Chapter 7. Discussion and conclusions

The foregoing chapters have answered the study questions posed in the introduction in detail. This chapter first describes the study questions and how they were addressed in the previous chapters, followed by a reflection on the main research question and implications for the research framework. It then reflects on the internal and external research validity, in addition to what has already been discussed in the preceding chapters. It closes with presenting areas for future research.

Summary of findings and conclusions in relation to the study questions
The study questions have been answered in detail in their respective chapters in the form of articles. This section now provides a short, integrated summary of their key findings and conclusions.

Part 1 of this thesis was concerned with finding an approach that could actively stimulate the emergence and development of social entrepreneurship in rural Bangladesh. It addressed two questions concerning the outcomes of the action research conducted.

What are the effects of the SEL approach on the entrepreneurial development and the outcomes produced by the participating social entrepreneurs?

The research showed that the SEL approach is an effective intervention to foster nascent social entrepreneurship in rural Bangladesh (Chapter 2). This approach focuses on providing training and active coaching ‘on the job’, while approaching the prospective SELs as social bricoleurs in their habitual environment, respecting local mores. The SELs develop capacities for social bricolage and use them to generate an income. As a result of the project, the SELs were able to generate more money and food, gained access to organisations and land, built up entrepreneurial networks and were able to organise groups that jointly pursued entrepreneurial opportunities. On a more personal note, their intra-familial relations improved in quality and they became more respected in their villages.

Attainment of the social entrepreneurial goals aimed for by the SEL approach became evident because the SELs transferred part of their acquired knowledge and skills to their networks, allowing the network members to gain benefits for themselves. This social entrepreneurial goal was found to strengthen the income base of the individual SEL, and to provide her with a monetary return that served as an incentive to assist other people in her
village. The third party implementing the approach should have in-depth knowledge of the local environment and circumstances; spend a lot of time with the social entrepreneurs to learn about their challenges and strengths; and get to know the entrepreneurs. The latter was found to be very important in the low-trust environment of Bangladesh.

How can the total outcome of social entrepreneurship, including both tangible and intangible outcomes, be measured?

As explained in Chapter 2, financial outcomes alone would not do justice to the Total Wealth (Zahra et al., 2009) created by the SELs. For this reason, an evaluative framework was developed, comprising six kinds of capital, to assess the outcomes of the SEL approach. This evaluative framework was then operationalised using a mix of research methods, and the data generated provided empirical evidence of the increase of all of these six different capitals. However, the methods used to acquire data were not all successful. Questionnaires could be used to evaluate a rise in, for example, household assets and more intangible outcomes such as the number of household decisions in which SELs were involved. However, questionnaires regarding self-esteem and well-being posed difficulties in our research setting. The Rosenberg Self-Esteem scale did not yield consistent results, neither did the WEMWBS and the WHOQOL questionnaire (these are discussed below, under reflections on questionnaires). Triangulating data from interviews with different stakeholders (see below, under validity) with observations did prove successful in measuring these latter topics.

In Part 2, attention shifted from developing an approach that fosters nascent entrepreneurship to studying the mechanisms that could help to explain the emergence and success of social entrepreneurship at the BoP. Three processes identified by theory contributed to the effectiveness of the SEL approach: networking, trust building and learning. Each was studied from its own, distinctive theoretical framework.

How do social entrepreneurial networks develop over time and how does that influence entrepreneurial success?

The SEL’s entrepreneurial and network development differs significantly from more vested ideas on network development in regulated settings (Chapter 3). First, strong, bonding and affective ties initially restrain the SELs’ entrepreneurial development. Second, strong bridging ties in the entrepreneurial network and redundant relations, as opposed to structural holes, bring the opportunity of more income generating activities and, thus, a higher return on the SEL’s investments. Third, the ties in the SEL’s extended network are initially primarily affect-based, and stay that way throughout the process, as opposed to the primarily calculative ties found in more regulated environments (like Europe or the USA) in the mainstream entrepreneurship literature (e.g. Hoang & Antoncic, 2003; S. L. Jack et al., 2008, 2010). Finally, the entrepreneurial networks displayed no exclusionary mechanisms.
We assume this is because both the SEL and the people in her network have the same overlapping goals of creating value and capturing part of it (Chapters 2 and 3), while none of the participants have the means to force other people to join or leave. We also presented an argument for the creation of entrepreneurial opportunities, as opposed to their discovery, because all resources used in the income generating activities were already present in the SEL’s environment but now she was able to gain access to these resources through her networks. In general, entrepreneurial networks in low-trust, resource poor settings such as in Bangladesh, differ from the more calculative networks in studies of entrepreneurship in high trust environments (Chapters 2 and 4).

