Typology of growth strategies and the role of social venture’s intangible resources

Raghda El Ebrashi
Faculty of Management Technology,
The German University in Cairo, Cairo, Egypt

Abstract
Purpose – Building on the resource-based view of the firm the purpose of this paper is to study the intangible resources available for social ventures, and presents a typology of growth strategies based on the intangible resources possessed by those enterprises.

Design/methodology/approach – This research applies a multiple case study technique for ten social enterprises in Egypt listed on Ashoka and Schwab Foundation websites. The research employs a purposive sampling technique. Data triangulation is used based on reports, websites, and interviews with social entrepreneurs and employees.

Findings – The study has three main findings: describing the intangible resources needed by social ventures to grow; detailing the growth strategies adopted by social ventures and corresponding funding mechanisms; explaining how intangible resources affect the selection of growth strategies, and how these interact with the context to produce expected outcomes. Overall, a typology for growth strategies of social ventures is presented.

Research limitations/implications – This paper is an original attempt to advance research on social enterprises in relation to the RBV and the domain of venture growth and impact scale-up.

Practical implications – This research is beneficial for social ventures and venture philanthropists who wish to learn about the specific resources important for venture growth, and understand the suitable strategies and context for organizational growth and impact scale-up.

Originality/value – This research is one of the few attempts to study and explain the types of intangible resources in social ventures and the role of different resource bundles in deciding social venture growth strategy.

Keywords Growth strategies, Typology, Resource-based view, Social venture, Intangible resources

Paper type Research paper

Introduction
In the past decade, social entrepreneurship has been explored and referred to as the establishment of ventures to create social value and impact (Nicholls, 2006; Mair and Noboa, 2006; Martin and Osberg, 2007; El Ebrashi, 2013). It is differentiated from pure forms of social movements and charitable giving through the focus on creating business models that are economically sustainable (Austin et al., 2006; Yunus, 2006; Alter, 2006; Hockerts, 2010; Zahra et al., 2009; Mair et al., 2012). The discourse on social entrepreneurship is mainly focused on benefiting marginalized groups (Thompson et al., 2000; Nicholls, 2006; Martin and Osberg, 2007; Hockerts, 2015).

Schumpeter (1934) and Gartner (1989) emphasized that entrepreneurship is a onetime event, and that the entrepreneur loses the character as soon as the venture is established. However, Moore (1986) and Bygrave (1997) asserted that entrepreneurship is a continuous process, which includes constant innovation and working on the firm’s growth. Venture growth is the most important strategic decision entrepreneurs think of (Chandler and Hanks, 1994; Fernández et al., 2000), which involves a continuous process of pursuing opportunities through the combination of resources (Schoonhoven and Romanelli, 2001; Hitt, Ireland, Camp and Sexton, 2001; Hitt, Bierman, Shimizu and Kochhar, 2001). Similarly, working on the firm’s growth and spreading social venture impact is a unique social entrepreneurship behavior, as social entrepreneurs look for spreading impact and benefiting more stakeholders, and also increasing the social impact of their programs on current
beneficiaries (Dees et al., 2004; Hynes, 2009; Bloom and Smith, 2010; Lyon and Fernandez, 2012; Santos, 2012). According to El Ebrashi (2013), what differentiates social entrepreneurs from their business counterparts that the former strategizes and measures social impact and outcomes as results of organizational activities. Maximizing impact and spreading impact to different areas and new beneficiaries (Weber et al., 2012; André and Pache, 2016) fall in the domain of social venture growth, which is crucial for social transformation and change (Dees et al., 2004; Nicholls, 2006).

Recently, there have been substantial number of published research on social venture growth strategies (cf. Dees et al., 2004; Mulgan et al., 2007; Grant and Crutchfield, 2007; Ahlert et al., 2008; Zahra et al., 2009; Bloom and Skloot, 2010; Bloom and Smith, 2010; Westley and Antadze, 2010; Mueller et al., 2011; Lyon and Fernandez, 2012; Beckmann and Zeyen, 2014). In addition, dealing with limited resources, and the ability to gather, manage, and combine various forms of resources have been identified as the most important aspect of venture growth and scaling impact (Nicholls, 2006; Austin et al., 2006; Mair and Marti, 2006; Perrini and Vurro 2006; Mair and Schoen, 2007; Chell, 2007; Light, 2008; Meyskens et al., 2010; Moss et al., 2011; Santos, 2012; El Ebrashi, 2013; André and Pache, 2016). However, there is still a gap in understanding how social ventures grow (Blundel and Lyon, 2015), where researchers failed to link social venture resources with growth strategies; in other words, to explain the role of the different types of resources in directing social ventures to specific growth strategies. The resource-based view (RBV) is recommended as a theoretical framework that can be used to study social venture’s resources and explain social venture’s growth, innovation, and performance (Short et al., 2009; Meyskens et al., 2010; Griffiths et al., 2013).

RBV is a prominent theory in the strategic management literature, where existing research showed the role of resources in new venture creation, development, and growth (Penrose, 1959; Chandler and Hanks, 1994; Lichtenstein and Brush, 2001; Sirmon and Hitt, 2003; Ireland et al., 2003; Costa et al., 2013). RBV proposes that firms own a bundle of tangible and intangible resources that are tied uniquely to the firm (Wernerfelt, 1984; Barney, 1986). Firm resources include all assets, organization processes, information, knowledge, and capabilities (Barney, 1991). Capabilities refer to the ability of the organization to utilize organizational resources to carry out set of coordinated tasks and achieve a particular result (Amit and Schoemaker, 1993; Helfat and Peteraf, 2003). Capabilities are embedded in firms’ processes, and thus they are non-transferable and improve the efficiency and effectiveness of utilizing other resources owned by the firm (Eisenhardt and Martin, 2000).

