Part 1

Action research case study - development of the

Social Entrepreneurial Leadership approach
Chapter 2. Social Entrepreneurial Leadership: creating opportunities for autonomy

Abstract
Entrepreneurship has often been regarded as the engine of economic growth and as a way out of poverty in developing countries. Social entrepreneurship seems even more worthy of being stimulated because social entrepreneurs simultaneously pursue both social and economic goals. However, we need more insights into successful strategies to stimulate social entrepreneurship. The Social Entrepreneurial Leadership (SEL) approach is such a strategy. Using bricolage as a lens to describe the social entrepreneur as overcoming limitations, using resources at hand and persuading other stakeholders to engaging in value creation, while simultaneously earning an income, the (SEL) approach was built on five years of action research in rural Bangladesh. In this study, we assess the effects of the SEL approach for 26 entrepreneurs who started in 2010, when we conducted a baseline survey. Evaluations were conducted in 2011 and 2012. We triangulated the baseline and evaluative questionnaire with in-depth interviews in 2012 with entrepreneurs, husbands of entrepreneurs and village leaders, and with members of the entrepreneurial networks. The assessment shows increases in the social entrepreneurs’ human, personal, social, financial, natural, and physical capital. Besides providing evidence for the effectiveness of the SEL approach, our findings also have a number of implications for theory. We find that the investment of time and training by an external agent can in itself be a sufficient intervention to stimulate social entrepreneurship, without the need for material inputs or financial capital. We further find that it is possible to stimulate group formation without inadvertently creating excluding mechanisms, and that an entrepreneur’s motivation to capture value can be a driver for social value creation. The SEL approach offers guiding principles to build social entrepreneurship in Bangladesh, and a number of these could be transferred to other environments at the ‘bottom of the pyramid’. We hope it inspires both academicians and practitioners to further stimulate entrepreneurship in areas where it is much needed.
Introduction

‘From partnership to ownership and beyond’ was one of the inspiring foci of the UN Development Programme (UNDP) report ‘Capacity Development: new solutions to old problems’ (UNDP, 2002, p. 14) which emphasized that capacity development, transferring ownership to the poor, finding new solutions and creating new opportunities represent the way forward in the development of marginalised groups. Since the publication of this report in 2002, this emphasis on self-reliance has received increasing support with, for example, Moyo (2010) strongly advocating entrepreneurship as a way in which people can get out of their position of dependency. Many others argue that entrepreneurship could be an answer for the many problems in developing countries (Gries & Naudé, 2009). Entrepreneurship has been described as an engine of economic growth (Austin et al., 2006), and the most successful approach to overcoming poverty at the grassroots level (Dixon & Clifford, 2007; Kolawole & Torimiro, 2005). There are ‘a growing number of initiatives all over the globe [that] seem to be defying the obstacles that have prevented businesses from providing services to the poor’ (Seelos & Mair, 2005a, p. 242). These initiatives have collectively been dubbed ‘social entrepreneurship’ (ibid).

Social entrepreneurs connect social and economic aims sustainably in their activities (Basu, 2012; Zahra et al., 2009) and social entrepreneurship is considered to be especially relevant in developing countries with their intertwined socio-economic and environmental challenges (Babu & Pinstrup-Andersen, 2007). Although there is anecdotal evidence of how social entrepreneurs come into existence and how their actions connect to wider social change, more insights are needed (Gibbs, 2009). Several authors have raised issues that could add to our understanding, focusing on the way in which small-scale social entrepreneurs are able to stimulate environmentally-oriented sustainable development (Hall et al., 2010) and the role and function of social entrepreneurs for development (Naudé, 2009). Underlying these issues is the question of how social entrepreneurship can be stimulated, given that the structures and resources that support traditional entrepreneurship are absent in developing countries (Seelos & Mair, 2005b).

Bangladesh is a suitable location for studying the potential of social entrepreneurship for development. It faces a number of challenges: an extremely high population density of 1100 people per square km, slow economic growth, and high unemployment (Mabud, 2008). About 80 percent of the population lives in rural areas, where poverty has a higher prevalence than in urban environments (USAID, 2012). Livelihoods of 77 percent of rural households depend heavily on natural resources, causing pressure on natural capital and biodiversity and potentially endangering household income. Like in many other developing countries, public efforts to generate sustainable livelihoods and to alleviate poverty often fail poor people because the services offered are inaccessible, of low-quality or unaffordable (Mair & Marti, 2009; World Bank, 2003, p. 19). In addition, the programmes of many non-
governmental organisations (NGOs) which aim to alleviate poverty fail to reach the poorest of the poor in Bangladesh (Abed & Matin, 2007; Mair & Marti, 2009).

Starting from the premise that social entrepreneurs have the potential to deliver sustainable relief to the poorest of the poor, also called the Bottom of the Pyramid (BoP) (Prahalad, 2004), our aim was to develop an approach to help some of the poorest Bangladeshis become social entrepreneurs, without providing loans or other material inputs. We found a research setting with prospective social entrepreneurs and groups that would benefit from the social entrepreneurial activities in the working area of a small Bangladeshi NGO called PRIDE. PRIDE (an acronym of Peoples’ Resources in Development Enterprise) works on the sustainable improvement of living condition of the ultra-poor in the Khulna division.

Adopting an action research methodology allowed us to incorporate the experiences of PRIDE, other organisations and literature to stimulate social entrepreneurship at the BoP. Starting with only the resources they have at hand, the social entrepreneurs engage in a process, best described as bricolage (Di Domenico et al., 2010), to create value. In this study, we describe the development of an approach to develop social entrepreneurship, assess its capacity for value creation and we identify processes that seem most conducive to reaching results. To do so, we first provide a concise theoretical lens, presenting the social entrepreneur as bricoleur. Subsequently, the research setting, the methodology used and the approach itself are presented. An evaluative framework is described and used to assess the outcomes. Finally, the results of the preliminary evaluation are presented, and their validity and implications for theory are discussed.

**The social entrepreneur as bricoleur**

Social entrepreneurship has been defined in many different ways in diverse environments. Weerawardena and Mort (2006) provide a concise summary of 21 different definitions of social entrepreneurship from literature published during 1997-2003, while Zahra et al. (2009) provide a further overview of 20 definitions. Being a social entrepreneur seems equivalent to having social change as the primary focus (Seelos & Mair, 2005a; Weerawardena & Mort, 2006) and even to ‘placing a social agenda before financial goals’ (Thompson, Kiefer, & York, 2011, p. 205).

Although attention for the social agenda is essential when studying social entrepreneurs, we think there should be an equally strong focus on income generation from the social entrepreneurial activities. This is particularly important for the poorest social entrepreneurs in developing countries, who need that income to survive another day. The focus on income makes it possible to distinguish two important differences between social entrepreneurs and two other value creating activities that are sometimes included in social

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5 Khulna is one of the seven divisions of Bangladesh, bordering India.
entrepreneurship, namely social service provision or charity, and social activism (Martin & Osberg, 2007). Social activism is concerned with indirect action like influencing governments or raising awareness: activities that do not provide income. Social service provision does not take the entrepreneurial risk of investing resources for opportunity exploitation with the aim of income generation (Venkataraman, 1997), but instead relies on gifts or public sector subsidies. As Boschee and McClurg (2003) emphatically explain, relying on subsidies is not a sustainable strategy. Social entrepreneurship has the potential to become sustainable as long as there is income generated that justifies its investments (see also Acs, Boardman, & McNeely, 2011).

