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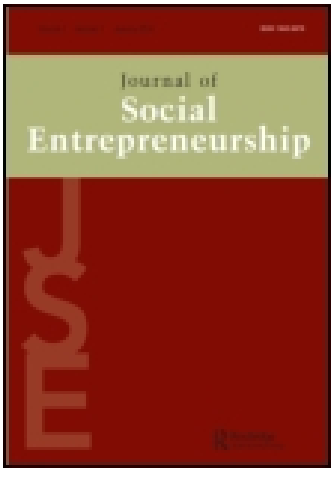

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The Creation of Social Enterprises: Some Lessons from Lebanon

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The Creation of Social Enterprises: Some Lessons from Lebanon

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ABSTRACT *The article presents a field study of seven social enterprises operating in Lebanon, looking back at the process of their creation. The results are discussed against the growing body of literature on nascent social entrepreneurship. The study proposes a theoretical refinement of the notion of social bricoleur to include the activist/entrepreneur distinction and the issue/value type of opportunity identified and it supports seven general conclusions on social entrepreneurship at large, as well as some implications for practice and for future research.*

KEY WORDS: Social entrepreneurship, nascent entrepreneurship, enterprise creation, start-up

Introduction

At a time when social entrepreneurship is widely heralded as a promising way to tackle pressing social issues worldwide and numerous initiatives are being launched to promote and encourage the creation of new social enterprises, our understanding of such creation remains regrettably limited. In response to this gap, a growing stream of research has begun investigating the early stages of social entrepreneurial activities, with theoretical and empirical studies that variously focus on the process of establishing a social venture, the antecedents of social entrepreneurship and the characteristics of social entrepreneurs (SEs).

This article presents an overview of the current research on social enterprise creation and assembles a preliminary framework to investigate this phenomenon. The article also discusses a field study of seven SEs operating in Lebanon and analyses them against this preliminary framework. The new study supports several conclusions that deepen our understanding of social

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entrepreneurship at large; it also supports practical recommendations for actors in the field and proposes several theoretical refinements.

Social Entrepreneurship and Social Entrepreneurs

In the past few years, advancing a unified definition of social entrepreneurship has been a popular effort in the literature (Perrini 2006; Lanteri 2014). This effort has so far proved largely unsuccessful, to the point that some common themes in social entrepreneurship are that the concept of social entrepreneurship is 'ill-defined' (Weerdawena and Mort 2006, 21) and that there is no agreement over what it means or even how broadly or narrowly it should be defined (Mair and Marti 2006; Perrini 2006), so that dozens of definitions can be listed (Zahra et al. 2009; Dacin, Dacin, and Matear 2010; Bacq and Janssen 2011). This is understandable for a 'pre-paradigmatic' (Nicholls 2010; Lehner 2013) field, which is still in an 'embryonic state' (Short, Moss, and Lumpkin 2009, 169).

This article embraces a fairly broad and comprehensive definition, according to which social entrepreneurship encompasses all the activities associated with the creation and management of organizations that pursue social or environmental impact through market-based activities. Furthermore, SEs are defined as the individuals who start and manage social enterprises, thus undergoing the process of social entrepreneurship.

Nascent Entrepreneurship

The process of creation and emergence of a new enterprise – either commercial or social – is usually divided into several steps, starting with the initial opportunity recognition and conception of the venture, followed by its gestation, and then progressing to the actual establishment of start-up and its subsequent growth and success, sometimes resulting in exiting from the investment. However, research on entrepreneurship has traditionally investigated established commercial ventures and addressed only the later stages of the process. This gave rise to the complaint that 'entrepreneur' is largely a post-hoc definition, reserved to those who have been successful at launching a venture (Martin and Osberg 2007).

That is a partial way to look at entrepreneurship and a way that affords limited insight into the causal factors that explain entrepreneurial success, because it overlooks all the individuals who consider launching a new venture but eventually give up and those who try but fail. All the individuals who at any given moment are considering launching a venture in the near future are called nascent entrepreneurs (NEs). The growing interest in NEs is associated with the relatively recent interest in the early stages of the entrepreneurial process (Davidsson 2006). In a nutshell, nascent entrepreneurship research focuses on the stages of opportunity identification and pre-start-up activities.[1]

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The Creation of Social Enterprises

Research on both nascent and on social entrepreneurship is still in an early phase, so it is thus not surprising that the literature on nascent social entrepreneurship is not yet fully developed either. Moreover, few empirical studies on nascent SEs (NSEs) are available, which is a limitation common to social entrepreneurship scholarship in general (Short, Moss, and Lumpkin 2009). Nonetheless, this body of literature is fast growing and some clear themes are emerging.

The overarching research questions in nascent social entrepreneurship are: what kind of people perform what kind of activities that result in what kind of social enterprises? So, the existing literature on nascent social entrepreneurship addresses four main levels of analysis:

(1) *Overall process*, including opportunity recognition, planning, scaling impact, etc.
(2) (*Nascent*) *social entrepreneurs*, including their personality, motivation, social capital, etc.
(3) *Activities*, including funding, innovating, partnership building, etc.
(4) *Organization*, including its founders, legal form, sustainability, etc.

Besides studying the overall process of creating a social enterprise and understanding its output in terms of organizational features, the studies on nascent social entrepreneurship are now exploring the factors that characterize NSEs and their trajectory, both in terms of the likelihood that they will embark in the creation of a social enterprise and that they will do so successfully. Figure 1 summarizes the conceptual areas and the steps of the nascent social entrepreneurship process discussed in this article.

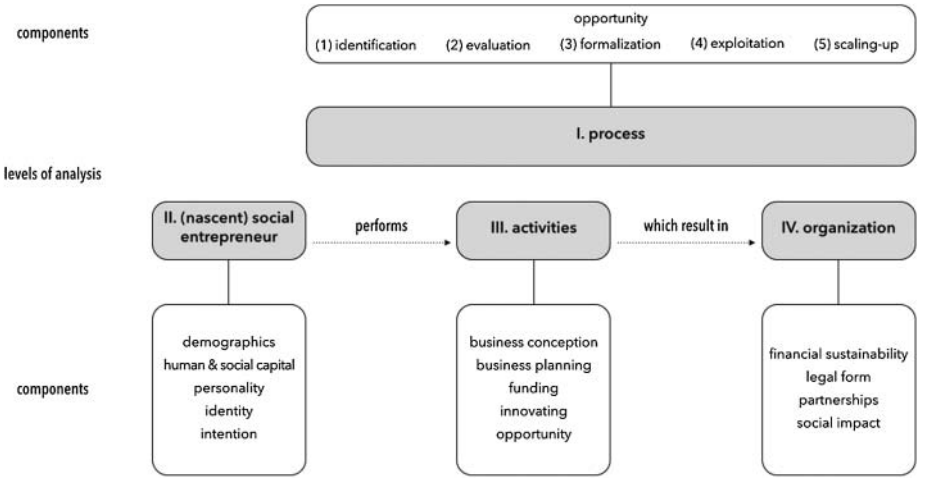

Figure 1. Levels of analysis in NSE research

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The Process of Social Entrepreneurship

New ventures do not suddenly appear with some magical formal act that gives them life; instead they are painstakingly created and developed by their founders, one step at a time. The creation of a new venture is the outcome of a complex process that emerges over several interconnected stages. Different frameworks have been proposed that count three steps or more, depending on the level of detail they address and on how far into the future they analyse enterprise creation.