To sustain competitive advantage – which is the ability to implement a strategy that other competitors are not capable of imitating (Peteraf, 1993; Alvarez and Busenitz, 2001) – and elevate market returns (Penrose, 1959), resources should be uniquely combined and used (Sirmon and Hitt, 2003; Brush et al., 2001), and they should also be inimitable, not easily transferable, un-substitutable, and valuable (Barney, 1991). Resource bundles are dynamic – so do capabilities (Teece et al., 1997; Eisenhardt and Martin, 2000; Helfat and Peteraf, 2003) – and they usually vary over time according to the stage and size of the firm (Penrose, 1959; Lichtenstein and Brush, 2001).

This paper focuses on the role of intangible resources in shaping the growth and scale-up strategies of social ventures, with special focus on social entrepreneurs in Egypt as one of the African countries that receive less attention in academic research about social entrepreneurship (Doherty et al., 2014; Gupta et al., 2015). While Itami (1987) emphasized that physical and financial capital are crucial for organizational success, intangible assets such as human capital, formal and informal relations, organizational culture, knowledge, reputation, skills and competencies are core to gaining competitive advantage and superior performance (Barney, 1991; Pfeffer, 1994; Hitt, Bierman, Shimizu and Kochhar, 2001; Griffiths et al., 2013).
Intangible resources are more salient than tangible resources specifically in the growth phase of new and small firms (Chrisman et al., 1998; Lichtenstein and Brush, 2001), and especially in the case of social ventures that have less or constrained access to tangible or financial resources and would rather depend on people’s talents and networks for social venture growth (Guclu et al., 2002; Zahra et al., 2009; Blundel and Lyon, 2015). Accordingly, it is essential to understand these intangible resources and their role in social ventures’ growth and scale-up.

The paper is structured as follows. First, the roles of intangible resources of social ventures are explored in the growth phase of the venture, followed by an overview on the various social venture strategies covered in the literature. The methodology of the paper then follows, which explains the ten cases investigated in the context of Egypt. Subsequently, a typology of social ventures is presented; explaining the growth strategies and intangible resources employed. The paper ends with a conclusion, implications, and directions for future research.

Unique intangible resources and social venture growth

Fernández et al. (2000) identified human capital as one of the most important intangible resources for firms, which constitute people’s specific and general skills. The existence of employees inside firms is a resource in itself, but it is more about the “behavior” of those employees that form unique resources for firms. For example, internal innovative capabilities were asserted by Schumpeter (1934) in his identification for the role of intrapreneurs in venture growth and success (Eisenhardt and Schoonhoven, 1990). In the growth phase, intangible resources such as the education of the venture team and their experience are crucial (Vesper, 1980; Moore, 1986).

Greco et al. (2013) categorizes organization’s intangible assets into social capital and knowledge resources. Social capital encompasses internal relationships among employees in the same level and different levels of the organization, and external relationships with other stakeholders including customers, suppliers, investors, and others. Particularly, social networks of the entrepreneur and employees (Aldrich and Zimmer, 1986; Birley et al., 1990; Mort and Weerawardena, 2006; Steiner and Teasdale, 2016), partnerships, relationships and alliances (Tomer, 1987; Larson and Starr, 1993) create social capital, which help in securing various types of resources in the growth phase (Payne et al., 2011). Social capital helps in the acquisition of tangible resources including funding, distribution outlets, as well as discovering new opportunities and technologies (Baucus et al., 1996; Zhang and Li, 2008) and gaining legitimacy (Adler and Kwon, 2002). Networks in specific were found to be of utmost importance for firms’ growth (Zimmerman and Zeitz, 2002), gaining contacts (Ostgaard and Birley, 1996), acquiring information (Harrigan, 1986) and new capabilities (McEvily and Zaheer, 1999). Special relations with customers through brand names, reputation, and customer loyalty are also important intangible resources in this domain (Fernández et al., 2000).

Greco et al. (2013) adds knowledge resources, which include tacit knowledge of human resources such as know-how and corporate culture (Barney, 1991; Hall, 1993; Dollinger, 1995) and organization routines and structure (Hofer and Schendel, 1978; Fernández et al., 2000). Knowledge resources also include explicit knowledge which refers to intellectual property such as trademarks, patents, licenses and others, as well as unique processes including production methods, management support systems, and others. The accumulation of resources inside firms; particularly experience, market knowledge, and learning capabilities, also affect firms’ competitiveness and growth as they are not easily transferable among firms (Alvarez and Barney, 2004).

Similarly, people’s skills, attitudes, contacts, knowledge, values, goals, team experience, and strategic relationships provide the essential mix for the success of
social entrepreneurial ventures (Sahlman, 1996; Austin et al., 2006). Social enterprises consider not only employees’ skills, but often rely on volunteers (Thompson et al., 2000; Austin et al., 2006). El Ebrashi (2013) highlighted the role of venture teams (partners and employees) in social venture growth and replication, Perrini and Vurro (2006) emphasized the role of social networks in social venture formation and growth, and Katre and Salipante (2012) and Richards and Reeds (2015) mentioned the importance of stakeholder relations and social capital in social ventures’ functioning and growth. Partnerships, networks, and relations aid in securing volunteers, funding, and other types of tangible resources (Meyskens et al., 2010; Katre and Salipante, 2012). The role of networks in venture performance and growth were identified as crucial factors in the domain of social ventures (Shaw and Carter, 2007; Meyskens et al., 2010).