With a focus on income, it is important to distinguish between social entrepreneurs and commercial entrepreneurs. Seelos and Mair (2005b) focus on the entrepreneur’s motivation to capture value to distinguish between the two types of entrepreneurship (Figure 3). Like other authors (Dorado, 2006; Santos, 2012; J. Thompson & Doherty, 2006), they recognise that there are many gradations in social entrepreneurship and present a gradient from profit motive to social motive. They connect these motives to the strategic concepts of value creation and value capturing. Value creation refers to the total added value created at an aggregate level (for example, new product creation, improved livelihoods), while value capturing refers to the appropriation of that value by the entrepreneur in the extraction of personal income (Mizik & Jacobson, 2003). In agreement with Santos (Santos, 2012), we consider that the commercial entrepreneur is focussed on maximizing value capture, while the social entrepreneur predominantly focuses on value creation. Combining this with the need for income, we consider the social entrepreneur to have predominantly social goals, in other words emphasizing value creation, while capturing sufficient value to be able to continue creating it.

Creating value in resource-constrained environments sets our social entrepreneurs apart from entrepreneurs with access to subsidies, business networks and capital. Instead, they need to ‘make do’ with the resources at hand, using creative ideas and approaches to use available resources in a new manner: bricolage (Baker et al., 2005). First mentioned by Lévi-Strauss (1966), the emphasis on bricolage in recent approaches to social entrepreneurship is inspired by Hayek’s (1945) work on the idiosyncratic nature of the entrepreneurial process. Resources at hand are based in specific contexts, and local knowledge about these resources provides advantages (Gundry, Kickul, Griffiths, & Bacq, 2011). Furthermore, this local knowledge is often tacit and therefore hard to transfer to
distant actors, limiting outsiders’ recognition of opportunities (Zahra et al., 2009). So the social entrepreneur, embedded in her environment, engages in a process of bricolage to create value.

Di Domenico, Haugh and Tracey (2010) proposed an extended framework for social bricolage. Besides ‘making do with resources at hand’ (using untapped or underused sources to create a new service/product), they include ‘refusal to be constrained by limitations’ (trying out solutions to counteract or subvert limitations of the local environment) and ‘improvisation’ (improving through best-fit approaches, trial and error) (Di Domenico et al., 2010, p. 698). They argue that bricolage entails three further processes unique to social entrepreneurship: social value creation, stakeholder participation and persuasion of other actors to contribute to social value creation (Di Domenico et al., 2010, p. 698). We used these constructs as guiding ideas in the design of an approach that could help the poor at the BoP engage in social entrepreneurial activities, sustaining their own livelihoods and improving livelihoods of the people around them in a sustainable manner.

Research

Action research has previously been successfully applied to entrepreneurship (for example, Leitch, (2007) and Tasker, Westberg, & Seymour (2012)). Action research has been found to be especially helpful in studying social entrepreneurship development because it facilitates interaction between researchers and practitioners, allowing for a more comprehensive understanding of entrepreneurs and their environment than more positivistic scientific approaches (Tasker et al., 2010). It also facilitates study of the emergence of new processes that cannot be captured with pre-set research methods (ibid) and it ‘does not regard either theory or practice as preeminent in the relationship between theory and practice; rather, it aims to articulate and develop each in relation to the other through critical reasoning about both theory and practice and their consequences’ (Kemmis & McTaggart, 2008, p. 283). Action research also encourages the integration of different perspectives (Kemmis, 2006). With these characteristics, action research is ideally suited to study the development of social entrepreneurial bricolage. It helped us to develop and adapt our approach, based on theoretical insights and practical experiences from all participants involved. These participants and their initial roles comprise:

- The social entrepreneurs, and their environments (family, friends, villages);
- PRIDE staff, who implemented the approach;
- The authors of this article, who initially developed the approach, trained PRIDE staff in implementation, and steered the monitoring, adaptation and evaluation of the approach.

We developed our action research along the lines of the Interactive Learning and Action method (ILA). Originally applied to enhance farmer-orientated innovation processes in
developing countries (Broerse, 1998), the ILA has also been used to institutionalise interactive approaches to technological innovations in Bangladesh (Zweekhorst, 2004) and has proven its merits in various other fields, for example improving well-being and food security in South Africa (Swaans, Broerse, Meincke, Mudhara, & Bunders, 2009). The ILA stresses the incorporation of idiosyncratic knowledge, trust building, mutual learning, and opportunity recognition, and development and drawing on the strength of networks. These are all key elements that coincide with entrepreneurship research as described by Venkataraman (1997) and with bricolage as outlined above. The ILA has five phases:

1. Initiation and preparation: a research team is established; preliminary, contextual information gathered; and objectives and roles are defined.
2. Collection, exchange and integration of information: perspectives, needs and interests of the different actors are identified and analysed.
3. Integration: knowledge, perspectives, and needs of the actors are mutually exchanged and integrated, resulting in a thorough understanding of the problems and possible solutions from the perspective of the stakeholders.
4. Priority setting and planning involving all stakeholders: conflicting issues are addressed and consensus is sought on priority issues, common goals and plans of action.
5. Project formulation, implementation, and adjustment: using the plan of action that resulted from the previous phase, programmes or projects are formulated and implemented. (Swaans et al., 2009; Zweekhorst, 2004)

After the first three phases (the so-called reconnaissance), a spiral of activities recurs continuously, analogous to Kemmis and McTaggart’s (1988) action research spiral (see Figure 4): revised planning, action, observation, reflection, re-planning. One cycle in this iterative process covers phases 4 and 5 of the ILA.

Our research started in 2006 and the first half of that year can be seen as the reconnaissance stage, covering the first three phases of the ILA. From June 2006 to June 2007, the first cycle started with two prospective entrepreneurs. From the start of the research in 2006, the authors visited Bangladesh at least three times per year (durations varied from one week to three months) and kept in contact with PRIDE staff members through e-mail and phone.

Figure 4: Research spiral, after Kemmis & McTaggart (1988)
Continuous monitoring and evaluation has been conducted by PRIDE, the authors and Master students of the VU University Amsterdam, and was coordinated by the authors. Active feedback was sought from the entrepreneurs, their families, the other people in the villages influenced by this programme, from PRIDE as the programme implementer, and from Master students as independent outsiders. Interviews, mapping (see later in this article), group interviews and field observations were employed. In addition, other NGOs, government organisations (GOs) and private organisations were approached as sources of knowledge, and reflections were taken from literature. A number of specialists (doctors, a psychologist and two business developers) were also consulted for specific elements of the development of the approach. During the monitoring and evaluation, two main aspects were analysed: 1) effective and optimal social and economical value creation, and 2) why some approaches worked in stimulating entrepreneurship and others did not. Data from all these different sources was continuously compared, triangulated with other sources and literature, and used to adjust the approach.

