneurial environment could signal a unique resource mobilization challenge facing the social entrepreneur. The specialized systems for resource flow outside the normal commercial open market domain present in the social sector may not necessarily be closely aligned with the social entrepreneur's mission. Therefore, an increase in institutional structure could result in inefficiencies to resource flow (Dees, 1998b). Further research on this relationship's effect on critical social mission outcomes is certainly of interest.

Social entrepreneurs demonstrate more similar patterns to those of entrepreneurs operating in knowledge intensive industries in that much of their knowledge is tacit rather than explicit. In both cases, the entrepreneur's rare and specific knowledge in relation to an opportunity lead to two challenges in launching the entrepreneurial venture, resource acquisition and management. Alvarez and Barney (2006) describe this management of resources and stress the importance of tackling both of these challenges at the lowest cost possible.

The ease of replication index was found to be significantly correlated with the innovativeness index, which indicates that the greater the level of innovation in a social venture, the greater the ease at which replication occurs. If a social venture is able to maintain a high level of innovation, which is also correlated with high levels of resources; they are developing ways of transforming the tacit knowledge of the social entrepreneur into explicit knowledge. It would appear that, the social venture's absorptive capacity (e.g. capacity for learning, acquiring new knowledge, doing things in a new way) is increasing over time.

Several limitations of the study could impact the generalizability of these results and therefore, implications for practitioners and future research. These results stem from a sample of the leading global social entrepreneurs. Thus, the generalizability of the findings might not be as applicable to other social entrepreneurs. Another limitation of this study is related to the use of content analysis as a methodology. The content analysis in this study consisted in coding secondary archival profiles of social entrepreneurs. Although the general categories of the profiles are the same, the focus and corresponding data included in each profile is not consistent. Given that this study coded secondary data, patterns could exist for these social entrepreneurs that were not included in the profile. A final limitation of this study was the lack of any longitudinal data that could be used as outcome measures (e.g. funding amounts, staff changes, number served, or social value).

FUTURE RESEARCH

One of the overarching questions surrounding the field of social entrepreneurship is whether social entrepreneurship is fundamentally different from commercial entrepreneurship. This exploratory study does not attempt to give a definitive answer to this question. However, it suggests that a commercial entrepreneurship framework may be applied within a social entrepreneurship context. Another major question is: do social entrepreneurs employ different strategies than commercial entrepreneurs in mobilizing resources for their ventures?

The model presented in this study suggests there are common patterns that emerge between commercial and social entrepreneurship, as illustrated via a resource-based view. The Ashoka profile database provided information in narrative form regarding each of the social entrepreneurs' strategies, goals, resources, and backgrounds. The missing link in this analysis is the outcome data. By using outcome data within the model, causality could be determined along with strategies and mechanisms that could be used for analyzing competitive advantage within social ventures.

In addition, most non-profit organizations rely heavily on outside grants and gifts not always directly related to the outcomes of their efforts. The dataset created for this exploratory study contains information on numerous structures of funding (including earned income) that could be explored in detail when compared to outcome measures. Do certain types of partnerships (e.g. government vs. corporation) create more competitive advantage for social ventures than others? Do social ventures with more than one type of earned income stream tend to perform better than their counterparts who do not have earned income streams? Are non-monetary resource donations a contributing factor in a social venture's sustainability? Can alliances and other structures be used to make the firm more competitive and thus more successful? Does the type of venture formation (e.g. alliances vs. hierarchal governance) affect its ability to perform economically? Clearly, these are important questions.