*How does trust building develop over time and how does that influence entrepreneurial success?*

We identified a process of proving trustworthiness in four domains that had to be followed in a particular order (Chapter 4). The SELs first had to prove their goodwill; then they had to demonstrate their knowledge and capacities; this had to be followed by a proof of principle of the SEL’s products and services; and, finally, the SELs had to prove that their products also bring benefits for the people who use them. Only after a threshold trust in, for example, goodwill was reached, could the process proceed to the next domain. Over time, the SELs could delegate trust to people in their networks and there are indications that they developed more discriminating capabilities that helped them decide who to trust and who not to trust. In contrast to trust development in many entrepreneurial studies in more regulated environments with higher system trust, like in Europe and the USA (Chapter 4), trust development in our research setting was based on affective, interpersonal trust and was only later complemented with calculative trust (Chapter 4).

*How do learning processes develop over time and how do they influence entrepreneurial success?*

The findings explain how both affective and cognitive learning processes developed over time and influenced the SEL’s successes (Chapter 5). From the start, the SELs benefit from an enrichment of their cognitive knowledge and on-the-job coaching to develop their entrepreneurial activities. The explicit learning in training sessions and experiential learning in the field reinforced each other. Initially, the learning processes were mainly exploitative, aimed at refining knowledge and entrepreneurial activities. Later in their development, the most successful SELs develop double loop learning which strengthens their capabilities for social bricolage (Chapter 2). They also learn on an affective level, feeling good about their successes and, over time, realising that they can shift from a dependent role to a role of importance, providing money and other resources to their households.

*How can a third party facilitate the transition to social entrepreneurship and how can it facilitate network building, trust building and learning processes?*
Networking, trust building and learning all needed an external actor to inaugurate the processes (Chapters 3, 4 and 5). In network creation, PRIDE was important because it created room for the SELs to manoeuvre in their local habitus. PRIDE was essential as a stimulating third party to kick-start the network process by guiding SELs in setting up new relationships with a calculative component, facilitating early network meetings and brokering structural holes in the SEL’s immediate environment and with business owners. In trust building (Chapter 4), the NGO lent credibility to the SEL’s newly acquired skills and capabilities, and facilitated trust building between SELs, network members and businessmen. In the learning processes, PRIDE was essential in providing knowledge and monitoring in the field, and in creating an environment where SELs could learn from each other. By continuously confirming that the women could become SELs, they helped the double loop learning (Chapter 5) in the affective domain.

To what extent can the emergence and success of social entrepreneurs be explained from the perspective of strong structuration theory?

This more theoretical study question was addressed in Chapter 5 which considers that strong structuration theory explains that the SEL approach stimulates the emergence of social entrepreneurs by providing them with opportunities to resist the influence of their environment. It also explains the need of a third party in changing extant position practices by temporarily changing the influence of external structures, thus creating a context in which the SELs are able to make the transition to become a social entrepreneur. This third party is further ascribed a role in making the SELs aware of their own capabilities to exert influence on their environment. Strong structuration also explains the challenges encountered by the SEL in interaction with her environment, and certain solutions to counter these challenges. Finally, this chapter highlights the fact that changes in structure (for example, by implementing policy and practices) will only be effective when entrepreneurs already exist within those structures. The intriguing question that remains is how to explain the differences in success between the entrepreneurs. We propose that strong structuration, enriched with social cognitive theory, would be able to do so and might even predict the emergence of social entrepreneurship.