The monitoring process led to changes in design, of which one concerned the selection of programme participants. During the 2006-2007 and 2007-2008 cycles, both men and women were selected to take part in the programme. All the men dropped out because they found other work. The women usually stayed in the villages and close to their homes, and had more time to develop their entrepreneurial activities. For these practical reasons, only women were selected in the programme in the following cycles.

In mid-2009, we scaled up to 32 participants (from 20 in 2008). This was the first year in which we felt that we had found an approach that was effective in fostering social entrepreneurship. In 2010, the same approach was repeated by PRIDE alone, without any field visits or interviews by the authors, to check for artefacts that might have been involuntarily introduced. To check whether the approach was still having the desired effects, PRIDE staff wrote monthly monitoring reports that were sent to the authors and discussed during visits and over the e-mail. In 2010, the approach was named the Social Entrepreneurial Leadership approach, and the participants Social Entrepreneurial Leaders (SEls) because they were organising social entrepreneurial networks in their villages and providing leadership in the creation of social and economical value.

**Framework for evaluation**

Where commercial entrepreneurship can be traditionally assessed on economic parameters like turnover or profit, assessing social entrepreneurship should involve additional parameters to do justice to its social goals (Korsgaard & Anderson, 2011). Zahra et al. (2009) suggested measuring the output in terms of Total Wealth, comprising both economic wealth (tangible outcomes like products and clients served) and social wealth (intangible outcomes...
like happiness and general well-being). However, they also point out that although the total wealth standard can be useful for scholars, it is imprecise (Zahra et al., 2009, p. 522).

Development practitioners and development literature have long faced the same problems in categorising specific outcomes of projects, but created an analysis framework called Sustainable Livelihoods Framework (ADB, 2008; Scoones, 1998). In this framework, different bodies of literature are combined to identify five different kinds of capital: human capital (e.g. skills and capabilities, knowledge, labour, good health), social capital (relations, networks, friendships, affiliations), financial capital (e.g. savings, debt and income), physical capital (shelter, production equipment, technology), and natural capital (land and produce, water and aquatic resources, trees and forest products) (ADB, 2008; ELDIS, 2012; Krantz, 2001; Scoones, 1998, 2009). The first four types of capital and their definitions are generally recognised in economic literature (Prayukvong, 2005; Sequeira & Ferreira-Lopes, 2013), and natural capital is, in addition, recognised by sociologists (Halpern, 2005), medical practitioners (Leah et al., 2013), and economists focussing on sustainable development (Hockerts & Wüstenhagen, 2010; Patzelt & Shepherd, 2011; Vemuri & Costanza, 2006).

However, these five kinds of capital do not include well-being and happiness, further components of ‘social wealth’ as defined by Zahra et al (2009). Tomer (2003) found that the five more generally accepted kinds of capital cannot explain ‘a large part of economic growth’ (Tomer, 2003, p. 453) and proposes the concept of personal capital to add explanatory power for the differences in individual productivity. He defines personal capital as emotional intelligence and emotional competencies, a concept that is consistent with the psychological conception of personality factors like extraversion, openness and locus of control on the other (Carson, Ranzijn, Winefield, & Marsden, 2004). Tomer further reasons that people’s well-being increases with an increased emotional intelligence (Tomer, 2002, p. 37). As other practitioners have done before (see e.g. IFAD, 2012), we therefore include personal capital (people’s internal motivations, their will to act and promote change, expressed in increased wellbeing) as the sixth capital in our evaluation framework.

### Methodology used for evaluation

As indicated above, we used the experiences of the 2010 cohort for the evaluation of the approach. We triangulated different methods, one was a questionnaire (on income development, number and kind of income generating activities, development of the number and intensity of relations and the Rosenberg Self-Esteem scale (Rosenberg, 1989)). The baseline was done in 2010 and evaluations were conducted in 2011 and 2012. In addition, PRIDE collected data in monthly reports from 2010 to 2012 on the development of the entrepreneurs, focussing on all six types of capital, problems encountered and solutions found. These reports were sent to the authors and discussed by telephone and e-mail, and
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during visits to Bangladesh. Several points came out of the monthly reporting and the questionnaires that provided input for the interviews done in 2012.

In-situ, in-depth interviews were undertaken by the first author in 2012 with all 26 entrepreneurs, 10 husbands of entrepreneurs and 16 village leaders. Interviews focused on the effects of the SEL programme and on the most important changes SELs had experienced since becoming an entrepreneur. All interviews were translated from Bangla into English. We tried to record the interviews many times but the SELs and their families did not want the conversations to be recorded. On the few occasions that conversations could be recorded, the interviews were superficial and short. For this reason, notes were taken during the interviews by both the interviewer and the translator, and the interviews were reconstructed afterwards. Some ad verbatim quotes were written down during the interview and, where relevant, are used as illustrations here. Information obtained during the interviews was compared to data gathered through the evaluative questionnaires and the monitoring programme. Contradicting or otherwise deviating information was checked by repeated field visits and more interviews with SELs.

To make sure we captured the experiences that were most important to the SELs, we also conducted a photovoice evaluation\(^6\) (Berg, 2004; Lemelin et al., 2013; C. Wang & Burris, 1997). Literally handing the camera to the entrepreneurs, we asked them to make photographs of the changes they had experienced. These photographs were discussed in four group interviews of 3 hours with 5-7 women per group.

In addition, 89 people of the entrepreneurial networks set up by the SELs were interviewed in groups of 3-5 to understand what they had gained from their involvement. For this evaluation, these latter interviews were mainly use in triangulation of the interviews done with the SELs and to analyse the social value created by the SELs. We focused mainly on the entrepreneurs themselves because this is an evaluation of an approach to develop social entrepreneurs.

Social Entrepreneurial Leadership

Below we describe the SEL approach and explain why we introduced certain interventions and their effects, based on the insights we gained during our action research.

Reconnaissance

PRIDE works with the ultra-poor: people with low social status; no access to tailor-made technologies or information; irregular income and very limited financial resources, often

\(^6\) Originally developed by Wang and Burris (1997), photovoice evaluation is a process wherein people are handed camera’s and (in our study) the question to take pictures of the benefits they experienced since they became a SEL. Benefits of this approach are, amongst others, that the SELs have the opportunity to take pictures of what they personally perceive as benefit, without any interference from an interviewer or other people. As a consequence, the discussion based on these pictures is started from the viewpoint of the SELs.
being landless or using a maximum 40 m² of land for their household; poor education; spending 80% or more of their family income on food; and with houses of low-grade materials like timber, straw or clay tiles (see for comparable definitions Halder & Mosley, 2004; Mair & Marti, 2009; McIntyre et al., 2011). To find these people, the poorest upazillas⁷ in a 40 km radius from PRIDE’s head office were first selected, based on information from government offices. During field visits to the selected upazillas, people were interviewed and invited to take part in participatory mapping exercises⁸. Mapping exercises are a participatory manner of gathering data, inviting people to draw, for example, their village environment. Added advantages of these methods are that the participants can focus attention on issues that the researchers had not realised were important, and that they help in trust building (Chambers, 1994).