For example, Perrini, Vurro, and Costanzo (2010) investigate the process through an in-depth case study of a successful Italian social enterprise and identified five steps:

(1) *opportunity identification*, when a social need is initially recognized
(2) *opportunity evaluation*, when a theory of change is proposed and economic viability is assessed
(3) *opportunity formalization*, when the guiding values are spelled out and the social mission is formalized
(4) *opportunity exploitation*, when the organization is set up and launched
(5) *opportunity scaling-up*, when the intervention model is replicated to maximize social impact.

Guclu, Dees, and Anderson (2002) analyse in detail the early stages of the social entrepreneurial process, roughly corresponding to the first three steps in Perrini, Vurro, and Costanzo (2010). They identify two major steps: a first step of 'generating promising ideas', when the idea for a potentially viable social enterprise is first considered, followed by 'developing promising ideas into attractive opportunities', when the idea is further analysed and developed into a more formal opportunity for positive and sustainable social impact.[2] Digging deeper into this process, Katre and Salipante (2012) interviewed the (co)founders of 23 early-stage social enterprises in North America and zero in on the behaviours that led to the creation of a social enterprise. They identify a total of 63 distinct behaviours, variously associated with successful and struggling NSEs, grouped into the three main stages of 'conceptualizing the social and business opportunity', 'innovating products/services' and 'launching and ongoing functioning of the venture'. (Some of these behaviours are discussed below; some are reported in Table 4.)

These steps seem to constitute a logical and chronological sequence, where an entrepreneur completes the first step, then moves on to the next. In practice, however, the process is not linear and SEs advance their projects along the various steps in parallel and with continuous loops and feedback. For example, when the idea of a new product first comes to mind, it comes together with a rough notion of a business model or distribution channel, which are usually later stage developments. The testing of a business model offers crucial information on the refinement of the entrepreneurial idea and at the same time constitutes the early execution of a marketing plan (Guclu, Dees, and Anderson 2002). The separation into distinct steps is motivated by

the different types of activities and the related challenges NSEs encounter in the process of launching their venture.

The (Nascent) Social Entrepreneur

Demographics

Studies on the demographic characteristics of SEs have proven rather inconclusive (Ernst 2012). It is unclear how these factors relate to the decision to set up a new social venture or to the likelihood that such decision results in a viable social enterprise. Among NEs, for example, (male) gender and (young) age are stably associated with a higher propensity to engage in entrepreneurial activities (Arenius and Minniti 2005). The same, however, has not been confirmed among NSEs. In contrast to commercial entrepreneurship, for example, in some countries – including Lebanon – there are more women than men SEs (Terjesen et al. 2012).

Personality

An early trend in social entrepreneurship has been the investigation of the personality of SEs. The dominant theme in this literature is the extraordinary character (Bornstein 2004; Elkington and Hartigan 2008) of individuals variously celebrated as 'hero entrepreneurs' (Nicholls 2010), 'social engineers' (Zahra et al. 2009) or 'institutional entrepreneurs' (Dacin, Dacin, and Matear 2009; Hervieux, Gedajlovic, and Turcotte 2010). These SEs engage in equilibrium-changing enterprises, which subvert current states of affairs they consider unjust, and create the conditions for new, fairer and more socially acceptable, social equilibria (Martin and Osberg 2007). Most contributions consist of legendary anecdotes of 'unreasonable people' (Elkington and Hartigan 2008) who 'change the world' (Bornstein 2004) with a 'powerful new, system-change idea' (Drayton 2002, 123).

The more recent literature on the personality of SEs emphasizes, as it were, the dual nature of SEs, who combine the entrepreneurial drive to create a valuable new venture with altruistic and other-regarding inclinations. Their personality, therefore, includes both the elements typical of an entrepreneurial personality – e.g., risk-taking propensity, innovativeness, need for achievement, need for independence and pro-activeness – and those of a pro-social personality – e.g., empathy and a sense of social responsibility (Ernst 2012). Miller et al. (2012) also suggest that a pro-social motivator (i.e., compassion) is associated with a higher likelihood of launching a social enterprise. In an exploratory study that compares SEs to commercial entrepreneurs, philanthropists and volunteers, Bargsted et al. (2013) confirm that SEs have a complex and unique psychosocial profile, composed of both pro-social traits and values and entrepreneurial ones.

These psychological constructs have been variously associated with the likelihood of launching a social venture or with the likelihood of developing

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the intention of doing so, but not with success at launching and managing an actual social enterprise.

Human Capital and Social Capital

Human capital, usually measured as (business) education and previous entrepreneurial experience, predicts entry in nascent entrepreneurship, but not success (Davidsson and Honig 2003). Instead, social capital is a strong predictor for both becoming entrepreneurs and being successful (Davidsson and Honig 2003). Social capital roughly refers to the network of institutions and individuals – together with their own human and financial capital – an NE has access to as a source of inspiration, guidance, and funding. Also Arenius and Minniti (2005) identify a mix of personality and social factors, to which they refer jointly as 'perceptual variables', that have been found to be associated with commercial entrepreneurial success: knowing other entrepreneurs, confidence in one's skills, risk propensity, and alertness to opportunities.

As mentioned above, however, SEs are not entrepreneurs *tout court*. Roy, Brumagim, and Goll (2014), for example, find that only some of the factors typically associated with commercial entrepreneurship play a role also in social entrepreneurship. They show that the number of Ashoka and Schwab Foundation fellows in a country (a somewhat imperfect proxy for the level of social entrepreneurial activity) is correlated with only some of the attitudes, activities and aspirations that predict general entrepreneurship according to the Global Entrepreneurship and Development Index database.

Motivation and Opportunity

The kind of celebrity SEs who dominated the early discourse of social entrepreneurship are a minority. Most SEs operate in localized contexts that keep them away from the limelight. In one of the most cited articles in the social entrepreneurship literature Zahraet al. (2009) elaborate on the three theoretical perspectives of Hayek, Kirzner, and Schumpeter to identify three types of SEs. The first type are called 'social bricoleurs': they 'perceive and act upon opportunities to address a *local* social need they are motivated and have the expertise and resources to address' (Zahra et al. 2009, 523). These SEs operate within local institutions and regulations and launch initiatives, which are 'small scale, local in scope – often episodic in nature'.[3] Arguably, the social bricoleur is the most important type for empirical investigations because the majority of the SEs that can be accessed by scholars fall within this category. This is the case for the most studies reviewed below, as well as for the novel study of this article.