Perhaps an even more interesting question relates to whether the structural form of organizations like Ashoka provides these ventures with strategic advantage? The patterns found within this study suggest that this is the case. However, at what point in a social venture's growth cycle would it be most efficient for Ashoka to inject its network? The weak negative relationship between feasibility and partners suggests there may be an opportunistic time frame associated with this alliance. Organizations like Ashoka may also be able to provide better strategic tools for social ventures if the knowledge transfer patterns were further explored so that cause and effect could be determined. If the ability of transferring knowledge from a tacit nature to an explicit nature was found to be a key factor in determining the competitive advantage for social ventures, collaborative organizations like Ashoka would have a clear direction in helping these ventures go beyond their local impact. Additionally, as Ashoka is a worldwide organization with clusters of Fellows in strategic locations, it would be of interest to study if close geographic proximity to the resource networks facilitate access to knowledge spillover (Audrich & Lehman, 2006). Finally, it would be of interest to explore whether or not social entrepreneurs can position themselves to absorb such knowledge spillovers and transform them into competitive advantage in similar ways as posited for commercial entrepreneurs (Cohen & Levinthal, 1990).

REFERENCES

Alvarez, S.A., & Barney, J.B. (2006). Why Do Entrepreneurial Firms Exist? *Journal of Management Studies* 44 (7): 1057-1063.

Alvarez, S.A., & Barney, J.B. (2004). Organizing Rent Generation and Appropriation Toward a Theory of the Entrepreneurial Firm. *Journal of Business Venturing* 19(5): 621-635.

Alvord, S.H., Brown, L.D., & Letts, C.W. (2003). Social Entrepreneurship and Social Transformation: An Exploratory Study. *Journal of Applied Behavioral Science* 40(3): 260-282.

Audretsch, D.B., & Lehman, E. (2006). Entrepreneurial Access and Absorption of Knowledge Spillovers: Strategic Board and Managerial Composition for Competitive Advantage. *Journal of Small Business Management* 44(2): 155-166.

Austin, J.E. (2000). *The Collaboration Challenge: How Nonprofits and Business Succeed Through Strategic Alliances*. San Francisco: Jossey Bass Publishers.

Austin, J.E., Stevenson, H.H., & Wei-Skillern, J. (2006). Social and Commercial Entrepreneurship: Same, Different, or Both? *Entrepreneurship Theory and Practice* 30(1): 1-22.

Barney, J., Wright, M., & Ketchen, D.J. (2001). The Resource-Based View of the Firm: Ten Years after 1991. *Journal of Management* 27(6): 625-641.

Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management* 17(1): 99-120.

Baum, J.A.C., & Oliver, C. (1991). Institutional Linkages and Organizational Mortality. *Administrative Science Quarterly*. 36(2): 187-218.

Bornstein, D. (2004). *How to Change the World: Social Entrepreneurs and the Power of New Ideas.* New York: Oxford University Press.

Cohen, W.M., & Levinthal, D.A. (1990). Absorptive Capacity: A New Perspective on Innovation and Learning. *Administrative Sciences Quarterly* (It) 35: 128-152.

Das, T. K., & Teng, B. (1998). Between Trust and Control: Developing Confidence in Partner Cooperation in Alliances. *Academy of Management Review* 23(3): 491-512.

Dees, J.G. (1998a). Enterprising Nonprofits. *Harvard Business Review* 76(1): 55-67.

"Dees, J.G. (1998b). The Meaning of Social Entrepreneurship. *Draft Report for the Kauffman Center for Entrepreneurial Leadership.* Retrieved August 15, 2007, from http://www.fuqua.duke.edu/centers/case/documents/dees_SE.pdf"

Dees, J.G., & Anderson, B.B. (2006). Framing a Theory of Social Entrepreneurship: Building on Two Schools of Practice and Thought. In R. Mosher-Williams (Ed.), *Research on Social Entrepreneurship: Understanding and Contributing to an Emerging Field* (pp. 39-66). ARNOVA Occasional Paper Series, 1(3).

Dees, J.G., & Anderson, B.B. (2003). For-Profit Social Ventures. *International Journal of Entrepreneurship Education* 2: 1-26.

Dorado, S. (2006). Social Entrepreneurial Ventures: Different Values So Different Process of Creation, No? *Journal of Development Entrepreneurship* 11(4): 319-343.

Eisenhardt, K.M., & Schoonhoven, C.B. (1996). Resource-based View of Strategic Alliance Formation: Strategic and Social Effects in Entrepreneurial Firms. *Organization Science* 7(2): 136-150.