Various capabilities were cited in the literature that are essential for firm’s growth. For example, Day (1994) categorized capabilities on a span of outside-in processes, inside-out processes, and spanning processes, where capabilities include market sensing, customer linking, pricing, new product development, strategy development, cost control, transformational processes, and others. Su et al. (2009) provided various examples for capabilities including R&D capability, manufacturing capability and marketing capability. Nasution and Mavondo (2008) add learning orientation, intrapreneurship, human resource practices, and innovation. Bloom and Chatterji (2009) mentioned seven capabilities necessary for successful social venture replication and growth: staffing, communication, alliance building, lobbying, earnings’ generation, replication, and stimulating market forces.

It is evident from the previously mentioned that intangible resources represented in human capital, social capital, knowledge resources, and organizational capabilities are not only important for venture growth, but they are also crucial for gaining access to various tangible resources including funding, distribution outlets, human resources, and others. The current research focuses on such intangible resources to explore their role in social venture growth and in directing social ventures to adopt specific social venture growth strategies.

**Social venture growth strategies**

Growth and scale-up of social ventures can generally happen through: “scaling wide” or “scaling up,” which is the expansion of the organization providing the services to reach more beneficiaries not yet served or in different geographical locations; “scaling across,” where the organization spreads impact through others by partnerships and replication of development models; or “scaling deep,” where the organization tends to improve and maximize impact on current beneficiaries (Meyerson et al., 2010; Bloom and Smith, 2010; Lyon and Fernandez, 2012; André and Pache, 2016). Lyon and Fernandez (2012) provided three broad strategies for social venture growth: growth within the organization, relationships with others, and open access sharing with other organizations.

For the growth within the organization, social ventures can maximize social impact of currently provided services; diversify services provided or customers served; increase in-house services currently provided through better utilization of resources; open more branches and acquire other organizations (Dees et al., 2004; Beckmann and Zeyen, 2014). Open access sharing with other organizations can be applied through technical assistance, paid training, and consulting (Mulgan et al., 2007; Westley and Antadze, 2010); as well as dissemination and sharing experiences with networks (Dees et al., 2004). Desa and Koch (2014) illustrated “depth and breadth scaling,” which are similar to the previously mentioned regarding growth through increasing social impact, reaching new beneficiaries, or replicating through others. Similarly, Weber et al. (2012) explained social venture growth through the build-up of internal resources to grow organically, growth through relationship with others, growth through diffusion of knowledge, or growth through reaching new target groups.
Applying a growth strategy through relationships with others (Lyon and Fernandez, 2012), social ventures may use advocacy and affiliation with certified professional networks (Dees et al., 2004; Mulgan et al., 2007; Westley and Antadze, 2010); as well as social franchising (Tracey and Jarvis, 2007; Beckmann and Zeyen, 2014). The strategy of social franchising is applicable when social ventures lack the resources to expand (Oxenfeld and Kelly, 1969) or do not have enough market knowledge about the local markets they are expanding to (Shane, 1996). Yet, social franchisors usually possess enough knowledge and ability to assess the performance of franchisees (Stanworth and Curran, 1999). There are two broad types of social franchising; one as a means to generate profit (Netting and Kettner, 1987), and another one to increase impact (Montagu, 2002; Volery and Hackl, 2010).

Research context
The aim of this research is to create a typology of growth strategies for social ventures in Egypt based on the unique intangible resources that these ventures possess. Typologies provide parsimonious framework for describing and understanding organizations’ unique combinations of certain organization attributes that produce relevant outcomes (Doty and Glick, 1994). As mentioned before, African countries receive little attention in social entrepreneurship research (Doherty et al., 2014; Gupta et al., 2015). Egypt, as one of the African countries, is also neglected in this aspect. Little attention is given to research on the ability of social ventures in Egypt to grow, in spite of the challenges that social entrepreneurs face in the country given the rigid institutional context and scarcity of resources and funding (El Ebrashi, 2013; Abdou et al., 2010; Abdou and El Ebrashi, 2015). It is interesting to find out how such social ventures grow with limited resources and support. The specific research questions are:

RQ1. What are the growth strategies of social ventures in Egypt?
RQ2. What are the intangible resources that these social ventures possess?
RQ3. How do intangible resources contribute to the selection of growth strategies of social ventures in Egypt?

Methodology
This paper employs a multiple case study technique (Yin, 1984; Baxter and Jack, 2008) focusing on ten social ventures supported by Ashoka and Schwab Foundation as the most cited social entrepreneurial networks (e.g. Meyskens et al., 2010; Nicholls, 2010; Mair et al., 2012). Emerging theoretical insights from each case allow for replication logic (Yin, 1984) and close correspondence between theory and data (Eisenhardt, 1989). The sampling of the study follows a purposive sampling technique, which resides on the selection of information-rich cases (Patton, 1990). The ten cases were selected after scanning the entrepreneurs on Ashoka and Schwab Foundation websites who demonstrate strong growth capabilities for more than three years. The selection of the cases was also based on finding rich information about organizations selected in secondary sources. Table I shows a profile for the ten social ventures involved in the research. It is worth to mention that social ventures involved in this research have different legal structures: NGOs, cooperatives, and social businesses (Yunus, 2006; Alter, 2007; El Ebrashi, 2013).