For example, Robinson (2006) investigated in depth six social business plans and concept notes, in order to understand the process of opportunity identification and evaluation. His main findings resonate with the social bricoleur type of SE. Indeed, he points out that successful SEs identify opportunities in social and institutional contexts that they understand well and

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directly address specific social and institutional barriers to markets and communities (Robinson 2006, 113 ff.). Also the 80 SEs from Scotland and Eastern England interviewed by Shaw and Carter (2007) are social bricoleurs. Two key themes emerging from this research is that SEs recognize opportunities in social needs of local relevance and exploit their local networks in order to acquire resources and information. Both factors are typical of social bricoleurs. The 16 participants in a six-month social innovation training programme in New Jersey interviewed by Germak and Robinson (2014) are also bricoleurs. Building on theories of motivation for both traditional entrepreneurs and social workers, the authors identify a mix of drivers for NSEs, including 'helping society' and 'closeness to social problems'.

SEs share the common features of identifying and being motivated to address social problems and indeed the desire to help society is a truly defining characteristic of the SE, consistently with their having a pro-social personality and as confirmed in several empirical studies. Identifying an opportunity in addressing a social issue and conceiving an economic opportunity for such issues, however, are behaviours common to both successful and struggling SEs (Katre and Salipante 2012, 977). It would thus seem fair to suggest that these characteristics are associated with the likelihood of becoming an SE rather than with becoming a successful one. Successful entrepreneurs, however, invariably identify the social opportunity first and only subsequently they define an economic opportunity, whereas some struggling ones do the opposite. So, it could be tentatively suggested that the social-then-economic opportunity identification is a factor for success. Incidentally, one might question whether an NE who identifies an economic opportunity first should count as a social bricoleur or as an SE at all (more on this below). Moreover, successful SEs never deviate from the social opportunity initially targeted, while struggling ones sometimes do (Katre and Salipante 2012). However, the causal link is not clear. SEs might be successful because they stick to their initial mission, or they might simply have no reason to deviate from it because they are successful, whereas struggling SEs need to adjust their opportunity over time trying to succeed. Indeed, opportunities are not simply identified and exploited, as if they existed 'out there', waiting to be seized. Instead, they are often developed, in a dynamic process that sometimes is a few steps removed from the initial spark of intuition, which results from the interaction between a social issue, the available resources and the personal experiences of founders, managers, and board members (Corner and Ho 2010).

Identity and Opportunity

Zahra et al. (2009) acknowledge that their taxonomy does 'not capture all potentially observable varieties of social entrepreneurship'. An interesting refinement that could enrich the notion of social bricoleur is suggested by Simms and Robinson (2009), who propose an identity-based theoretical model of NSEs. According to their model, NSEs regard themselves as both entrepreneurs and activists. However, one of the self-images is salient. Therefore, an NSE can be categorized either as a self-perceived mainly entrepreneur

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or as mainly an activist. Self-perceived entrepreneurs are more likely to launch for-profit organizations. Self-perceived activists, on the other hand, are more inclined to launch a not-for-profit. However, this choice is mediated by the kind of entrepreneurial opportunity they identify. On one hand, in navigating her social, economic and institutional landscape, an NSE might recognize an opportunity to address a social issue in a profitable manner and so aim primarily at generating economic value while also creating social value (value-based opportunity). On the other hand, an NSE might respond to some pressing social issues and needs in their community and so give primacy to such issues over profitability (issue-based opportunity). Simms and Robinson (2009) predict that self-perceived social activists who recognize an issue-based opportunity will choose to establish a not-for-profit organization, whereas in the case of self-perceived activists with value-based opportunity, the NSE might launch either a for-profit or not-for-profit organization.

Intention

Once an opportunity is identified, NSEs must form an intention to pursue it, depending on whether the proposed social venture is perceived as desirable, that is, it will have a positive social impact, and feasible, that is, it will be successful (Mair and Noboa 2006). Baierl et al. (2014) conducted a survey among 78 students and empirically confirm this relationship. They also identify another predictor of the intention to pursue a social venture: namely, the SE's general social appraisal. This psychological construct describes the personal values of the SE and particularly refers to the subjective disposition towards being an SE. Baierl et al. (2014) also find that general social appraisal contributes to the perceived feasibility and desirability of a social entrepreneurial opportunity. Mair and Noboa (2006) further propose that empathy and moral judgment are positively associated with the perceived desirability of a social venture and that perceived feasibility results from high degrees of self-efficacy and social support.

Although intuitively the intention of launching a social venture ought to be associated with actually doing so, this relationship has not been empirically verified. Furthermore, the relative weights of perceived desirability, perceived feasibility, and being well-disposed towards becoming an SE have not been investigated. So, we do not yet know which of these antecedents of intention predict entry and success.

Activities

Funding, Innovating, and Planning

In an empirical investigation based on the dataset of the Panel Study on Entrepreneurial Dynamics II (Gartner et al. 2004), Renko (2012) studies a sample of 53 NSEs, composed of the respondents with a prosocial personality, which she operationalizes by selecting those who are motivated to start a new business to 'help others; help the community' and who found an

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opportunity in 'aid in economy; economic development; economy' (10). This is consistent with a general understanding of the figure of an SE, though not necessarily a social bricoleur.

Renko (2012) points out numerous challenges faced by NSEs compared to traditional NEs, particularly because social enterprises often depend on the support and active engagement of numerous parties, who might resist such involvement or might otherwise affect the viability of a social enterprise. For example, while SEs have an affective commitment towards their target beneficiaries, according to Renko their investors rarely have a corresponding commitment either towards the beneficiaries or the SEs themselves. Even when such commitment on the part of the investors is present, they may be unconvinced of the proposed impact of the nascent social enterprise. NSEs often need the involvement of public sector organizations, which are typically bureaucratic and inefficient as well as possibly having misaligned interests with those of the nascent social enterprise. In addition to these hassles caused by other parties, NSEs are likely to be subject to several biases in their decision-making (because of their affective commitment). These effects create an overall expectation that NEs are less likely to give birth to a sustainable social enterprise, compared to a more traditional commercial enterprise, and are empirically confirmed.

Launching an innovative enterprise poses additional challenges. Novel products and services need substantial resources to educate customers and beneficiaries and often require more complex organizational arrangements, making it less likely that an innovative venture results in a viable enterprise. Although the difficulties faced by innovative enterprises should affect equally commercial and social enterprises, Renko (2012) finds that this negative effect is empirically confirmed only for nascent social enterprises and particularly for the most innovative ones.

On the brighter side, Renko (2012) suggests that taking the necessary time to understand and overcome the difficulties involved in launching a social enterprise helps designing a more viable enterprise a spending time in the pre-start-up stage of a new venture generally results in a more viable enterprise. Finally, Renko (2012) shows that, in general, the amount of money invested by the start-up team has a significant positive effect on the process.