Integrating the data from these different sources with PRIDE staff proved valuable for two reasons. First, it provided useful information which complemented ‘official information’ from government offices which was hard to find, sometimes over 15 years old and occasionally fabricated. The second advantage was less obvious to start with, but searching for different sources of information and integrating the data acquainted PRIDE staff with the process of selecting and recombining information to present the best achievable data, and draw conclusions themselves. This process helped them to improvise and find new entrepreneurial opportunities. Learning this process of improvisation which is core to entrepreneurial opportunity creation took a long time and many co-learning sessions (explained below). These sessions with PRIDE staff formed the basis of the training sessions that PRIDE undertook with the prospective SELs which were adapted to the SELs’ knowledge and skills.

This first reconnaissance resulted in a list of criteria,⁹ based on which the two poorest upazillas were selected as the location for the programme. Using similar methods, we also created selection criteria to select the villages within the upazilla¹⁰. In this reconnaissance phase, a challenge with important implications for the programme was identified, namely the fact that the ultra-poor lack access to networks. PRIDE, as a local NGO, also experienced difficulties in forming networks because it was not well known in the local area and because PRIDE staff were perceived as being poorly educated. These challenges were countered by the authors, all affiliated with a Dutch university, who made connections with other organisations and accompanied PRIDE staff to meetings. In this way, PRIDE gained status from working with a foreign organisation. After a while, PRIDE became better known and

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⁷ Layer of regional administration in Bangladesh. Bangladesh has 7 divisions that are subsequently subdivided in 66 districts and 505 upazillas. Each upazilla is in turn subdivided in Unions and each Union has a number of villages.

⁸ These interview methods are extensively discussed in RRA Notes’, titled ‘PLA Notes’ from 1995, published by IIED. See for example Mascarenhas & Kumar (1991).

⁹ See Appendix 1 for the list of Upazilla selection criteria.

¹⁰ See Appendix 1 for the full list of Village selection criteria.
became more ingenious in forming networks. Currently, they are well known throughout Khulna and have an extensive network of GOs, NGOs, private organisations and knowledge brokers, such as universities. Again, the knowledge and the skills that PRIDE acquired in this process served as a basis for training later on in the programme.

This reconnaissance phase proved extremely valuable for understanding the SELs’ environment, leading to selection tools for upazilla and village selections, and provided insights into both the problems endemic to this region and potential solutions. In addition, networks with other organisations and villagers were built, local knowledge gaps and skill gaps identified, and several first versions of training manuals were developed to address these. This phase also sensitised the NGO staff to local challenges and solutions. After this initial phase, the following steps are repeated on a yearly basis.

**Getting acquainted within the village**

When starting in a village, some mapping exercises are repeated because many of the poor’s challenges and entrepreneurial opportunities are context bound (Zahra et al., 2009). The village leaders are first contacted, and are asked for their support and for information on local opportunities and challenges. They are also asked to help identify suitable SEL candidates. This first step takes about a month, and is important for obtaining local information and for winning over the local leaders. Final selection of the candidates is undertaken following selection criteria, which are based on the experiences from the years 2006-2008. The most important criteria are interpersonal behaviour, the ability to move about the village, and some organising skills.

Once a shortlist of possible SEL candidates has been drawn up, PRIDE follows social norms by first consulting the candidate’s family (specifically the husband or mother-in-law) before approaching the prospective SEL herself. It usually takes time for the SELs to trust PRIDE. Negative experiences with people impersonating NGO staff and stealing money and corrupt staff from otherwise legitimate NGOs make people cautious and distrustful. To gain trust, PRIDE frequently visits the villages, thereby showing their intention to work with the SELs. An office and a training location in the vicinity ensured the SELs that PRIDE was a real organisation. When the programme had been running for a few years, it became easier to gain trust because relatives in neighbouring villages could testify to PRIDE’s trustworthiness. In addition, SELs who started in previous years were sometimes invited to share their experiences with prospective SELs. In the end, one SEL is selected per village.

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11 See Appendix 1 for the full list of SEL selection criteria.
Commencing social entrepreneurship development
Immediately after selection, two simultaneous processes are initiated and will continue for the remainder of the year: a series of trainings given by PRIDE and network development by the SELs. In parallel, the SELs start several entrepreneurial activities and are continuously coached by PRIDE.

Training
The SELs are trained in groups of 13-16 people. In a bid to develop capacities to improvise, these training sessions differ from the top-down learning environment to which the Bangladeshi are accustomed. We started a process of knowledge co-creation (Prahalad & Ramaswamy, 2004; Scharmer & Käufer, 2000) where everybody learns together. PRIDE staff initiates the learning sessions and transfers knowledge, but also invites the participating SELs to (literally) stand up and share their knowledge and insights. This was a surprising approach for the women who reported being scared to stand up and share their ideas, and to be the centre of attention. As the training sessions progressed, they learned to speak in front of a group, and gained in self-confidence. Their knowledge was further recognised by interested questions from the other participants in the group which made them feel acknowledged and valued.

Training is organised in a cycle of five one-day sessions spread out over four months, each focused on one topic: vegetable and seed production, tree nursery management, poultry rearing and vaccination, handicrafts and tailoring, and a fifth training on a variety of topics, such as fish production, goat rearing and cow fattening. The sequence of the training sessions is important: the first one is the easiest. Cultivating vegetables on a very small scale in their homesteads builds on what the women already know, and the seed production extends their knowledge. In addition, the cycle of this activity is short: within weeks they have grown their own vegetables and seeds both for the next season and for sale. This enhances their trust in PRIDE and in their own entrepreneurial capabilities. After the fifth training session, the whole cycle is repeated once to enhance the SELs’ knowledge and capabilities.

The training session also function as a discussion group with peers where the SELs discuss difficulties and exchange new ideas and solutions with like-minded people. In addition, they act as role models for each other, strengthening each other’s self-confidence: if one of them could overcome certain challenges, they felt they all could. When asked, the women explained that the group trainings were beneficial, not only because they can learn from each other, but also because ‘it would have been boring if we only had to listen to one voice, it is better when more people speak’. These training sessions also are an opportunity to ‘gossip’, to talk about children, family and husbands, and to discuss typical female topics, all outside the interest of an official training program. In addition to the more technical training
on entrepreneurial activities, SELs are also trained in conducting group meetings and in monitoring their activities to identify possibilities for improvement.

Network development
In our approach, we distinguish between vertical and horizontal network development. Where horizontal networking is necessary for the day-to-day entrepreneurial activities and creates horizontal links with peers (Szreter & Woolcock, 2004; Woolcock & Narayan, 2000), vertical network development is about establishing vertical links (ibid) with more powerful, non-peers, for example to suppliers or markets. The SELS could not have establishing vertical links on their own because they ‘were afraid to talk to them [non-peers] ’, did not know where to find relevant contacts or because they would not be listened to. PRIDE functions as an intermediary, bringing SELs in contact with suitable business contacts. PRIDE also brokers connections with the local imam, the *shalish*¹², and other village leaders. Depending on her requirements, a SEL can also be connected to other NGOs delivering different services.

Directly after the first training, the SELs start building their horizontal networks with two motives: the SELs create value in their communities by extending the knowledge and skills they acquired; and they need to earn an income from the networking activities as an incentive to continue. All entrepreneurial activities taught in the training sessions have this rationale. For example, the more people the SEL teaches how to cultivate vegetables, the more seeds she can sell. When the network members start producing seeds themselves, the SEL buys from them to sell on the market or to PRIDE. She also uses her network as a source of labour. In the case of commissioned embroidery work, the SEL pays her network members for their work and keeps a commission. The larger her network and the better she teaches the members, the more value she creates and the larger her potential earnings.