General conclusions

When analysing network building, trust building and learning from a bird’s eye perspective, we discern two central findings. The first is the presence of a transition point in all three processes: after reaching the milestone of first entrepreneurial success (which, in case of the SELs, was their first harvest), the processes of network building, trust building and learning seem to increase in speed. This first entrepreneurial success speeds up networking because it provides a common goal, trust building because it serves as a proof of trustworthiness and double loop learning because the SELs now see that they are able to
undertake income generating activities and experience an increase in self-respect and
double loop learning processes became more evident, again in both realms. This is not to say that the cognitive single loop
processes were discarded – not at all – but their relative prevalence was higher before the
transition point than after. In light of this realisation, it seems a rather straight-forward
conclusion (in Chapter 6) that structuration theory should be enriched with a concept like self-efficacy to properly explain social entrepreneurial success and emergence.

![Figure 13: Quadrants based on the two central findings](image)

Figure 13 presents the two central findings as a figure containing four quadrants. Horizontally, the two realms are depicted, vertically divided by the transition point. In each quadrant, important concepts that characterise the SEL’s development are presented (see Chapter 3 for an explanation on ties; Chapter 4 for trust; and Chapter 5 for learning). Figure 13 can be seen as a crude roadmap indicating which processes need to be strengthened, at
what time, to optimally stimulate social entrepreneurial development in Jessore – and maybe other places.

These central findings complement the findings of chapters 2 to 6 in answering the main research question:

_How can the emergence and development of social entrepreneurship in resource-constrained environments be stimulated?

The SEL approach (as described in Chapter 2) is effective in stimulating social entrepreneurship. From the analyses in this thesis, several themes can be deduced that make this approach work. First, stimulating social entrepreneurship among the poorest of the poor in rural Bangladesh requires a facilitating third party that has the capabilities to gain trust from the prospective entrepreneurs and has the time and persistence to repeatedly draw on those capabilities. A genuine interest in people, shown by repeated visits to their home and villages helps in gaining trust (Chapters 2 and 4).

The facilitating third party should have extensive knowledge of the environment in which it works in order to tailor an intervention to the needs of embedded social entrepreneurs. This intervention should be aimed at both the development of cognition and skills, and at the development of more personal characteristics like building the social entrepreneur’s self-confidence. The facilitator has a crucial role when nascent entrepreneurs start the transition process: to convince their environment (Chapter 2) and to convince the entrepreneur of her own capabilities (Chapter 6). In addition, they help establish the trustworthiness of the starting entrepreneurs (Chapter 4).

From the transition phase onward, the facilitating party has three further roles to fulfil: that of a broker of, for example, networks (Chapter 3) and trust (Chapter 4), a trainer (Chapters 2 and 4), and a coach/mentoring (Chapters 2 to 6) who provides safe learning environments and reassures the entrepreneurs of their capabilities. The importance and exact content of these roles depends on the developmental stage of the entrepreneur (Chapters 2-5). For example, in the beginning, the networks within the village should be brokered, whereas after the transition point brokering connections with commercial organisations becomes more important.

The latter example illustrates the importance of acquiring a thorough understanding of what prospective entrepreneurs can and cannot do, and how characteristics of the local environmental influence the entrepreneurial process. We concluded, for example, that the development of networks in rural Bangladesh starts from the affective realm and becomes instrumental later in the process. This pattern is in contrast to Western entrepreneurial developments (e.g. Hoang & Antoncic, 2003; S. L. Jack, 2010). For an effective intervention, it seems most conducive to first strengthen the existing processes known to the
entrepreneurs (like single-loop learning) and later, in many cases after the transition point, to start to practice new ones (like double-loop learning, Chapter 5).

A final essential element of the SEL approach to stimulate social entrepreneurship is that it generates an incentive for the social entrepreneur to engage with other people. For example, by enlarging her network and teaching other people how to make certain embroidery patterns, the SEL creates an opportunity to earn more fees (Chapters 2 and 3). When the social goals overlap with and strengthen entrepreneurial value capture (Chapter 2), a driving force for the persistence and further development of social entrepreneurs is provided.

**Implications for the research framework**

The initial research framework (Chapter 1) provided an accurate depiction of the social entrepreneur as social bricoleur embedded in a resource-constrained environment. However, the two central findings mentioned above imply that this framework needs adjustment. The processes of network building and trust building start, at the latest, in the transition phase. After a clearly demarcated transition point, representing the SELs’ first entrepreneurial success, the women started seeing themselves as social entrepreneurs (see Figure 14).