Formal Business Planning

Although drafting a business plan is generally considered a basic requirement for NEs, Honig and Samuelsson (2009) show that early-stage planning does not necessarily 'lead to performance improvements' but later stage planning does contribute to long term success.

Field Study

Elaborating on this research, the author participated in a field study, under the auspices of *nabad*, the first and at the time of writing largest social enterprise

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incubator in the Middle East, launched in 2013 by *arcenciel*, a Lebanese social enterprise established in 1985, and funded by USAid, a donor agency of the USA government (see also Hmayed, Menhall, and Lanteri, forthcoming).

As discussed above, one of the factors associated with success in traditional entrepreneurship is social capital, often measured as direct acquaintance with other entrepreneurs at or before start-up. Indeed, established entrepreneurs can help NEs by means of encouragement and support or by passing on valuable lessons learned. In order to facilitate this latter process, *nabad* prepared a set of seven case studies derived from established local SEs and later used as teaching materials for the participants in *nabad*'s training programmes and social entrepreneurship competition.

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The Context of the Study

Lebanon

Lebanon is a small country of about four million inhabitants (CIA 2013), located in the Middle East. It is considered a country with a high level of human development (UNDP 2011) and its economy is efficiency-driven (Hanouz and Khatib 2010).

Lebanon has a long history and a rich and diverse heritage, which reflects its Phoenician, Roman, Ottoman, and more recently French inhabitants and rulers. The country is a confessional republic, where political power is distributed among the 18 confessions recognized by its Constitution. Such diversity has often resulted in tensions, which escalated into a 15-year-long civil war (1975–1990) that has left the country in a state of disarray. Reconstruction has been slowed down by further occasional unrest and conflict. Although it has been only marginally affected by the Arab Spring, the country remains politically unstable.

Lebanon outperforms many Middle Eastern countries, but it remains fraught with unmet social needs – like the presence of a large number of refugees,[4] gender[5] and economic[6] inequalities, and environmental protection[7] – which create rich opportunities for social entrepreneurship.

Social entrepreneurship in Lebanon. Lebanon has a long tradition of social entrepreneurship (e.g., *L'Artisan du Liban* founded in 1979), which, however, has never been formalized and 'is still to be defined and contextualized within the Lebanese society' (BRD 2012).

Feghali, Abuatieh, and Dandan (2012) and a recent report on *The Social Entrepreneurship Momentum* in Lebanon (BRD 2012) identify several challenges to the development of social entrepreneurship in the country, particularly financial ones, because access to financing channels has proven very difficult. Moreover, the Lebanese legal framework is not friendly to SEs, because there exists no legal form that distinguishes social enterprises from commercial ones and because the country is generally perceived as being hindered by inefficient bureaucracy and extensive corruption. Infrastructures are also inadequate, particularly outside the main urban areas, with unreliable

electricity and water supplies, costly telecommunications, and a general lack of qualified labour. The World Economic Forum identified these same issues as the most problematic factors for doing business at large in Lebanon (Hanouz and Khatib 2010, 38).

The participants in this study (see Table 1) largely complained of the same issues. For example, FOOD#2 struggled to identify the best legal form and eventually established an association, which enjoys preferential treatment by the Ministry of Agriculture, but does not align very well with its business orientation. ENVIRONMENT regrets that in Lebanon 'the government is unpredictable' and that 'sometimes you get disappointed' when it comes to human resources. DESIGN had to deal with 'prohibitive import duties' on some electrical components and lampshade materials needed for their products. Moreover, 'the cost of transportation from Lebanon to foreign markets [. . .] constrained expansion'.

Different SEs also face specific challenges. FASHION#1 and FASHION#2 found international sourcing particularly difficult, because of both quality control issues and legal barriers, especially when trading with countries that are unstable (e.g., Iraq) or subject to international sanctions (e.g., Iran). Nonetheless, both decided to sell abroad. FASHION#1 did so after the Summer War of 2006 and the post-war period (2006–2008), when many wealthy Lebanese left and affluent tourists stopped visiting the country. During that period FASHION#1's revenues dropped by 50%. So, the founder actively and successfully pursued international growth to stay in business. More recently, FASHION#2 too started exploring options for international expansion (both online and through distributors), despite the fact that 'the Internet and the delivery shipping [. . . are] not that easy in this region'. It did so because it has 'always talked about [opening] a shop, but now with the political situation' plans had to be changed.

On the other hand, TRAVEL offers customized travel experiences to international tourists. Although it did expand its operation to one Eastern European country, it is bound to operate in the Middle East. The founder expressed surprise that the company is 'even still around' in this 'non-tourist friendly region' and in the face of numerous 'external challenges'. For example, TRAVEL launched in July 2010 and in February 2011 the revolutions referred to as the Arab Spring began. So, 'one of the lessons learned is that you have to always expect the unexpected. You have to always be ready to think on the fly. That's the only way to survive'.

In addition to these problems common to all businesses, the whole population is scarcely aware of social entrepreneurship and it resists collaborating with SEs, especially because of sectarian or gender bias (Feghali, Abuatieh, and Dandan 2012). For example, FASHION#2 laments the way 'the mentality here is'. People seemingly 'don't believe in working together in groups, to benefit from each other's experiences'.

These limiting factors explain why the prevalence of SEs in Lebanon remains rather low (Terjesen et al. 2012), with the exception of some high-profile examples (e.g., *Ashoka* 2012). This makes it all the more important to actively support NSEs in Lebanon. To do so, *nabad* researched seven case

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Table 1. Organizational features

SE	Local issue	Industry	Established	Headquarters	Legal form	Founder	Critical partners	Financial sustainability
Fashion#1	Women inmates empowerment	Fashion accessories	2000	Lebanon	FP	1 F	International	Yes
Fashion#2	Refugee women empowerment	Fashion accessories	1968	Lebanon	NFP	1 F	No major	No
Design	Cultural heritage, disabled empowerment	Furniture	2006	Lebanon, USA	FP	1 F, 1 M	Local and international	Yes
Food#1	Rural development	Food and beverage	2004, 2009	Lebanon	NFP, FP	1 M	Local	Yes
Food#2	Rural development, women empowerment	Food and beverage	2012	Lebanon	NFP	Multiple F	Local	Yes
Travel	Community development	Tourism	2010	Lebanon, Egypt, other	FP	2 M	Local	Yes
Environment	Environment	Green constructions	2011	Lebanon	FP	1 M	No major	Yes

FP: for-profit; NFP: not-for-profit; F: female; M: male.

studies, through semi-structured interviews, inviting SEs to look back on the experience of launching their social enterprises, with a view to both describing the process itself and drawing some suggestions for NSEs operating in a country as challenging as Lebanon.