Although many of the SELs have some form of social network at the start, they still need to set up their entrepreneurial network from scratch. Initially, they do house visits, accompanied by PRIDE staff. Although PRIDE is an external organisation, their presence helps in validating the SEL’s new role: they can answer questions people have about the programme. Despite support from PRIDE, the initial reaction of relatives is hesitant when they are approached by the SELs because the SELs are not trusted in their new entrepreneurial role. As one daughter-in-law explained: ‘I trust my mother-in-law but this is something she never did before. How do I know she can do it? Why does she suddenly know how to produce vegetables?’ These doubts are lessened when the SELs can show their home-grown vegetables after five to eight weeks.

¹² *Shalish* is a social system for mediation in petty disputes both civil and criminal, by local (rural) elites. These elites are usually people with a religious/ritual or political function, or are important for local economic activities.
When the SEL has extended her entrepreneurial network to 20 to 30 people, she invites the members to a first meeting. During the first meeting, PRIDE staff explain the SEL approach and how it can benefit those who want to participate. PRIDE staff are also present during later meetings but gradually retreat into the background, leaving the coordination to the SEL. Gradually, the meetings change in tone. People increasingly discuss their progress, newly faced problems and opportunities, and also focus more on social challenges, such as rights and family planning. A distinctive characteristic of these meetings is the same learning process that PRIDE uses in the SEL trainings: the people in the group learn from each other, share solutions and identify possible joint opportunities. Given that the SEL is the person driving this process and also the liaison to other organisations, her social standing grows and it becomes easier to extend her network. The 2010 SEL cohort have each organised networks of about 60 women in the first year and up to 150 women after two years.

Finding profitable solutions to challenges, called ‘improvisation’ in terms of our framework of bricolage, was the most difficult process for the SELs. Challenges were identified but often perceived as an intrinsic, unalterable part of the environment. For example, some SELs recognised that abdominal pain was often the consequence of worm infestations and they knew of a medicine for relief. However, they just accepted that this medicine was not available in the village. They needed help from PRIDE to identify this as an opportunity, to obtain the anthelmintic medicine and to sell it in their village. In a similar way, compost creation was a profitable solution to both burning waste, which smelled and took time, and buying relatively expensive fertilizer. In the last months of the programme, the SELs started to come up with their own ideas for income generating activities, like producing baby food, snacks, and paper flowers.

As the SELs progressed in their entrepreneurial development, a number of them formed somities (a kind of rotating savings fund)\(^ {13} \) or established other group activities which entailed pooled investments, risks and profits, such as joint fish farming. PRIDE provides assistance in forming these groups, choosing a chairperson and treasurer, establishing group rules and opening a bank account when needed. They involve the SEL in all of these steps so she will be able to do this herself afterwards. In this way, SELs become increasingly self-reliant so that when the programme finishes after one year, assistance from PRIDE is reduced to a visit once every one or two months. SELs still have the opportunity to contact PRIDE staff and ask questions, and PRIDE sometimes asks them to come to training sessions of new SELs to share their experiences in the SEL programme.

\(^ {13} \) In a somity, the participants pool a certain amount of money each month and decide who can invest the sum and when it has to be refunded.
Outcome and effects of the Social Entrepreneurial Leadership approach

As far as possible, the outcomes are divided among the six kinds of capital defined earlier. Some overlap as the different kinds of capital influence each other and can be converted into one another (Bourdieu, 1986).

Financial capital

Measuring results in terms of money earned turned out to be difficult. First, earnings of a single recent transaction were clearly remembered but calculating total earnings in a month was not accurate because of memory lapses. We also found that estimates often changed by 30 per cent, either more or less, when the same question was asked the next day. Second, we also saw difference in monthly monitoring reports (lower averages) and the answers given during evaluation interviews (higher averages). This margin of inaccuracy has been consistent throughout the project which made us decide to only focus on trends in monthly income development in terms of high, low, median and average. Third, the SELs’ husbands quoted higher earnings than the SELs themselves because the husbands, in addition to the money made, also counted the money saved by, for example, home-based production of eggs and vegetables. In this article, we present the figures quoted by the SELs.

Table 3: Overview monthly income development (in taka) 2010 cohort of 26 SELs

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<td>118</td>
<td>234</td>
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<td>Low</td>
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<td>115</td>
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<td>Median</td>
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Table 3 provides an overview of the income development of SEL cohort 2010 in their first year, based on information the SELs provided during the monthly monitoring. The first part provides the median, low and average income. The second part shows only the trends and multiples of starting income. The trend of income development is clearly upwards with the median and average income increasing more than tenfold after one year in the programme. In both the group and individual evaluative interviews, women indicated that their incomes rose further in the second year. This was confirmed by the monitoring of monthly incomes,
where monthly averages hovered between 630 and 805 taka\textsuperscript{14}, with the lowest incomes stabilising between 370 and 450 taka. People in the SELs’ networks reported incomes from 400 to 700 taka per month, which was also higher than their income before they started working with the SELs.

The additional income and associated benefits are a major reason for the SELs to continue their entrepreneurial activities. All SELs claim to want to continue their activities when PRIDE leaves the area\textsuperscript{15} because of their earnings. They also stated that they would be searching for new income generating activities because they can see it helps them, their families and the network members.

**Physical capital**

Observations during the interviews, answers from SELs, and group interviews with network members indicate an increase in physical capital. This includes household assets like storage boxes and a tin roof, protecting the household from rain. The husband of one of the SELs showed the new house they had built with the money his wife had earned as SEL over the past two years. The house was about three times as big as their previous house and they now had a solar powered fan. Part of their old house had become a shed for their cow. He explained how his wife’s earnings of 2500 taka per month (about 1300 taka according to the wife) was extra money that could be spent on building materials.

Many people reported their income enabled them to buy productive assets, such as the materials needed for embroidery. Two groups of SELs and members indicated they had bought a sewing machine together. A number of women had built up a stock of embroidered cloths, pillow covers and bed covers that could be sold, making them more independent of middle men and consequently providing them with a higher profit. In some cases, a rickshaw was bought, either for the husband to earn an income that was more reliable than other forms of day labour or for weekly rent to another operator.

Finally, the SELs reported buying clothes for their children. Although the primary schools are accessible for free, a school uniform is compulsory. In addition to school uniform, the women bought notebooks and pencils for their children so that they could practise writing and take home the lessons they had learned in school.

**Natural capital**

During the evaluation interviews, some SELs reported that the money they earned helped in buying land. Generally though, it was not the ownership of natural capital that increased

\textsuperscript{14} Bangladeshi currency; exchange rates hovered between 80 – 110 taka per euro between 2009 and mid 2013

\textsuperscript{15} Although at the time of the interviews, the SELs had been working mainly on their own, they still had the possibility to interact with PRIDE staff once every one or two months, and they had the opportunity to visit their office whenever they wanted. We wanted to know what the SELs were planning to do when PRIDE would leave their area altogether.
but, rather, access to it. Some SELs reported leasing land from rich men. Others had planted fruit trees near their homes or had created beds where they cultivated vegetables and produced seeds. Others ingeniously built bamboo pergolas in their homesteads, providing both space for the vegetables to grow and shade for people. Some planted their seeds on a waterfront and built supporting pergolas over the water. Tin roofs were also used as supporting structures for vegetables like bottle gourds. Vegetables were planted in the narrow strips of soil surrounding their homes.