To insure data triangulation (Eisenhardt, 1989; Coyne, 1997), semi-structured interviews with organizations’ founders, board members, and employees were carried out, in addition to reviewing reports, and organizational and relevant websites. In total, 17 interviews were carried out. An interview guide was developed containing two sections. The first section focused on the story of the venture, its growth and general profile. The second section
Social venture and its legal structure | Main activity and growth profile
---|---
1. Cooperative – founded in 1974 and recognized by Ashoka
   Interview with: Founder, Project manager
   Use of solar panels to generate electricity for household use, water purification systems, and pumping water for agriculture in rural areas. In 15 years, the cooperative and a sister NGO were established to manage thousands of pounds of community funds to finance agri-businesses, solar energy units, as well as public environmental awareness and illiteracy eradication classes. Hundreds of volunteers were engaged from inside and outside the village and increasing every year. The same concept was replicated in new areas in the dessert in Egypt; engaging hundreds of families and reclaiming more than 750 acres of land in each area (Ashoka, 2017; Al-Ahram Weekly, 2006)

2. Foundation – founded in 2006 and recognized by Ashoka, Schwab Foundation, and Synergos
   Interview with: Managing director, Finance manager
   Development of low-cost sewage system in rural areas, and developing business opportunities from waste generated from sewage (e.g. use of bio gas) The foundation grew to reach more than 50 community development associations and benefiting more than 60,000 people in rural areas from the installation of low-cost sewage system. In addition, biogas units established reached more than 750 units in different rural areas. The foundation is able to manage more than 5 million EGP of loans to finance environmentally sustainable community-based projects (Ashoka, 2017; Schwab Foundation, 2017; Arab World Social Innovators, 2017)

3. Private company/social business – founded in 1977 and recognized by Schwab Foundation
   Interview with: Managing director, Sustainability manager
   Organic farming producing various organic products including food, beverage, textile, and medicine for national and export markets. The company was able to train more than 850 farms in Egypt on organic agriculture and include them in its export chains. In addition, more than 55% of the company’s production is sold in national markets if compared to only 10% 15 years ago, where most of the produce was exported. Furthermore, revenues quadrupled from 2001 to 2005. The organization employs more than 2,000 employees in its multi-businesses of farming, packaging, pharmaceuticals, and other (Hatem, 2008; Schwab Foundation, 2017)

4. NGO (A) – founded in 2004 and recognized by Synergos (partner of Ashoka in the Arab World)
   Interview with: Managing director, Board member
   Recycling of non-organic waste to produce products for business and end customer use. The NGO was able to train more than 4,000 youth on garbage segregation and recycling as well as help in the registration and formalization of around 50 garbage collection companies. This led to serving thousands of households and businesses and collection of thousands of tons of garbage every month. Furthermore, the NGO services more than 9,000 housing units in Cairo to segregate their garbage (Arab World Social Innovators, 2017; Egypt Independent, 2010)

**Table I. Profile of social ventures selected**
<table>
<thead>
<tr>
<th>Social venture and its legal structure</th>
<th>Main activity and growth profile</th>
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<tbody>
<tr>
<td>5. NGO (B) – founded in 2005 and recognized by Ashoka and Synergos Interview with: Managing director HR manager</td>
<td>Carrying out tailored vocational training for the poor and marginalized based on various sectors’ needs Graduates of the employment program are employed in companies and factories, while the organization negotiates with the private sector to secure minimum wage level and working conditions. This is in addition to providing microfinance for those who want to start their own business and employ others, as well as coaching and mentor employees and micro-entrepreneurs. The organization grew to reach an average of 5,000 beneficiaries every year through their own branches, franchising model in universities in Egypt, and partnerships with NGOs (Ashoka, 2017; Arab World Social Innovators, 2017; Abdou and El Ebrashi, 2015; Alashanek ya Balady, 2013)</td>
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<td>6. NGO (C) – founded in 2003 and recognized by Ashoka Interview with: Founder Managing director</td>
<td>The main focus of the NGO is the incubation of social enterprises and providing them with the needed technical and financial support. This is in addition to an immense program including partnership development and networking for incubated social enterprises. The organization was able to incubate and support 50 social enterprises with a total impact of more than 50,000 individuals (Ashoka, 2017; AEYN Website, 2014)</td>
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<td>7. NGO (D) – founded in 1995 and recognized by Ashoka and Synergos Interview with: Managing director</td>
<td>The organization takes a human rights approach to development, where it raises awareness about marginalized communities’ rights; with specific focus on workers’ rights in quarries, fisheries, and workplaces congested with women laborers such as textile The organization grew to reach more than 50 communities in Egypt and impacting more than 50,000 beneficiaries through their advocacy campaigns and increasing the awareness of the poor about their labor and human rights. The NGO increases the capacities of local NGOs and trains them on how to carry out advocacy campaigns (Ashoka, 2017; Arab World Social Innovators, 2017)</td>
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<tr>
<td>8. NGO (E) – founded in 2003 and recognized by Ashoka Interview with: Founder</td>
<td>The organization is the first one to provide home-based health care for elders in Egypt. The NGO created that profession of “Professional Care Givers” in Egypt through training unemployed youth on the new vocation, and thus help in alleviating the problem of unemployment in Egypt. Professional Care Givers receive intensive training and job shadowing on how to provide basic health care, and also receive various interpersonal and life skills training focused on values-based behavior. The organization grew to graduate more than 1,000 care givers since its inception; most of which are employed by the NGO to provide home care service to more than 1,400 clients. The organization was the reason for recognizing the vocation of Professional Care Givers by the Egyptian government. The NGO created a structured curriculum focused on value-based</td>
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Table I. (continued)
mainly stressed on the main resources that led to the growth of the venture; with special focus on intangible resources, and how ventures grew. This section also tackled how intangible resources benefited the organization by generating other resources (tangible and intangible), and participants were also asked about the financial sustainability model of the growth strategy. An iterative analytical process was used to draw key categories, similarities, and variations across the cases involved. In addition, the context or factors that tended to explain these categories were also explained in addition to outcomes (Yin, 1984).