Methods

The respondents were a convenience sample of ($N = 7$, $F = 5$) founders, partners, or high-ranked executives of social enterprises operating in Lebanon, selected from the database of Beyond Reform and Development (BRD), a consulting company also involved in *nabad*. They were initially contacted by phone and later interviewed in person. The interviews last between 60 and 90 minutes and took place in Beirut in the months of July and August 2013. (For a discussion of some of the methodological limitations of this study, see below.)

The author contributed to the design of the questionnaire (see Appendix), but did not participate in any of the actual interviews, to avoid bias. The interviews were conducted by staff members of BRD, recorded, transcribed, and then summarized in short case studies. All of the interviews were conducted in English, although some respondents occasionally switched to Arabic and French for short remarks, as is commonplace in Lebanon. None of these language uses compromised either the understanding of the interviewers or that of the author.

The following analysis is therefore based on these materials, to which the author has been given unrestricted access, on the information available on the Internet sites of the organizations studied, on news coverage by local media and on academic case studies where available. The author performed conceptual content analysis with a directed approach (Hsieh and Shannon 2005) based on the dimensions derived from the literature review above. To ensure reliability (Campbell et al. 2013), three staff members of BRD reviewed the content analysis and confirmed that it accurately captures the realities of the SEs studied.

Results

The results of the field study are grouped according to organizational features, individual characteristics, and activities related to the start-up phase. Taken together, these categories constitute a comprehensive, if preliminary (see also the concluding section), framework to investigate nascent social entrepreneurship.

Table 1 lists the social enterprises studied and their main organizational features. All are operating in Lebanon, although two of them also operate in other countries, two sell their products internationally, and one is currently expanding to a new Middle Eastern country. They are active in a variety of industries and tackle several local issues. Founders are very diverse and include individuals, couples and groups, composed of men and women.

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Table 2. Individual

SE	Self-defined SE?	Self-perception		Opportunity type		Motivation	
		Activist	Entrepreneur	Issue	Value	Help society	Closeness to social problems
Fashion#1	Yes		•	•		•	•
Fashion#2	No	•		•		•	•
Design	Yes		•	•		•	•
Food#1	Yes		•	•	•	•	•
Food#2	Yes	•		•		•	•
Travel	No		•		•		
Environment	No		•		•		

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Consistent with the lack of a specific legal form for social entrepreneurship in the Lebanese law, the organizations are both for profit and not-for-profit.

Table 2 reports the individual characteristics of the SEs. When asked, many said they consider themselves SEs. They are social bricoleurs, in that they were prompted to engage in their venture by their closeness to local problems, which resulted in their identifying an opportunity in addressing social issues. For instance, Food#1 'started as an entrepreneurial project, a vision mainly, and a dream of supporting the farmers of Lebanon and the rural people who have a small land and are cultivating their land, to find a place to sell their products instead of leaving their areas, coming to the city, finding a job, leaving the area and the villages empty'. As suggested above, it is also possible to classify them as entrepreneurial bricoleurs, as in the quote by Food#1. Alternatively they can be activist bricoleurs, as in the case of Food#2, which was established at the end of an economic empowerment programme for rural women, managed by the Collective for Research and Training on Development-Action, a Lebanese NGO.

Table 3 reports some facts about the start-up phase, including the source of funding, the time devoted to honing the entrepreneurial idea, and the preparation of a formal business plan before start-up. The novelty of the products and services offered was asked during the interviews, but eventually the author coded the response depending on whether consumers would plausibly consider the product or service 'unfamiliar' and whether there were other business offering the same product or service (following Renko 2012, 11).

Discussion

This field study reports data from the Middle East, a so far under-researched region in social entrepreneurship (see also Zahra 2011). Incidentally, this article also shows that the Lebanese case studies employed can be largely understood within the emerging theoretical tools in the nascent social entrepreneurship literature, and consequently that such cases can be used as relevant examples. Through the study, several broad themes emerged that are

Table 3. Start-up

SE	Novel product/service	Initial funding	Pre-start-up	
			Time	Formal planning
Fashion#1	No	Self-financed (undisclosed)	1 year	No**
Fashion#2	No	–	–	No
Design	No	Self-financed (USD 5,000), government-backed loan (undisclosed)	3 years	No**
Food#1	No	Self-financed (undisclosed), loan (USD 60,000)*	–	No**
Food#2	No	Self-financed (USD 6,000)	4 years	Yes
Travel	No	Self-financed (USD 30,000)	10 months	Yes
Environment	Yes	Self-financed (undisclosed)	6 months	No

*Refers to the two branches of the FP initiative.
**After start-up.

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of interest not only for nascent social entrepreneurship, but for social entrepreneurship at large.

Social Entrepreneurship Requires Appropriate Subjective Dispositions

When selecting the initiatives to be included in an empirical investigation of social entrepreneurship, both methodological and practical problems arise (Dart, Clow, and Armstrong 2010). For example, do Travel and Environment count as examples of social entrepreneurship? By many accounts they do, since they are organizations that address social problems through market-based activities. The *nabad* team, too, considered these organizations good enough examples of social enterprises that they included those cases in the training programme.

The founders, however, substantially differ from other SEs. For example, they did not engage in their activities because of their closeness to social issues. Instead, both launched for profit ventures after identifying a market opportunity. Environment desired to become self-employed after a career in multinational companies and identified a growing and unserved market in green services. Instead, Travel decided to find a source of income that allowed him to pursue his passion for traveling and mingling with local populations. Travel explained:

> I know that I am much more a social business than companies that call themselves social businesses, but it wasn't my intention. I consider myself a socially responsible business, not a social business. A social business is set up to explicitly solve a social, economic, cultural, environmental issue. It does it by having sustainable revenue. We didn't set up to solve a social issue [. . .] For me benefiting the women and youth is just a responsible way of doing business because

> that is not my aim. If that will compromise the quality of the experience, I would not do it.

Interestingly, TRAVEL does not consider himself an SE, but defines his company a 'socially responsible business'. Similarly, ENVIRONMENT calls himself an 'eco-preneur' and considers his company a sustainable business based on a triple bottom-line (i.e., profit, planet and people). These two cases suggest that social entrepreneurship cannot be defined exclusively by objective organizational factors, but should require also a specific identity and appropriate motivation.

Social Entrepreneurs Are Not Alone

Entrepreneurs are often regarded as solitary adventurers, but in practice many NSEs start their ventures together with a partner (DESIGN and TRAVEL) or even in a team (FOOD#2). Even if they do not, they are joined by a critical partner at some stage (FASHION#1 and FOOD#1). The arrival of a partner often marks a turning point in the trajectory of the nascent social venture.

Leveraging Local Resources Is Critical for Success and Impact

A profound understanding of complex local conditions is a defining and necessary trait of social bricoleurs, but tackling complex problems also requires the active engagement of other local actors. The only two examples that dispense with such local partners are FASHION#2 and ENVIRONMENT. However, the former has so far failed to become financially sustainable and the latter is probably not a genuine example of social entrepreneurship (see above).