For the ultra-poor who live hand to mouth, producing their own vegetables has a significant impact on their family life. Before becoming SELs, a number of women could only start cooking when their husband returned with food in the evening which meant late dinner or no dinner if the husband had not been able to make any money that day. With her own vegetables, part of which she can sell or exchange for other food with neighbours, they do not have to wait for their husbands’ return. Instead, she can prepare food for when he comes home and everybody has an early dinner. This has a direct effect on personal capital (it reduces stress within the family and improves family relationships) and on the development of the children’s human capital: the children pay more attention at school because they are less sleepy and less hungry. In lean times, families’ own vegetable production means an extra meal a day for some of the network members. More network members and SELs reported that now they can sometimes eat fish or poultry, where before they only ate vegetables and rice.

SELs who rear poultry reported selling eggs and the birds, and said they to reinvest the money earned in more poultry and in poultry vaccination. Poultry provides a solid income base as the vaccinated birds grow fast, and the market is profitable. With the income from poultry rearing, SELs further buy goats and cows that they fatten and sell again. A new opportunity, these ‘fattening cycles take up to three months and can bring considerable profits.

Human capital
The SELs indicate that the detailed knowledge that they gain in the training sessions with PRIDE and other SELs was essential in starting their entrepreneurial activities: ‘We did rear poultry before but they died and we didn’t know why. That’s why we never had more than one or two because we didn’t know if they would survive’. The same was true for vegetable cultivation: ‘I’ve cultivated vegetables at home before, but sometimes they grew and sometimes they didn’t. Sometimes we could eat them but I never spent much time on cultivating them. Now I spend time because I know how to make vegetable beds and I always have a good harvest’. The SELs teach their network members the same knowledge and skills they learned from PRIDE. They also help the network members in setting up their vegetable beds: ‘When she [the SEL] made the bed for the vegetables at my home, I didn’t
need to persuade them [to-be network members]. They were persuaded by what they saw’. Knowledge and skills are strong assets in persuading people to join the network.

The skills to create a network were also often quoted as essential. In the beginning of the programme, SELs found it hard to start talking to others. In Bangladesh, people often do not dare to speak those perceived as having a higher status. If they do speak to those of higher status, they usually give very short affirmative answers because giving long answers would indicate a higher status. If the women are to talk to others, they need to overcome the feeling of not being allowed to take up the other’s time. Following the same rationale, asking other’s time to discuss your own issues is something you do with people in the vicinity but usually not with people of much higher status. SELs and their network members ask questions of PRIDE and of other people of a socially higher status, but it is a habit that takes time to develop.

SELs also had difficulties in identifying people who could connect them to markets or another customer base. Initially, PRIDE needed to identify and contact the middlemen and help the SELs and their networks find other possibilities for marketing their products. The results after two years were mixed: for some SELs, it remained difficult to find even one contact, while others had created networks extending outside the villages.

**Personal capital**

In both the interviews with SELs and the group interviews with members, we often heard phrases like ‘I have less tension in my head’ from the SELs and ‘She looks happy now’ when group members are talking to each other. An important reason for reduced stress and more happiness stems from the ability to produce more meals on time for the family. In addition to the personal benefit, entrepreneurial activities can also ease family stress. As one SEL remembered: ‘Before I gave a bottle to my husband and said will you get oil? We need it for cooking. He went mad and threw it back at me and said ‘Are you stupid? You know I don’t have money!’ That changed now that I earn money. I can buy oil myself now and my husband respects me’.

All SELs (in the photovoice sessions) and a number of their husbands (in interviews) mention changes in relationships. When a husband sees that his wife’s activities benefit the household, he allows her to be more involved in household decisions and respects her because she brings in money. This is supported by the results of the questionnaire, indicating that women are increasingly being consulted in household decisions, including in more important decisions like the use of land.

In the interviews and photovoice sessions, all SELs reported an improved self-esteem. They felt they had more value as a person, they felt good that they could do more for their families, and felt they were better able to talk to people and that their world had become bigger: ‘Now I can walk to Jessore [a nearby city]. Before I did not know how I could do that,'
and I was frightened by the idea to go there. But now I know other people, I learned to talk to other people and I know that I can go there’. Husbands also recognised that the SELs were better able to phrase their words and to talk to other people, indicating a higher self-esteem. The SELs and their network members indicate that the SEL is ‘more honoured’ now: women greet her and ask her for her opinion on matters that are important to them, ranging from their entrepreneurial activities to family issues. Sometimes even husbands of network members greet her. These forms of respect enhance her self-confidence and emphasize the importance of her activities.

Interestingly, these findings from interviews, observations and group interviews could not be verified by the Rosenberg Self-Esteem scale. Although the scale has been used before in an Indian context (Pradhan, Shah, Rao, Ashturkar, & Ghaisas, 2003), used to compare self-esteem in Bangladesh to other nations (Schmitt & Allik, 2005) and had been tested with PRIDE staff, no difference in scores could be measured when comparing evaluations to baselines16. When studying the causes for the differences, we found that the concept of a scale of, for example, 1 to 4 in relation to personal value was difficult for the people interviewed to imagine. Given this difficulty with the scale and because the stories of both the SELs and the beneficiaries, as well as the observations from PRIDE are so similar, we base our findings on the in-depth interviews.

Social capital

The evaluation interviews showed that the entrepreneurial networks continued to increase in size even after the programme had finished. The largest networks comprised about 150 people, divided into subgroups of 30. The SELs no longer needed to invest effort in making these groups grow. Instead, people came to them or to other people in the networks, asking to be allowed to take part. There were also three cases where members of networks started their own entrepreneurial groups, without having had contact with PRIDE. These people felt they had learned something valuable which they wanted to spread among their neighbours. This type of motivation, ‘wanting to spread good things’, was also given by many SELs. As one of them explained: ‘We are social beings, we cannot keep these teachings [training sessions] to ourselves. It was my social responsibility [to form groups]. If I didn’t teach others, teachings would start to decompose in myself. It’s also a religious duty to help others’. According to PRIDE and other NGOs, helping each other is generally perceived to be part of the Bangladeshi culture.

In the entrepreneurial networks, vertical linking to business partners proved more difficult than horizontal linking. Most of the SELs did set up some sort of connection to a business

16 Reasons for the difficulties in interpreting scales might be attributed to the different interpretation of negatively worded items in different cultures (Schmitt & Allik, 2005), or to differences in educational background: the Indian case is from comparatively better educated Mumbai and PRIDE staff, who did understand the scales, have a higher education level than the SELs.
partner. However, many of these businesses were short-lived for a variety of reasons: the business partner died, the supplier went out of stock, or family problems took people elsewhere. When these businesses folded, it was often difficult for the SEL to find new contacts. However, some SELs were very successful in setting up and expanding their vertical networks. One SEL doing embroidery work and tailoring even reported that the city businessman who supplies her materials and work orders told her that he would help her if she faced any problems in her village. She had not yet made use of his help but telling this story in her village and feeling the power of connections ‘from the city’ has made her more confident. In two cases, SELs were invited to become part of the *shalish* because of their extended horizontal network of poor people. Two SELs were even approached to join political parties. Finally, when strangers or other NGOs come to the village, the SELs are mentioned as points of contact because of their extended networks among the poorest in the village.