It is worth to mention that interviewees were asked about the importance of defined set of resources and capabilities (mentioned in the interview questions in the Appendix), and were also asked to explain other important resources and capabilities that were further categorized by the researcher. Coding procedures of Strauss and Corbin (1990, 1998) are adopted. The interview questions are available in the appendix, but as mentioned before, as this is a semi-structured interview, questions evolved throughout the process.

Findings

Intangible resources of social ventures

The categories of the intangible resources and capabilities involved in social ventures’ growth in Egypt are shown in Table II with their explanations and typical quotes used for coding of data.
<table>
<thead>
<tr>
<th>Categories of intangible resources and capabilities and operationalization</th>
<th>Sub-category</th>
<th>Description</th>
<th>Representative quotations/responses</th>
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<tbody>
<tr>
<td>Human resources knowledge and skills: these are the skills, capabilities and knowledge that staff, volunteers, and board members/owners possess</td>
<td>Local knowledge</td>
<td>Understanding local community culture and social set-up</td>
<td>“Every village in Egypt has its own culture and specific needs. While we already work in many of them, we have to understand the uniqueness of every village, needs, and gaps in order to expand our operations and offer new services to villagers. We are good at this and we have studied this intensively” (Foundation, personal interview with managing director, December, 2015)</td>
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<td></td>
<td>Market knowledge</td>
<td>Understanding the needs of consumers/beneficiaries</td>
<td>NGO (A) was able to tailor its garbage collection services to meet the needs of the private sector based on studying the needs of companies in this aspect. One of the services was provided to P&amp;G in order to collect its empty shampoo packages from the garbage, grind, and recycle them to prevent forging of packages (CID Consulting, 2017; personal interview with the chairperson, January 2014)</td>
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<td></td>
<td>Intrapreneurship</td>
<td>The ability of employees/volunteers to create new ideas and be self-independent</td>
<td>“The new Basaysa established in Sinai depended on the experience of people who learned how to construct the solar energy units and utilize them in agriculture back then Sharkeyya. They are the entrepreneurs of the new project” (Cooperative, personal interview with the founder, February 2014)</td>
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<td></td>
<td>Experience and know-how</td>
<td>Understanding the business and the technicalities of doing the job</td>
<td>“Not everyone can sort and deliver medications to the poor. We are competent in this because we have medical education and most of us have their own pharmacies. We know the business inside out, and the legal frameworks we have to abide with” (NGO (F), personal interview with the founder, March 2016)</td>
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### Table II.

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<td>Inter-functional coordination: the synchronization and harmonization among different organizational functions, which entail cooperation among various venture teams</td>
<td>Working through cross-functional teams</td>
<td>The extent to which structure is flexible, where employees/volunteers can move in and out different projects, and cooperate and report to different project managers. This also denotes a degree of decentralization</td>
<td>“It is a core value in our organization that we work together and achieve together. Even our workplace is designed in a manner where all team members sit together regardless of managerial positions. Projects cooperate together to achieve targets, and project members report to different team leaders” (NGO (C), personal interview with the founder, January 2014)</td>
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<td>Cross-fertilization and knowledge sharing</td>
<td>The extent to which projects under the same program/department or in different programs/departments share information, resources, and lessons learned</td>
<td>“Teams do not compete; they synergize. It is very important for our organization that teams from different programs to share contacts and learn from each other to improve our services and reach more beneficiaries” (NGO (G), personal interview with the chairman, March 2015)</td>
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<tr>
<td>Organizational knowledge and capabilities: this is the specific knowledge and capabilities stored in organization’s memory as a result of organization experience, and span across various organizational functions to be performed by various members</td>
<td>Ability to disseminate/replicate development model and know-how</td>
<td>The ability of the organization to scale-up social impact through training, coaching, and involving others in how impact is created</td>
<td>“Our core product is raising awareness, and motivating community groups to adopt our methodology to raise the awareness of others. This is why we always need something written to give to community groups to learn how advocacy is done. Our advocacy manuals are detailed and community members receive train of trainers’ sessions to be able to implement the stated programs” (NGO (D), personal interview with the managing director, 2014)</td>
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| | Earning generation | The ability of the organization to generate revenues from its core or related programs | “It is of utmost importance to our organization not to depend on donations and grants. We always search for business opportunities that we can venture into through our core programs, or to use the knowledge and experience gained from our core programs to
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<td></td>
<td>Staffing</td>
<td>The ability of the organization to attract and retain caliber including staff and volunteers</td>
<td>“The quality of our service is determined by the quality of staff we recruit because they are the care givers. This is why we invest good time in finding the suitable sources for recruiting our staff, interviewing and selecting them based on defined criteria” (NGO (E), personal interview with the founder, 2014)</td>
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<td></td>
<td>Adapting service design</td>
<td>The ability of the organization to tailor services based on the needs of different communities and customers, which includes tailoring service attributes as well as delivery and distribution to end beneficiaries</td>
<td>“We had to tailor our sewage structure and funding mechanisms based on the village we venture into. In some villages, we had to adopt a crowdfunding mechanism, in others we adopted community-based funding mechanisms, while in some others we had to get external funding” (Foundation, personal interview with the finance manager, 2016)</td>
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<td></td>
<td>Political networks</td>
<td>Relationships with various political figures and institutions</td>
<td>NGO (A) makes use of their political networks to spread their impact through helping in the formalization of garbage collection units in slums, which was previously perceived as a very hard task to do (Spirit of Youth, 2017; NGO (A), personal interview with the managing director, 2015)</td>
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<td></td>
<td>Community networks</td>
<td>Relations with community members, natural leaders, religious figures, and NGOs</td>
<td>“In order to open our new office in Sharkeya, we had to make use of our relations with local community development associations we have worked with before, in addition to our relations with local municipalities” (NGO (G), personal interview with the chairman, 2015)</td>
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<td></td>
<td>Business networks</td>
<td>Relations with local micro and small businesses, established businesses, distributors, and suppliers on the local and/or international level</td>
<td>The private company grows through its diversified business networks with exporters and farmers locally and internationally (Hatem, 2008; private business, personal interview with the managing director, 2015)</td>
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<td></td>
<td>Reputation</td>
<td>The widespread belief regarding the venture’s image among community members</td>
<td>“We are known in El Minya, and this is why workers and employers trust us and are involved in our programs” (NGO (D), personal interview with the managing director, 2014)</td>
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<td></td>
<td>Alliance building</td>
<td>The ability to generate and maintain partnerships and relations with other similar organizations and groups</td>
<td>“We work with many NGOs in different governorates to reach more beneficiaries and replicate our programs. This is in addition to partnering with key strategic donors and CSR programs” (NGO (B), personal interview with the managing director, 2016)</td>
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Four main categories evolved from data, which are: human resources skills and knowledge; inter-functional coordination; organization knowledge and capabilities, and external networks and relations. As mentioned previously, skills of staff, volunteers, and teams in social ventures are important for survival and growth (Sahlman, 1996; Thompson et al., 2000; Austin et al., 2006). In addition, Greco et al. (2013) identified internal relationships among different people and departments essential to enhance organization's competitive position. Knowledge resources as mentioned previously as well are important for the competitive edge and development of ventures, which include know-how, intellectual capital (Hofer and Schendel, 1978; Barney, 1991; Dollinger, 1995; Greco et al., 2013) and various capabilities such as new product/service capabilities (Day, 1994) and staffing capabilities (Bloom and Chatterji, 2009). Lastly, external networks and relations include the ability to build alliances, partnerships (Tomer, 1987; Larson and Starr, 1993), as well as reputation and relations to customers (Fernández et al., 2000).