In addition, these two central findings suggest that theory development should include both realms in order to be able to claim explanatory power. For practitioners, it suggests that in order to have success, interventions to stimulate social entrepreneurship should be aimed
at the development of both cognition/skills and personal characteristics, and that support should be given to nascent entrepreneurs until they reach their transition point, in order to maximise the chance for success.

Furthermore, this transition point can serve as an indicator to help to identify which processes can be most effectively strengthened at what time (as depicted in Figure 13). We saw, for example, that the initial networking activities based on developing instrumental ties was very hard for the SELs, while forming networks on affect-based ties was less difficult. As a result, coaching the SELs to build more affect-based networks proved more rewarding in the earlier phases of the SEL programme. After the transition point, building instrumental ties became easier. In further application of the SEL approach, it might be more efficient to start active entrepreneurial networking (cognitive, instrumental ties) only after the first entrepreneurial success.

Reflection on questionnaires and their construct validity in measuring outcomes of social entrepreneurship

As explained in the introduction, the questionnaires were chosen because they had already been validated in other settings, and all but the WEMWBS and the trust questionnaire had also been validated in Bangladesh. The aim of using these questionnaires, in addition to other instruments, was to improve the research validity, and to allow us to compare our data to other databases that had used the same instruments. This section reflects on the use of these questionnaires.

1. The questionnaire used in this research to collect data on household composition, assets, income, savings and debt, education level, work experience, expenditure, eating patterns, connections with other people and organisations, family relationships and access to organisations was based on the questionnaires used for the 2007 Bangladesh Demographic and Health Survey (National Institute of Population Research and Training (NIPORT), Mitra and Associates, & Macro International, 2009), the Matlab study (Rahman et al., 1999), and the IFPRI/CARE questionnaire. The questions in the 2007 Bangladesh Demographic and Health Survey and the IFPRI/CARE questionnaire were largely identical. The only difference was that the IFPRI/CARE questionnaire represented an abridged version of the more extensive questionnaires used in the Bangladesh Demographic and Health Survey 2007. All questions were first tested on PRIDE staff, adapted, tested in the field, and adapted again before we started the baseline study. The adaptation concerned issues like translating kilograms and litres to locally used units of quantity like sacks and bottles; re-wording questions to make them understandable for the SELs; and formulating standard explanations for certain questions.

2. The WHOQOL and the WEMWBS scales were intended to measure well-being as part of the Total Wealth created by the SEL. Before using these scales for actual data
acquisition, the validity and accuracy of these instruments in our research setting was tested with PRIDE staff. They were asked questions about the way they felt and they completed both questionnaires. Together, we compared the outcomes and found that some of the questions had to be re-worded to make them more understandable. We then adapted the questions and tested them in the field, only to find that these adapted instruments were not providing us with consistent information on the construct we wanted to measure: namely the SELs’ happiness and general well-being. Other studies also found difficulties with the WEMWBS scale, for example in Scotland (Stewart-Brown et al., 2009) and in other parts of the UK (Bartram, Sinclair, & Baldwin, 2013).

3. To measure effects of being a SEL on self-image, the Rosenberg Self Esteem (RSE) scale was chosen. This four point Likert scale had been validated in previous studies, and used in India and Bangladesh (see Chapter 2). Despite this earlier validation and application in Bangladesh, we could not get consistent answers to the questions. Even after explanation by PRIDE staff, many SELs said they could not answer such questions or did not understand them.

4. The trust questionnaire, discussed in Chapter 4, was based on a questionnaire used to measure trust in Cameroon (Etang et al., 2010). This Likert type trust questionnaire was also tested with PRIDE staff and questions were adjusted according to their input. It was tested in a smaller field setting where it yielded results consistent with the outcomes from interview questions. As Chapter 2 shows, this trust questionnaire also provided data that correlated with the data collected with other instruments.