The network members indicated that group formation also influenced individual activities. There are several embroidery groups that also come together to perform their individual household tasks. They find it is cosier and they stimulate each other to work: ‘five people can produce for seven in a group’. Even in networks where entrepreneurial activities had not strongly developed or diversified, this group cohesion existed. When asked, all network members said they wanted to continue group meetings even without the SEL because the meetings were beneficial for the exchange of information, catching up on village news and seeking advice: ‘Now many people gather, we get acquainted and share feelings and problems and discuss. Together, we find solutions’.

**Discussion and conclusion**

The SEL approach is successful in stimulating social entrepreneurship and sustainable social value creation at the BoP. All of the types of capital in our evaluative framework showed an increase that can be attributed to the effects of the SEL approach. There was a strong link to the six constructs of bricolage that were used as a theoretical lens to develop the approach: making do with resources at hand, refusal to be constrained by limitations, improvisation, social value creation, stakeholder participation and persuasion of other actors to contribute to social value creation.

‘Making do with resources at hand’ was our basic philosophy when developing the SEL approach because sustainable solutions have to rely on internal resources. Consistent with this philosophy, the SELs received only training and coaching. This proved to be sufficient for them to develop entrepreneurial activities, based on the resources that were already present in their environments and in the networks they developed. They refused to be constrained by limitations of local norms, engaging with their families in new ways and exploring new social borders. They were able to overcome their own preconceptions that
‘women are not supposed to earn income’ and took a new role in their villages as a successful woman with newly acquired status. Creating groups of social entrepreneurs proved conducive in overcoming limitations as the women were stimulated by each other’s successes and actively supported each other in their activities. Improvisation was the most difficult part for the SELs to learn. They could quickly replicate the activities they learned in the training sessions but it took them a long time to start new activities and some did not start those at all. Improvisation partly explains the differences in success between the SELs, as the SELs with the largest networks and the highest income deployed the highest variety of income generating activities.

Turning to the next three elements of bricolage which are specific for social entrepreneurship, our evaluation showed that social value was created in many different ways at many different levels. Remarkable is that some forms of this social value can be captured by many network members at the same time: we found an increase in human capital for all network members who, instigated by the SEL, started their own activities; all the members were socialising during the meetings and subgroups benefited from joint money making activities. Stakeholder participation was an essential condition for the creation of this social value and sometimes merely being a network member proved a sufficient condition to benefit. For example, the poorest in the villages can now rely on the networks to intervene on their behalf when local police treats them unjustly. They, thus, benefit from increased safety without the need to actively contribute to the networks or SEL activities. Persuasion of other actors was not exactly done as Di Domenico et al. (2010) described it. Instead of persuading actors to add to social value creation, the network members, businessmen and other connections were persuaded by the appeal of personal value creation and capture. This might explain why it became easier for the SEL to persuade people to join her networks after she could present proof that working with her would bring benefits. In the process, of course, every single network member contributed to social value creation as well.

Next to this adaptation of the framework of bricolage, we found trust to play a paramount role in the SEL approach. PRIDE needed to earn it, as did the SELs, their families and also the network members. In the low trust environment (Fukuyama, 1995) in which the SELs operate, proving trustworthiness seems essential. Without taking the time to build trust, bricolage would have been impossible in our study environment. This finding is hardly surprising in light of the attention given to trust in the entrepreneurship literature (Smallbone & Lyon, 2002; Welter, 2012). Given the predominance of trust in our findings, we propose the addition of trust as a seventh construct in the concept of bricolage or, at the very minimum, recognition of trust as an enabling factor.

The role of the NGO as an external agent to stimulate social entrepreneurship was widely recognised in the interviews. Most importantly, PRIDE had provided the SELs with the
knowledge and skills they needed to become successful entrepreneurs. PRIDE also played a key role by providing continuous support to help the SELs overcome challenges they encountered as they developed their entrepreneurial capacities and networks, and they were crucial in initiating relations with businessmen. Consistent with the findings of Lee and Phan (2008), we conclude that NGOs are a key intermediary for developing social entrepreneurship in developing countries. Relating to the concept of bricolage, the NGO played particularly important roles in stimulating improvisation and experimentation, and the refusal to be constrained by the contextual limitations. The SELs were constrained by their poverty and extant socio-cultural norms; PRIDE was needed to show them new ways of dealing with the very same environment.

**Theoretical and methodological implications**

Mainstream thought on stimulating entrepreneurship considers that entrepreneurs need access to financial capital and assets (e.g. Austin et al., 2006; Lingelbach, De La Vina, & Asel, 2005; Mendoza & Thelen, 2008). Although capital and assets undeniably help to speed up business development, we think this is a limited perspective that ignores both the resourcefulness and the real needs of entrepreneurs. Instead, the concept of bricolage seems to offer superior explanatory power for understanding the emergence of sustainable social entrepreneurship at the bottom of the pyramid. By improving human capital and stimulating network development, PRIDE stimulated SELs to start their activities. It allowed the SELs to grow slowly, organically, into larger activities. Our conclusion is that when the NGO as external actor is able to provide the non-material inputs of knowledge and coaching, the ultra-poor can help themselves to create and capture value, using a process of bricolage.

The SEL’s success in network development adds to extant literature in three ways. First, studies argue that a lack of assets, a lack of access to markets and a lack of rights are three important factors inhibiting group formation among the poorest (Kirchgeorg & Winn, 2006; Thorp, Stewart, & Heyer, 2005). The SELs, helped by PRIDE were able to create a network without any of these resources, were able to create markets and groups in their networks, and were able to stand up for their rights in a group. In addition, Thorp et al. (2005) argue that many successful group ventures among the poor depend on an external intervention. Our findings are consistent with this, even in the initial absence of markets: in the SEL approach, the external intervention is a sufficient condition for successful entrepreneurial network development.

Thorp et al. (2005) further argue that group formation tends to exclude the ultra-poor, marginalising them further. This exclusion mechanism is mentioned in the literature on networks and social capital (Portes, 1998), and also in the context of developing countries (see e.g. Cleaver, 2005; Dowla, 2006; Mayoux, 2001). However, despite our search for exclusion mechanisms, we did not find any. As Zahra (2009) indicates, it might be because the social bricoleurs’ small scale operation and limited resource needs makes her immune
to issues like market control. Further reasons might be found in the local social-cultural environment, where helping others improves one’s own status. However, these reasons would also be true for the micro-credit groups that Dowla (2006) describes in Bangladesh, and these groups were found to actively exclude the poorest. As the setting of Dowla’s study is comparable to ours, we hypothesize that the reason for the presence or absence of exclusion mechanisms must be sought in the programme design. We hypothesize that the open SEL networks, where everybody can join or leave at will, differ from closed micro-credit networks with joint responsibility to pay back the loans. A better understanding of differences between these networks and the way they function might help to better understand how social entrepreneurship can be stimulated.