Instead, DESIGN attribute their success to 'sweat and tears and effort and collaborating with other organizations that had resources which we do not have internally'. Such multi-party efforts can generate remarkable impact. For example, several beneficiaries of FASHION#1 have become small-scale entrepreneurs and now collectively employ as many as 80 subcontractors outside the original beneficiary population; the commercial branch of FOOD#1 spends almost 50% of its revenues to purchase raw materials from the beneficiaries of the original NGO.

Self-Perception Results in Predictable Organization Types

Those NSEs who regard themselves as entrepreneurs rather than activists, launched for profit organizations, as predicted by Simms and Robinson (2009). Moreover, those who regard themselves as activists and identify an issue-based opportunity launched not-for-profits. Contrary to predictions, FOOD#1, a self-perceived entrepreneur who originally identified a value-based opportunity had originally launched a not-for-profit organization. However, the not-for-profit was later sided by a for-profit arm, as predicted by Simms and Robinson (2009). Admittedly, although the founder of FOOD#1 now sees himself as an entrepreneurial bricoleur, it is quite unclear whether he

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considered himself the same when he launched his first venture and, if he did not, this raises the intriguing question of whether and how do activist bricoleurs become entrepreneurial bricoleurs... and perhaps vice versa. The category of activist NSEs who identify a value-based opportunity is especially interesting to investigate, because theoretical predictions are ambiguous. Unfortunately, in this sample there are no such cases. In fact, this is perhaps bound to remain a largely theoretical category, with but few observations.

Access to Financial Resources Is Paramount

Self-financing is the most common source of start-up funds in this study. FOOD#1 obtained two separate loans to open its two commercially operated restaurants, which are owned and managed by a for profit company established in 2009. Soon after start-up, DESIGN resorted to a government-backed loan, but the experience has been so frustrating that the respondent remarked: 'If we had to do it again, we would not.' This confirms Renko's (2012) proposition that SEs find it hard to align the interests of investors. It also supports her prediction that self-financed investments by the NSE are associated with successful ventures.

However, Shaw and Carter (2007) found that their respondents were largely able to attract grants and donations and only 2% incurred personal financial risks. Such ability to raise capital without personal risk might be associated with a higher rate of social entrepreneurial activity. Indeed, the prevalence of SEs is higher in the UK compared to Lebanon (Terjesen et al. 2012), hinting that access to funding channels probably plays an important role in promoting social entrepreneurship. On the other hand, such lack of risk raises some doubts about whether these individuals should be considered entrepreneurs at all (Shaw and Carter 2007, 428). Indeed, less than half of the respondents would call themselves SEs (429) and their organizations take very different for-profit and not-for-profit forms (e.g., charities, community trusts and co-operatives).

Revolutionary Products Are Not Required

Most SEs reviewed here offer products their consumers are already familiar with, like food products, restaurant meals, fashion accessories and home decorations. Although doing so exposes the entrepreneur to competitive pressure, this finding resonates with the warning that revolutionary products are harder to market and require larger initial investments (Renko 2012). The most innovative service is that of ENVIRONMENT, whose core business is the online provision of information about green building materials, the likes of which did not exist before in Lebanon.

However, some novelty is present in the products as a differentiating element. For example, DESIGN 'brings to life objects that had been discarded by recreating them in a way that would make it accessible to customers'. For example, an old balcony becomes a lamp or a table and lampshades are made with nineteenth century linen from bridal dowries. Innovation and creativity

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are especially manifest in the business model. For example, DESIGN's empowering of marginalized groups affords new ways to muster local resources and partners into product creation and social impact.

Formal Pre-Start-Up Planning Is Not Critical for Success

Compared to the others, FOOD#2 is quite an exception, because they devoted time and resources to study their target market prior to start-up. They felt that 'to understand the market and respond to the existing need and demands' they 'had to get the expertise of external consultants and trainers'. They even modified traditional recipes and packaging to suit the taste of consumers. The others 'just did it' (DESIGN) driven by what TRAVEL described as 'gut feeling'. A typical example is FOOD#1, which 'started as a farmers market, one day a week'. It now operates four markets, either independently or in cooperation with a local supermarket chain. They have also expanded their activities and currently 'do events during the market time, for example to celebrate local traditions' and 'partner with organizations like ILO, [to] do a migrant workers day [... where they] invite all migrant workers of Lebanon [...], they have stands and they cook and sell their own food'. FOOD#1 also manages a (currently struggling) private label of local food products and two (successful) restaurants. It even offers classes and has a small publishing operation. Most of these activities were not built into the initial plan, but simply added and dropped along the way. Indeed, as late as 2008, that is four years after launch, 'there was no structure, no organization, no financials, no accounting, no employee-system, no structure'. The managing partner noted: 'It was like there is a project, we say let us do it. If it doesn't work, we do something else.'

After start-up most respondents initiated formal long-term planning, for example when a partner with a business background joined the enterprise (FASHION#1, FOOD#1). This finding is in line with Honig and Samuelson (2009); it also resonates with the idea of opportunity development (Corner and Ho 2010), in that the ultimate concept of the venture emerges over time. An interesting case is that of ENVIRONMENT who, given the political instability of the country, does not plan more than six months ahead and does not envision doing otherwise in the future.

Implications for Theory and Practice

Implications for Theory

Admittedly, this field study suffers from some methodological limitations. None of such problems seems to crucially undermine the interest and relevance of these empirical findings. However, if research is to advance past the present 'preliminary' stage, future studies should start tackling at least some of the following issues.

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Conceptual clarity. As suggested by one of the forerunners of social entrepreneurship scholarship, 'you can't think or act with clarity unless you are clear what you mean' (Frances Westley, interviewed in: Weber 2012, 417). Greater conceptual clarity, indeed, would create the conditions for substantial improvements in social entrepreneurship research. For example, when one investigates the antecedents of social entrepreneurial success, one should find a meaningful and shared definition of 'success'. If we find convincing evidence that a demographic factor or psychosocial trait is correlated with social entrepreneurial success, we ought to make sure that what we count as success is what we strive to achieve. Yet, success sometimes means having performed some of the activities commonly associated with starting a business venture (e.g., hiring an employee or renting office space) and sometimes it means having shown some resilience (e.g., being in business after a period of three or four years). In social entrepreneurship, the consensus is that success should be measured in terms of positive social and environmental impact… but impact is rarely measured (and therefore unduly disregarded) in nascent social entrepreneurship studies. This methodological limitation severely undermines our empirical studies. In other words, we learn how to best pursue something else than what we want to achieve.