The bundle of intangible resources and capabilities that social enterprises defined as "unique" and create value span across the four main categories mentioned in Table II. These resources and capabilities were found to affect the growth potential of social ventures studied (see next section for more details), as well as other aspects including sustainability, visibility, and other competencies in service provision and innovation. It is interestingly found that those intangible resources and capabilities help in the acquisition of further intangible as well as tangible resources. To exemplify this further, the case of NGO (B) can be explored to show how the bundle of intangible resources and capabilities create value to the organization. Local and market knowledge of staff and volunteers helped NGO (B) understand both the demand and supply side of their services. For example, NGO (B)'s employment program builds on the fact that the staff of the organization know the skills and education level of people living in specific slum areas and villages, as well as the skills and education level of caliber required to work in various companies and factories. They have studied this extensively through market and community research. The match between skills and education level of labor supplied and demanded helped the organization secure employment opportunities to many beneficiaries and reach many employers, and hence gained relational resources. Experience and know-how is an evident advantage here as well, because staff skills and knowledge are built on prior experience in similar employment programs, which made them able to secure partnerships and reach more customers and beneficiaries. Intrapreneurship capabilities of staff members and volunteers helped the organization venture into entrepreneurship programs; building on the competencies of the employment program in terms of possessing strong abilities in understanding market and local needs and securing partnerships, and hence helped them gain competence in service development capabilities.

Inter-functional coordination is manifested in the ability of NGO (B) to work in teams by having flexible structure and degree of decentralization, which paved the path for achieving better results across the different programs as well as increased employees' and volunteers' motivation. Cross-fertilization and knowledge sharing is an important capability for NGO (B), because of two things. First, it allows for learning from mistakes, which trickles down to improving service provision. Second, working with different teams and team leaders increases employees' and volunteers' experience and exposure, and allows for projects' synergies.

Organization knowledge is the third core category, which constitutes four intangible resources and capabilities. The ability to replicate the development model and know-how allowed NGO (B) to grow and serve more beneficiaries through other NGOs implementing NGO (B)'s activities and systems. NGO (B) has a structured way of doing this, where, for example, they train other NGOs on how to establish entrepreneurship programs for the poor through training them on aspects of business model development, financial and operational management, as well as concepts in marketing. Continuous coaching is done for few months
later to make sure that NGOs are able to operationalize the knowledge gained in the trainings provided, in addition to job shadowing and mentoring. Earning generation is another capability in the organization knowledge domain, where NGO (B) is able to generate business opportunities from its various programs, which insured the sustainability of the organization. Earning strategies in the core programs include charging employers with service fees against training and placement of blue-collar labor, while earning strategies in related programs include training and consultancy for small and medium enterprises. This specific capability secured financial resources in terms of increased revenues and sales.

Staffing capabilities include the proper sourcing, selection, and retention of employees and volunteers, which is crucial for the quality of service delivery as they are the main interface with donors, business partners, and beneficiaries. NGO (B) sources staff with specific educational background and skills that match job requirements. In addition, the organization introduced the concept of “professional volunteerism,” whereby corporate volunteers can support as mentors, trainers, or coaches for grass-root entrepreneurs. Adapting service design is another capability, which rests on the ability of the organization to tailor service attributes to the needs of various beneficiaries/customers. For example, NGO (B)’s entrepreneurship program followed a debt-financing mechanism in Upper Egypt, while it followed an equity financing mechanism in Mediterranean governorates due to difference in local culture and perceptions.