"Emerson, J., & Bonini, S. (2003). The Blended Value Map: Tracking the Intersects and Opportunities of Economic, Social and Environmental Value Creation. Retrieved April 12, 2008 from http://www.blendedvalue.org/media/pdf-bv-map.pdf"

Emerson, J., & Twersky, F. (1996). New Social Entrepreneurs: The Success, Challenge and Lessons of Non-Profit Enterprise Creation. San Francisco: Roberts Foundation, Homeless Economic Development Fund.

Emerson, J., Wachowicz, J., & Chun, S. (2000). Social Return on Investment: Exploring Aspects of Value Creation in the Nonprofit Sector. In Vol. 2 (Ed.), *Social Purpose Enterprises and Venture Philanthropy in the New Millennium* (pp. 131-173). San Francisco: The Roberts Foundation.

Hamel, G., Doz, Y.L., & Prahalad, C.K. (1989). Collaborate with Your Competitors and Win. *Harvard Business Review* 67(1): 133-139.

Hansen, G.S., & Wernerfelt, B. (1989). Determinants of Firm Performance: The Relative Importance of Economic and Organizational Factors. *Strategic Management Journal* 10(5): 399-411.

Kale, P. Dyer, J. & Singh, H, (2001). Value Creation and Success in Strategic Alliances: Alliancing Skills and the Role of Alliance Structure and Systems. *European Management Journal.* 19(5): 463-471.

Krippendorf , K. (1980). *Content Analysis: An Introduction to ITS Methodology*. Beverly Hills, CA: Sage.

Mair, J., & Marti, I. (2006). Social Entrepreneurship Research: A Source of Explanation, Prediction, and Delight. *Journal of World Business,* 41(1): 36-44.

Morris, M.H., Kurato, D.F., & Schindehutte, M. (2001). Towards Integration: Understanding Entrepreneurship Through Frameworks. *International Journal of Entrepreneurship and Innovation* 2(1) 35-49.

Morris, M.H., Lewis, P.S., & Sexton, D.L. (1994). Reconceptualizing Entrepreneurship: An Input-Output Perspective. *S.A.M. Advanced Management Journal* 59(1): 21-31.

Penrose, E.T. (1959). *The Theory of the Growth of the Firm.* Oxford B. Blackwell.

Peredo, A.M.,, & Chrisman, J.J. (2006). Toward a Theory of Community-Based Enterprise. *Academy of Management Review* 31(2): 309-328.

Peteraf, M.A. (1993). The Cornerstones of a Competitive Advantage: A Resource-based View. *Strategic Management Journal* 14(3): 179-191.

Pfeffer, J. & Salancik, G.R. (1978). *The External Control of Organizations: A Resource Dependence Perspective*. New York: Harper and Row

Porter, M. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors.* New York: The Free Press.

Porter, M., & Kramer, M.R. (2002). The Competitive Advantage of Corporate Philanthropy. *Harvard Business Review* 80(2): 57-68.

Preston, L.E., & Donaldson, T. (1999). Stakeholder Management and Organizational Wealth. *Academy of Management Review* 24(4): 619-620.

Schumpeter, J.A. (1934). *The Theory of Economic Development.* Cambridge, MA: Harvard University Press.

Seelos, C., & Mair, J. (2004). Social Entrepreneurship: The Contribution of Individual Entrepreneurs to Sustainable Development. IESE Business School. Working Paper 553.

Seelos, C., & Mair, J. (2007). Profitable Business Models and Market Creation in the Context of Deep Poverty: A Strategic View. *Academy of Management Perspectives* 21(4): 49-63.

Singh, K., & Mitchell, W. (1996). Precarious Collaboration: Business Survival After Partners Shut Down or Form New Partnerships. *Strategic Management Journal* 17(3): 99-115.

Stevenson, H.H., & Jarillo, J.C. 1990. A Paradigm of Entrepreneurship: Entrepreneurial Management. *Strategic Management Journal* 11(5): 17-27.