More generally, as mentioned above, a clear and rigorous definition of social entrepreneurship would help select the appropriate population for empirical studies, although at the present stage, perhaps, we should accept the proliferation of definitions as a natural feature of an emerging field (Lanteri 2014). A rigorous definition, however limited, casts a different light on our empirical findings. For example, if we study a sample of social bricoleurs, the fact that they are socially embedded in local networks and that they have a profound understanding of and feel close to social issues is not a finding, but a requirement. If the SEs we investigate lack those characteristics, they are not social bricoleurs in the first place. Perhaps they should not even count as social entrepreneurs at all, being instead eco-preneurs or socially responsible businessmen. If we accept that they ought to have those characteristics in order to count as SEs, we open ourselves to more interesting research questions, including, for example, what are the defining constructs of bricolage (Di Domenico, Haugh, and Tracey 2010) and what does bricolage entail for an SE facing specific institutional challenges (Desa 2011).

Methodological issues. (1) *Population and sample*. Many studies in nascent social entrepreneurship – including this one – draw from a sample that is limited both in size (a single case in Corner and Ho 2010 and in Perrini, Vurro, and Costanzo 2010, and 16 in Germak and Robinson 2014) and geographical origin (only cases from the UK in Shaw and Carter 2007, from Italy in Perrini, Vurro, and Costanzo 2010, from the USA in Katre and Salipante, 2012, from Chile in Bargsted et al. 2013, and from Germany in Baierl et al., 2014). This may be a problem particularly for theory testing. Most early studies modestly aimed at generalizing some findings (Shaw and Carter 2007) or theory development (Corner and Ho 2010; Perrini, Vurro, and Costanzo 2010). However, more recently, the literature is moving towards the testing of

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hypotheses through databases (Renko 2012), field investigations (Bargsted et al. 2013) and lab data (Baierl et al., 2014).

This article does not attempt theory testing, but proposes an initial validation of a framework compiled from the literature review. The claim that this preliminary framework for studying NSEs is validated means that it 'possesses a satisfactory range of accuracy consistent with the intended application', 'within its domain of applicability' and 'not that it embodies any absolute truth' (Rykiel 1996, 233). Indeed, the results of the present study suggest that the preliminary framework proposed is sound and that it contains some relevant conceptual categories to understand the phenomenon of nascent social entrepreneurship. Moreover, it proposes directly applicable implications for practice (see below).

(2) *Data collection*. Collecting empirical data is hard and time consuming. Few databases of NSEs exist, and few NSEs can be reached for interviews. Applicants to social business plans competitions and social entrepreneurship incubators are by definition NSEs, but they are only a subset of the existing NSEs. Restricting our investigations to such convenience samples also limits our ability to compare NSEs with non-NSEs, who by definition *do not* apply for incubators. This adds to the current scarcity of longitudinal data (Renko 2012 is an exception). Moreover, collecting responses from established SEs who look back to the launch of their ventures and are therefore subject to hindsight, confirmation and other biases – as in this study – means that the data might be somewhat inaccurate (e.g., Carter and Shaw 2007; Katre and Salipante 2012; Perrini, Vurro, and Costanzo 2010).

(3) *Causation and correlation*. Empirical studies in social entrepreneurship – including this study – generally include only instances of successful NSEs (Katre and Salipante 2012 is an exception). This way, it is impossible to establish which factors are indeed causally responsible for and which are simply correlated with social entrepreneurial success.

Implications for Practice

The practical value of this preliminary framework can be assessed in terms of the recommendations for the actors in the field that it affords, besides the suggestions directed at scholars and researchers above. Three are proposed here, each aimed at a different audience: policy-makers, educators and investors.[8]

Promoting social entrepreneurship. Promoting entrepreneurship requires establishing efficient financial, legal and technical infrastructures. Yet, social entrepreneurship calls for an additional effort in terms of making funds available and accessible.

The respondents in this study lamented difficulties in raising funds from external investors and donors, which – together with the other contextual issues discussed – explains the relatively low level of social entrepreneurial activity in the country. Fashion#2, for instance, systematically resorts to its board members to cover losses. Moreover, Katre and Salipante (2012, 977) find that a preference 'to self-finance the venture as against gaining support

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of potential investors and financiers' is far more common among struggling NSEs than among successful ones. This finding is probably due to both the fact that personal resources may prove insufficient and that external funding imposes extra discipline in managing scarce resources. Arguably, therefore, more and more accessible dedicated funds would contribute to promoting social entrepreneurship in Lebanon.

Training and incubation programmes. Training and incubation programmes ought to identify the participants who are most likely to become successful SEs and the practices that lead to their success. Accordingly, they should admit candidates who display a prosocial personality as well as the traits more generally associated with an entrepreneurial personality, perhaps assessed through personality tests to be administered during the selection process or during recruitment interviews. Attracting entrepreneurs who do not have the right disposition implies the risk that they would abandon the social mission if it does not advance the business ends, as TRAVEL explained – therefore compromising social impact.

Moreover, the current widespread emphasis on business plan preparation would seem redundant in early stage incubation programmes. Instead, NSEs should be encouraged to think through their business models over time, perhaps across different training modules or rounds of assessment. Later-stage training programmes, instead, should encourage their participants to develop more formal and detailed strategic plans. FASHION#1 and FOOD#1 emphasize the advantages of doing so.

Impact investors. Roughly defined, impact investors are the financial actors, who make investments 'intended to create positive impact beyond financial return' (JP Morgan Global Research 2010, 5), including organizations that operate in social venture capital and venture philanthropy, ethical banking, and social stock exchanges (e.g., Spiess-Knafl and Achleitner 2012). This category of actors ought to identify SEs and NSEs who will eventually launch enterprises that are financially sustainable and ideally profitable, in order to ensure both the repayment of investments and the generation of a return to those investments. Hence, they should strive to identify entrepreneurial bricoleurs, through personality tests and appropriately designed interviews. Indeed, the entrepreneurial bricoleurs in this study gave life to sustainable and sometimes very profitable social ventures.

A word of caution, however, comes from Katre and Salipante's (2012, 977) finding that none of the successful NSEs they interviewed conceived 'economic opportunity before envisioning a social opportunity', while half of the struggling ones did.

Conclusions and Directions for Further Research

The development of practice-inspired, practice-relevant, and increasingly refined theoretical tools is an important step to advance our understanding of SEs and NSEs and so also to promote and advance social entrepreneurship in

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the field. This article contributes to social entrepreneurship research in several ways, both practical and theoretical. It contains an empirical study from the Middle East, which contributes to our understanding of the phenomenon of social entrepreneurship both in its international and regional manifestations. Incidentally, it shows that Middle Eastern cases are fit for analysis with international methods and therefore can contribute to understand the phenomenon at a global level.

This study uncovers seven features of social entrepreneurship and it points out numerous theoretical and practical implications of these features, ranging from research methodology to training SEs. Moreover, the article expands the notion of social bricoleur (Zahra et al. 2009) to include the activist/entrepreneur distinction and the issue/value type of opportunity identified (Robinson 2006). Finally, it contains an early literature review that maps the current state of the emergent field of nascent social entrepreneurship and assembles a framework to investigate it. The framework remains preliminary because it exposes at least the three following areas of major interest to be further investigated.