External networks and relations core category include the intangible resources of political and business networks, reputation, and alliance-building capability. Political networks with parliament members and government officials help NGO (B) in waiving political risks and instabilities, as well as utilize public spaces and infrastructure (e.g. governmental vocational centers and youth centers) at lesser cost, and hence access tangible resources including viable distribution and service channels. Having access to business networks allowed NGO (B) to gain donor support, sell business services, as well as access local vendors for vocational training, which again helped in securing financial resources. The reputation of NGO (B) allowed for further growth and acquisition of political and business networks, as well as increasing community and donor trust. Lastly, alliance-building capability refers to the ability of the social venture not only to maintain current partnerships, but also to generate new partnerships every now and then. NGO (B) has more than 50 community partners, 15 partner student groups, and more than 70 donors and business partners. These partners increase every year through the various projects of the organization.

Growth strategies
Table III presents the growth strategies adopted by social ventures in Egypt and their financial models. Growth of social ventures may happen through reaching more beneficiaries, spreading impact through replication through others, or maximizing impact for beneficiaries (Meyerson et al., 2010; Bloom and Smith, 2010; Weber et al., 2012; Lyon and Fernandez, 2012; André and Pache, 2016).

Controlled growth is implemented to reach more customers or beneficiaries with the same services or different ones. This resembles the strategy of scaling up (André and Pache, 2016) through opening new branches; diversifying services provided or customers served; and increasing in-house services currently provided through better utilization of resources (Dees et al., 2004; Beckmann and Zeyen, 2014). It is labeled “controlled growth” as it is a growth strategy that is expanding the organization organically under the direct supervision and governance of the head office. The cooperative, for example, diversified the services offered to community members through multiple uses of solar energy generated. According to the founder, “we were able to offer more value for community members from the solar energy produced. Solar energy was first used for household lighting, then for powering
<table>
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<tr>
<th>Strategy</th>
<th>Implemented by</th>
<th>Financial model</th>
<th>Typical quotes</th>
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<tr>
<td>Controlled growth: expanding the breadth of operations under the direct supervision, administration, and command of the head office. This includes branching, diversification of services, and increasing the number of activities and beneficiaries/customers served</td>
<td>All social ventures</td>
<td>Financial gains are channeled directly from customers/donors or beneficiaries to the organization</td>
<td>“We have grown to have 7 branches in Egypt” – managing director, NGO (B) “Instead of only focusing on social incubation, we also ventured into supporting the entrepreneurship ecosystem in Egypt” – managing director, NGO (C)</td>
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<tr>
<td>Social franchising: replicating the organization model through transferring the know-how to other similar existing or potential ventures, and monitoring the implementation closely. Quality assurance and regular audits are usually done. As regular franchising, the brand name and identity are used</td>
<td>NGO (B), NGO (E), the cooperative</td>
<td>In case the franchisee does not have enough resources to pay franchise fees, the fees are paid by a third party (e.g. donor). If the franchisee will pay, usually the franchisor takes percentage of revenues rather than royalty fees every year</td>
<td>“We opened a franchise in Alexandria under our name” – founder, NGO (E) “The new-Basaysa is franchising our model and is replicating similar systems of the original Basaysia. We are there to give them all the support and monitor them” – project manager, Cooperative</td>
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<td>Program licensing: similar to social franchising but focused on one program and not the whole organization. In addition, the brand identity and name are not used</td>
<td>NGO (B), private business, NGO (F)</td>
<td>Similar to social franchising financial model</td>
<td>“We provide the opportunity to NGOs to adopt our distribution model in hospitals. We provide the know-how and ongoing support, but we don’t use our name. The program is branded with the NGO’s name” – chairman, NGO (F)</td>
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<td>System change: reaching more customers and beneficiaries through changing the laws or how governmental agencies implement or perceive certain projects. This includes lobbying and public sector partnerships</td>
<td>The Foundation, NGO (D), NGO (A), NGO (G)</td>
<td>Financial gains from lobbying are not applicable, where ventures usually do it for long term benefits that will result in improved market access. Financial gains from public sector partnerships happen through second or third-party finance; usually the government or a donor</td>
<td>“It is more sustainable to change the underlying structures that hinder development in Egypt, which is, to change the system from within. We do that through embedding the new sewage infrastructure by partnering with the Ministry of Housing” – managing director, Foundation “In order to gain respect for the garbage collector, he has to be a businessman! This is why we helped in the formalization of garbage collection centers and transferred them to companies in order to change the negative perceptions” – managing director, NGO (A)</td>
</tr>
<tr>
<td>Value chain partnerships: expanding operations through vertical partnerships that include dealing with local suppliers, labor, distributors, and servicemen.</td>
<td>Private business, NGO (A)</td>
<td>Usually this strategy’s financial gains are in the form of cost saving, whereby the venture reaches more customers and/or beneficiaries at lesser cost. In case the</td>
<td>“We deal with small farmers in different governorates in Egypt to be our own suppliers. We train them and increase their knowledge about organic farming, monitor their quality,</td>
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Table III. Growth strategies of social ventures in Egypt and their corresponding financial model

(continued)
irrigation systems. In addition, we started to build an education center for illiteracy eradication that uses solar energy for electricity generation” (personal interview, 2014).