Stone, P.J., Dunphy, D.C., Smith, M.S., & Ogilvi, D.M. (1966). The General Inquirer: A Computer Approach to Content Analysis. Cambridge: MIT Press.

Teece, D.J., Pisano, G.,, & Shuen,A, (1997). Dynamic Capabilities and Strategic Management. *Strategic Management Journal* 18(7): 509-533.

Tracey, P., & Jarvis, O. (2007). Toward a Theory of Social Venture Franchising. *Entrepreneurship Theory & Practice* 31(5): 667-685.

Weerawardena, J. & Mort, G. S. (2006). Investigating Social Entrepreneurship: A Multidimensional Model. *Journal of World Business* 41(1): 21-35.

Weick, K.E. (1995). What Theory is Not, Theorizing is. *Administrative Science Quarterly* 40(3)*:* 385-390.

Wernerfelt, B. (1984). A Resource-based View of the Firm. *Strategic Management Journal* 5(2): 171.

Williamson, O.E. (1985). *The Economic Institutions of Capitalism*. New York: Free Press.

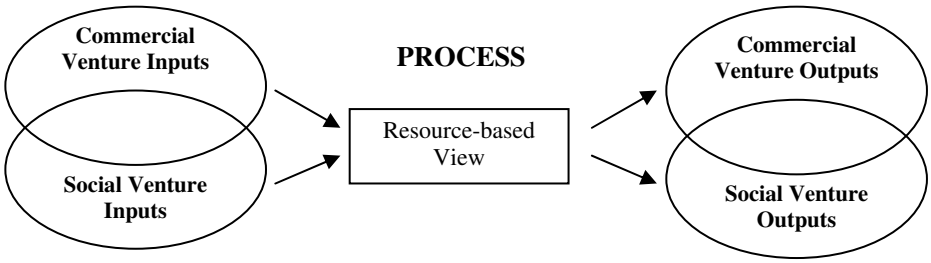

Figure 1: Social & Commercial Entrepreneurial Process Framework

Sector	**Fellows**
Civic Engagement	252
Economic Development	287
Environment	202
Health	237
Human Rights	335
Learning/Education	262
Total	**1576**

Table 1: Ashoka Fellows Sector Frequencies

	1	2	3	4	5
1 **Funders (#)**					
P-value					
2 **Partners (#)**	.28*				
P-value	0.03				
3 **Feasible**	0.13	-0.21			
P-value	0.32	0.09			
4 **Replicable**	0.16	0.20	-0.03		
P-value	0.23	0.10	0.81		
5 **Innovate**	.44**	0.41**	-0.08	.29*	
P-value	0.00	0.00	0.50	0.02	

* p < .05
**p < .01

Table 2: Correlation Matrix of Strategy Indices

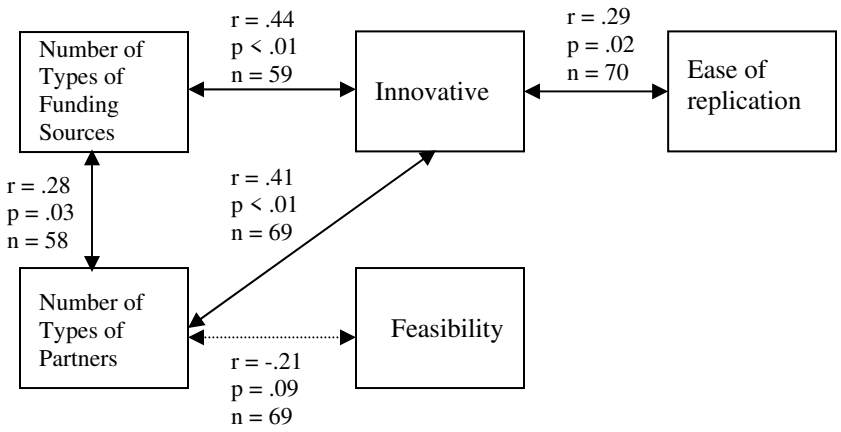

Figure 2: Correlation Model of Strategy Indices