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Human and Social Capital

The notions of human and social capital are sometimes loose and hard to pinpoint. This adds to the problem of identifying exactly which of the elements that variously fall under their scope are actually determinant for success. Indeed, even to the extent that some of the components of human or social capital are shown to be correlated with entrepreneurial success, a finer grained effort is in order to understand why – and so develop appropriate tools to promote the supporting factors and overcome the limiting ones. Some of our respondents lacked business education, but were able to attract competent partners at some point in time. Surely, these have been serendipitous encounters, but we do not know what made them so successful.

The definition of social capital is also problematic, because it sometimes includes the presence and access to (social) business incubators, although very little is known about how this contributes to the success of NSEs (Hmayed, Menhall and Lanteri, forthcoming).

In general, we do not know why are business education and previous experience in start-ups sometimes associated with entrepreneurial success. What kind of social networks and what kind of interactions within such networks do lead to success? Katre and Salipante's (2012) study offers several hunches, to be further pursued.[9] For example, they list several behaviours leading to successful and to struggling NSEs. Table 4 reports a selection of three behaviours of each type. These behaviours seem rather intuitive and surely business graduates and experienced managers would engage in the successful behaviours and avoid the mistakes that lead to failure.

Moreover, successful NSEs actively develop strategic networks outside of their circles, from which they stimulate feedback and they interact personally with a variety of stakeholders (Katre and Salipante 2012). This suggests that at least some components of social capital are not static and can therefore be honed or developed.

Table 4. Behaviours of successful and struggling NSEs

Behaviours	Number of SEs	
	Successful	Struggling
Use cost-conscious approaches like contract negotiations, cost-benefit, and return on investment calculations during decision-making	14 / 14	0 / 6
Deliver high-quality products/services and manage customer satisfaction	14 / 14	2 / 6
Seek help for products/process quality from experts	14 / 14	1 / 6
Acknowledge lack of expertise or access to expertise only when fatal situations are encountered	0 / 14	5 / 6
Enter into new domains like import/export with no previous experience or access to experts	0 / 14	5 / 6
Ignorant of cost implications of operational issues and decisions	0 / 14	5 / 6

Adapted from Katre and Salipante (2012, 983).

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Local Conditions

Most SEs operate within local contexts and often have been brought up within that context, this leads to their superior understanding of social entrepreneurial opportunities. The respondents in this study made it clear that their ventures leveraged local opportunities and evolved in response to local challenges. Moreover, 'background and context explain a large part of social entrepreneurs' enhanced level of loyalty to their values and philosophy' (Mair and Noboa 2006, 124). However, to this moment, we lack systematic theorizing about the role played by local conditions in SEs and NSEs success.

Entrepreneurial Teams

As seen above, SEs are team players. Few individuals have all the necessary skills to launch and manage a venture alone. For example, 25% of the struggling NSEs and 46.7% of the successful NSEs in Katre and Salipante's (2012, 974–975) study are described as cofounders – and so part of an entrepreneurial team. None of the winners of *nabad*'s competition is a lone entrepreneur (Hmayed, Menhall, and Lanteri, forthcoming). However, we still know very little about entrepreneurial teams and about their features and prospects as opposed to individual entrepreneurs. There is surely something to be gained by choosing entrepreneurial teams as a unit of analysis.

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At the time of data collection, the author served as a *pro bono* member of the Advisory Board of *nabad*.

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Notes

1. See Davidsson (2006) for a comprehensive review of the literature on nascent entrepreneurship.
2. See Lehner and Kaniskas (2012) for a review of the literature on opportunity recognition in social entrepreneurship.
3. The other two types are 'social constructionists', who identify social needs in market and government failures at any level and in any location (e.g., Acumen), and 'social engineers', who challenge the status quo and organize vast responses to bring about revolutionary changes (e.g., Grameen Bank), much in the fashion of the hero entrepreneurs who change the world.
4. 455,000 refugees from Palestine (UNRWA 2009) and 776,000 from Syria (UNHCR 2013) are currently estimated to be in the country, or about one-third of the permanent population.
5. Only 22.3% of working-age women engage in the labour market compared to 71.5% of men (UNDP 2011, 140).
6. The human development index, which is .739, drops to .570 after inequality-adjustment (UNDP 2011, 136).
7. Lebanon scores 57.9 on the Environmental Performance Index, much lower than the average (63.5) for countries with a high level of human development (UNDP 2011, 147).
8. Implications for SEs are avoided to minimize the problem of causal performativity (Lanteri 2014).
9. Katre and Salipante (2012) do not investigate human or social capital directly. So they do not report the background information of their NSEs that would be necessary to investigate this issue.

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Appendix 1

The questionnaire

1. *Individual Profile*
   a. Talk about yourself when you started.
   b. What were the personal challenges you faced?
   c. Did you have any previous experience in:
      i. Business Administration and Management?
      ii. The sector that you are operating in?
   d. Define Social Entrepreneurship. Do you consider yourself a social entrepreneur?
   e. Did you get any support? Family, friends or acquaintances from the business sphere?
2. *Opportunity & Idea*
   a. How did you identify the social need your organization addresses?
   b. How did the idea begin?
   c. How did it evolve into what it is now?
   d. What's innovative about it (product, distribution, production, process)? Was it totally new to the target customers?
   e. Did you discuss the idea/service with anyone? Consultant? Expert? Potential customer?
   f. What is your mission statement?
3. *Process & Gestation*
   a. What made it tough on the personal, professional and contextual level?
   b. What made it easy?
   c. Did you get any soft/technical support?
   d. How did the idea and the organization evolve? (if not answered above)
   e. Did you prepare a business plan?
      i. Did anyone help you prepare it?
      ii. Have you conducted any promotional or marketing efforts?
      iii. Did you gather any information to estimate potential sales or revenues?
      iv. Did you gather any information about your competition or similar services?
4. Start-Up
   a. What is the organizational structure?
   b. What is the legal registration type?
   c. How much was the start-up capital?
      i. Have you asked any financial institution for funding?
      ii. Have you saved any money to start this business?
   d. Have you taken any classes or workshops on starting a business?
   e. Did you create a webpage for the business?
   f. What are key challenges (managerial, organizational, legal, financial, . . .) you faced when starting? And how did you overcome them?

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   g. What do you believe is your competitive edge?
   h. How did the local context influence your organization?
5. Survival
   a. How many partners are involved?
   b. How many employees are involved at the moment?
   c. What is the annual turn over, now and over the years?
   d. Sustainability:
      i. Do you consider your business sustainable?
      ii. How are costs distributed between beneficiaries and operations?
   e. Participation:
      i. How many people are benefitting from your enterprise and in what way? Are they the same group since you started?
      ii. What roles do the beneficiaries play within the organization?
   f. Did you reach your intended impact? How? What did you do?
   g. Do you measure your impact?
6. What advice would you give to a new social entrepreneur?

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