With regard to the household questionnaires, SELs found some questions harder to answer than others. For example, older women did not know their exact age. Questions that required people to recollect past events, such as explaining what they did or earned in the past, and to whom they were connected, also posed difficulties. After field testing, the questionnaire was drastically reduced in length and its wording was also amended because the original questionnaire took over three hours to complete, much longer than anticipated. The original questionnaire took so long to complete because the interviewees were often distracted by their household tasks and family members, or wanted a break because they became less interested. In addition, some questions had to be repeatedly explained because they were difficult to understand and answer. When we tried to skip the explanation, the questions were either not answered, or the answer did not relate to the question. After amendment of the questionnaires, the information obtained was in general reliable, albeit with a margin of error, as explained in Chapter two. However, this margin of error and the experience that it could easily increase two- or threefold when the interviewer did not take time to explain the questions, made it difficult to compare our data with data from other sources.
The WEMWBS, WHOQOL and RSE scales did not yield consistent results. In Chapter 2, we proposed an explanation for why the RSE scale could be used in some situations but not others, namely the level of education and the connected ability of abstract thinking. Education has previously been proposed as one of the explanations for difficulties with Likert scales in a cross-cultural comparative study of Likert scales (Flaskerud, 1988), as has familiarity with Likert scales (J. W. Lee, Jones, Mineyama, & Zhang, 2002). However, given that the trust questionnaire was understandable for the SELs, it is probably not scales in general that are difficult for them to understand, but scales in relation to a topic. The SELs could indicate on a five point scale, ranging from strongly agree to strongly disagree, whether people in general could be trusted, but found it hard to indicate whether they felt cheerful often, sometimes, rarely or never, and whether they would strongly agree, agree, disagree or strongly disagree with being satisfied with themselves. So rather than discarding scales altogether, we would conclude that when applied to gather data from the poor rural Bangladeshi women in our research, the WEMWBS, RSE and WHOQOL do not have a strong construct validity.

**Reflection on internal validity**

As the author was involved in both designing, conducting and evaluating the action research presented in this thesis, researcher bias is a pertinent issue. This is even more so given the fact that the author is a Dutch man, working with mainly Bangladeshi women, which potentially could lead to cultural and gender bias as well.

Several strategies were used to reduce researcher bias as much as possible. First, the redundant data collection by different researchers and teams of researchers, described in Chapter 1 (Table 2 on page 13), showed no differences between data collected by the author of this thesis and by the co-supervisor. For example, the stories on relations between the SELs and their families, and how they developed over time, are sensitive topics in Bangladesh. As some of the quotes from the preceding chapters show, I had access to this sensitive information, as did the other researchers. Also data collected by the female Master’s students was comparable. Answers given to PRIDE staff alone were sometimes slightly different in the sense that PRIDE staff had heard all about the SEL’s family business and other personal stories during their prolonged stay in the field. Answers in interviews were comparable again.

Also the triangulation of data obtained by different instruments worked well and strengthened the internal research validity. All data from one instrument were triangulated with data obtained by at least two other instruments. For example, data from the questionnaire were compared with field observations, the monthly monitoring, SEL interviews, interviews with husbands of the SELs, and group interviews with people from their networks. Validation was further enhanced by member checks of data and constructs.
derived from the data. Whenever inconsistencies were found, the SELs were asked to provide further information. Although this sometimes took a considerable amount of time, we always found that there had been, at some point, a misunderstanding between the SEL / husband / village leader / network member on the one hand and the researcher on the other. Also, emerging ideas were validated in the field. For example, the process of trust development in four domains was discussed with and validated by the SELs. The discussions on the results with other organisations, research peers, outsiders and relative outsiders further reduced researcher bias.

This study was also susceptible to respondent bias. Respondents might have had (subconscious) reasons to want to either present their entrepreneurial success as more or less successful than warranted by the actual situation. This respondent bias was addressed by checking information across informants (SELS, husbands, people in their networks, village leaders) and by comparing data with observations done in the field and with the monthly monitoring system that ran for two years. Also, the longitudinal data for both SEL batches (that started in 2009 and 2010 respectively) are congruent.

Lastly, the longitudinal data, though displaying a margin of error, stayed in the same range of magnitude (see Chapter 2). Therefore, we feel confident to state that this longitudinal research project has a strong enough validity to generate accurate, consistent answers to the research questions.

Reflection on external validity

The features which make this research strongest – its embeddedness and idiosyncratic nature – are naturally also its biggest limitation for unadapted extrapolation of its results. As indicated before in this thesis, social entrepreneurship is an embedded process that has to be studied in its environment. Our action research case study was able to do this. As a consequence, the SEL approach that emerged from our action research can be seen as tailor-made to the impoverished, rural areas of Jessore, Bangladesh. It cannot be taken as a blueprint for effective stimulation of social entrepreneurship in some other environment.