The SEL networks also provide an interesting case when we reflect back on the concepts of value *creation* and value *capture* (Santos, 2012; Seelos & Mair, 2005b). In Figure 3, these concepts were presented as zero-sum: at one extreme, the entrepreneur captures all value created, while at the other extreme the entrepreneur creates value without the wish to capture it. While this presentation is helpful in explaining the differences, the underlying zero-sum assumption is challenged by our findings. The SEL’s goals of wealth creation and capture positively influence each other: a larger network means that more people are trained and included in value creating activities by the SEL and more customers and opportunities to make money for the SEL. The more value the SEL wants to capture, the more social value she has to create. In other words: capturing value in our study is a driver of both sustainability and social value creation.

When we tried to identify a framework for evaluation, we found that measuring social value is often regarded as being notoriously difficult (Krishna & Shrader, 1999; Westlund & Bolton, 2003; Zahra et al., 2009). We experienced the same problems in our experimental phase, when SELs and their network members indicated that they perceived all kinds of benefits that were, at best, marginally captured by measuring increases in financial capital. In the same way as the concept of bricolage offers explanatory power beyond merely financial aspects of entrepreneurship, the evaluation framework with six capitals captures intangible outcomes of entrepreneurial activities. We want to call special attention to the concept of personal capital. Without this capital in our evaluation framework, we would have missed the increased happiness and improved family relationships. Following Tomer (2003), we also consider that personal capital explains at least part of the variance in effectiveness of the SELs. The most successful SELs were more out-going, took more advantage of opportunities and felt more in control than the less successful SELs. This assumption finds further support in more psychological literature on entrepreneurial development, where ‘personal capital’ is defined as ‘Entrepreneurial orientation’, comprising amongst other learning orientation, innovative orientation and personal initiative (Frese, Brantjes, & Hoorn, 2002; Krauss, Frese, Friedrich, & Unger, 2005; Okhomina, 2010).
The SEL approach shows that by investment of time and training, social entrepreneurship can be stimulated at the BoP. The idiosyncratic nature of both social entrepreneurship and the particular challenges faced by the poor limit the direct transferability of the approach. However, it can provide guiding principles like engaging in reconnaissance with stakeholders, paying specific attention to local socio-economic structures, training and coaching entrepreneurs, and finding opportunities for bricolage. We hope our research inspires further application of the SEL and like-minded approaches because we think it holds a promise to stimulate entrepreneurship where it is much needed.

Acknowledgement

We thank the Bangladeshi team working on the implementation of the SEL approach: Palash Chandra Torfder, Shipra Mollick, Pankag Udash Mondal, Mitali Rani Satpathi, M.M. Abdul Haque, Provat Roy, Amar Chandro Mondal, Shazim Uddin Sheikh and Sunil Kumar Roy. We also thank two reviewers for their extensive and valuable comments that helped in improving this chapter.
Appendix 1: selection criteria

**Upazilla selection criteria**

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<td>Lowest education rates</td>
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<td>4</td>
<td>Lowest access to electricity</td>
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<td>5</td>
<td>Lowest access to transportation</td>
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<td>Poorest people</td>
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<td>7</td>
<td>Low variation in crops produced</td>
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<td>8</td>
<td>High number of landless people</td>
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<td>9</td>
<td>Worst sanitation conditions</td>
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**Village selection criteria**

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<tr>
<td>2</td>
<td>&gt; 50% of the houses are be made of mud, bamboo, straw, tin plates for roof,</td>
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<td>3</td>
<td>&gt; 70% of the population lives from daily wages (e.g. day labour, van and rickshaw puller)</td>
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<tr>
<td>4</td>
<td>&lt; 5% of the village women get some form of income)</td>
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<tr>
<td>5</td>
<td>&gt;40% homestead area suitable for vegetable cultivation</td>
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<tr>
<td>6</td>
<td>&lt; 25% finished 2nd grade</td>
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<td>7</td>
<td>Path and roads of the villages are in poor conditions: &gt; 70% of the roads mud roads</td>
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<td>8</td>
<td>Distance of villages from the branch office will be maximum 10 KM</td>
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<td>9</td>
<td>Few to no NGOs working in the village</td>
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<td>10</td>
<td>8-10% landless people live in the village and there may have some government’s khas land, rich farmer’s fellow land.</td>
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<tr>
<td>11</td>
<td>Day labour opportunities are limited (no work besides the harvesting and planting seasons, leading to 3-4 months without any source of income)</td>
</tr>
<tr>
<td>12</td>
<td>&lt; 30% sanitation coverage</td>
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<tr>
<td>13</td>
<td>&lt; 10% of the people in the village have a (government) job contract</td>
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<tr>
<td>14</td>
<td>Terrorism free villages.</td>
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<tr>
<td>15</td>
<td>&lt; 5% of the villagers get (food) support from the government</td>
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<tr>
<td>16</td>
<td>Majority of the villagers depends on quack doctors</td>
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<tr>
<td>17</td>
<td>Villages are not connected to the main roads, meaning that no bus services are available</td>
</tr>
<tr>
<td>18</td>
<td>No Hat/Bazar/market inside the villages</td>
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</tbody>
</table>
Day labour wage rate is low (Average 80TK/Day) in the village

The practice of dowry is held up by the majority of the village

Child marriages in the village

Cases of women repression in the villages.

< 20% of the village has access to electricity

Village social justice systems are flawed

**SEL selection criteria**

<p>| | |</p>
<table>
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<tbody>
<tr>
<td>1</td>
<td>Female and married or divorced</td>
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<tr>
<td>2</td>
<td>Must have an education level between class five and class ten (they need to be able to write, but they should not be too well educated because they will find other jobs)</td>
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<tr>
<td>3</td>
<td>Minimum age of 25 (to avoid criticism in the village, will have had children and will be married for a longer time, all allowing her to spend time on her entrepreneurial activities)</td>
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<td>4</td>
<td>Good networking skills</td>
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<td>5</td>
<td>Eagerness to learn and do new activities</td>
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<td>6</td>
<td>Good interpersonal behaviour and social skills (be open to other people and must have reacted positively to a neighbours request for help in the past)</td>
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<td>7</td>
<td>Communicative: they must be able to talk to other people in a polite way</td>
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<td>8</td>
<td>Must not be focussed on one group (e.g. Muslims or Hindus) only, but must be willing to work with many people</td>
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<td>9</td>
<td>Organising skills (clean household, maybe some activities in their households already)</td>
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<td>10</td>
<td>They should be allowed by their families to move around in the village</td>
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<tr>
<td>11</td>
<td>They must be from the group of poorest people in the village</td>
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<tr>
<td>12</td>
<td>May have some working experience with other organisations</td>
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<tr>
<td>13</td>
<td>Must show some problem solving capacity (judged by staff during interview)</td>
</tr>
<tr>
<td>14</td>
<td>They must be fit (many poor are sick and often unable to work) and active (judged by their neighbours)</td>
</tr>
<tr>
<td>15</td>
<td>If they have children, they should be over 5 years of age (otherwise they will be too preoccupied with the children)</td>
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