Having said that, our research setting was ideally suited to study how social entrepreneurship emerges from scratch. None of the SELs could be called an entrepreneur before the start of the SEL programme. This allowed us to gain in-depth insights into the processes and dynamics of developing social entrepreneurship. Some insights are consistent with extant theories, while others help in pointing out the differences between social entrepreneurship in resource-constrained, low-trust environments and these theories. Chapters 3 to 6 highlighted these findings, some of which closely align with emerging insights from subsistence marketplaces (T. Dietz, Rosa, & York, 2009) and the increasing call for distinguishing entrepreneurship in subsistence market places from other economic environments (Mair, 2010).
Future research

The research underlying this thesis opens up a range of questions for future research on the development of interventions to stimulate autonomous social entrepreneurship as well as on improving insights in the entrepreneurial processes. In this section, we highlight a few.

An obvious, though interesting research project would entail studying whether the principles and generic characteristics of the SEL approach can be used in other resource-constrained environments. This could, for example, be done by implementing the SEL approach in other parts of the world, or by comparing the SEL approach with other approaches that aim to stimulate social entrepreneurship, like micro-credit programmes. Specific topics of interest would be whether the three underlying processes in social entrepreneurship follow the same development over time, to what extent these processes are stimulated by the different approaches, and whether the time that the entrepreneurs need to reach the transition point differs.

Building on the two central findings seems another promising research project. As mentioned above, Figure 13 can be regarded as a crude roadmap to social entrepreneurial development. When discarding the time dimension, it could also be used to typify certain entrepreneur-environment combinations. For example, if we would plot Western entrepreneurship in Figure 13, the picture would be different: affect-based ties would shift to the right of the figure (see e.g. S. L. Jack et al., 2008) while cognitive ties would be far to the left, benefitting from a high-trust environment (Chapter 4). Affect-based trust would be in the lower left quadrant for both environments (see Chapter 4 for Bangladesh and e.g. Smith and Lohrke (2008) for Western environments). Such typification would indicate that, at the starting phase, entrepreneurs have other strengths in, for example, Western Europe than in Bangladesh. This would mean that different interventions are required during different periods to effectively stimulate social entrepreneurship. Testing these typifications and further developing them would be an interesting avenue for future research.

Another interesting follow-up would be the development of a questionnaire that can accurately measure the development of the non-tangible outcomes that social entrepreneurs produce, like self-confidence, well-being and self-efficacy. Such a questionnaire could provide a quick assessment tool of programme effects. It could also be used as an indicator to determine whether social entrepreneurs have already reached their transition point and to test the hypothesis of Chapter 6: whether strong structuration theory, enriched with psychological concepts of self-efficacy, will be able to predict the emergence of social entrepreneurship.

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33 See e.g. Yunus and Jolis (1998) for an elaborate description of micro-credit programmes and their underlying ideas.
A final, and very challenging, avenue for future research was already embedded in Porter and Kramer’s words on ‘the big idea’ of combining societal and commercial progress, quoted in the introduction to this thesis (page 3). The SELs are some of ‘the outsiders [who] have been able to see the opportunities more clearly’ (Porter & Kramer, 2011, p. 15). For the SELs, social entrepreneurs at the Bottom of the Pyramid, creating social value stimulates the rise of their own income and total value captured. They create this social value by a process of bricolage in a severely resource-constrained environment. Fascinating future research would take the SEL approach and adapt it as action research in large companies, enhancing the social entrepreneurial capabilities of these organisations. Involving large companies might make it possible to create wealth at the population level and increase company revenue at the same time, focussing on both personal and organisational development and contributing to total wealth instead of a focus on maximum value extraction. For if social entrepreneurship works in marginalised groups at the Bottom of the Pyramid, why not in more privileged settings? Let us work on learning, changing our current position practices, building trust and networks to create a more inclusive, more value driven and a more inspiring business environment, that expands the overall amount of total wealth. In this context, I agree with the entrepreneur Donald Wills Douglas34:

*Dream no small dream; it lacks magic. Dream large. Then make the dream real.*

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34 Aeronautical engineer and founder of the Douglas Company