Other controlled growth strategies implemented by social ventures also include branching and increasing the number of similar activities and/or customers/beneficiaries served. Any financial gains from this strategy are directly routed to the venture.

As discussed earlier in the paper, social franchising (Tracey and Jarvis, 2007) is implemented to replicate the organization model, systems, and procedures through other organizations, and thus reach more beneficiaries and/or customers. This was exemplified in some organizations as in the case of NGO (B), which has 12 social franchises in different universities in Egypt that use the same branding strategy, identity, and organization model (Alashanek ya Balady, 2013). According to the HR manager, “student franchisees work under our name and using our branding; utilizing our community development systems and curricula, while we oversee and monitor their operations closely to make sure they adhere to our systems” (personal interview, 2016). The financial model of social franchising is either paid through third-party financing (e.g. donor) or as percentage of revenues from franchisees. Program licensing is similar to social franchising but is focused on one program or aspect of the organization (e.g. distribution). Also, licensees operate under their own brand name and identity. For example, the private business presented here in this paper trains and supports small farmers to implement organic farming techniques. The financial model of the program licensing strategy is similar to the social franchising model.

The system change strategy is related to the dissemination strategy (Dees et al., 2004) and growth through relations with others (Lyon and Fernandez, 2012); however, the purpose of the system change strategy is to alter the institutional set-up that prevents further growth through strategic relationships and partnerships. The financial gains from this strategy are not immediate, but rather help in acquiring more market share in the future. According to the managing director of the foundation, “our foundation lobbies and negotiates with various ministries to adopt the low-cost sewage system, in addition to partnering with the government in public bids and infrastructure projects to install sewage systems and biogas units in rural areas. Accordingly, changing the norm of how sewage systems work can expand the market for more business in the future” (personal interview, 2015). As mentioned, the immediate financial gains are not the intention. However, in partnership with the government, it is either the government that pays for the installation of the sewage system, or an international donor.

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<th>Strategy Implemented by</th>
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<th>Typical quotes</th>
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<td>This strategy includes capacity building. The social venture may also be part of the value chain of others</td>
<td>venture puts itself in others’ value chain, service fees are paid to the venture at market rate</td>
<td>and embed them in our export chains” – managing director, private business “We serve multinational companies’ value chains by managing their disposal activities” – managing director, NGO (A)</td>
</tr>
<tr>
<td>Stakeholder capacity building: disseminating the know-how to other organizations without monitoring implementation. This is usually done through training, awareness sessions, and technical assistance</td>
<td>All social ventures</td>
<td>“We organize a lot of leadership camps to increase awareness of youth in Egypt about the benefits of volunteerism” – chairperson, NGO (G)</td>
</tr>
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</table>

Table III. Typology of growth strategies
Value chain partnerships resembles “scaling across” (André and Pache, 2016), where growth is done through partnership with others (Weber et al., 2012). However, value chain partnerships stress on vertical growth and hence close relationships with suppliers and/or distributors. Value chain partnerships depend on local sourcing, labor, distribution, and service to save costs, while carrying out capacity building for those involved in the partnership. This strategy aids in increasing inputs, manufacturing/production level, or product distribution and thus the social venture can reach more customers or beneficiaries. For example, the private business provides technical assistance to small farmers in order to learn organic farming, where the private business then buys the proceeds of these organic farms for further processing or directly engages farmers in its export chains branded by the private business’s fair trade agreement (Hatem, 2008; managing director interview). On the other hand, NGO (A) puts itself in the value chain of others by being service providers for the grinding and recycling of empty product packages (managing director personal interview, January 2015; CID Consulting, 2017). According to the managing director of NGO (A), “creating value to others by being embedded in their supply chains is the most sustainable way of doing business due to accessing mutual benefits” (personal interview, 2014).

Lastly, stakeholder capacity building is similar to Dees et al. (2004) dissemination strategy, which aims to increase awareness about the know-how of the social venture in a hope that other ventures and community members would accept the idea and use it in the future. This strategy, accordingly, increases market growth in the future and thus financial gains are not immediate. For example, the cooperative trains community groups on how to install and maintain solar energy units for household use. According to the founder “the actual profit from making community members familiar with the use of solar energy cells that agricultural projects implemented afterwards using solar energy received financial and moral support from many people in rural areas.”

Typology of social venture growth

Table IV shows the resulting typologies of social venture growth. As mentioned in the previous section, every social venture implements number of growth strategies; depending on the community they work in or what is called here “context.” For every strategy, there is a resource bundle (Lichtenstein and Brush, 2001; Barney, 1991), which is essential for the implementation of the strategy. And, every strategy with certain bundle of resources in a certain context has certain outcomes. The next section explains how certain intangible resources aid in the implementation of certain growth strategies.

Controlled growth is usually implemented when there are available financial and non-financial resources and the need to build a name to be known in certain communities. In addition, this strategy is suitable in communities where locals have diverse needs that the venture needs to satisfy simultaneously. Knowing that, the social venture has to be locally embedded, and thus local knowledge and community relations are essential. In addition, as the organization may be venturing into new geographic areas, the reputation of the organization has a role in the success of this growth strategy. Intrapreneurship and adapting service design is essential to tailor to the needs of new communities, or bundle new service or products. The know-how and experience is needed in order to understand community needs and diversify products or services, while staffing is also essential as the organization will be recruiting some local officers from the new community, or will source additional staff in case of expanding services offered to current beneficiaries. Cross-fertilization and knowledge sharing is also important; especially between experienced and new teams implementing new programs or working in new communities. The expected outcome of this strategy is “organization building,” where the impact, reach, and the organization grow together. Actually, this is why all social ventures
implement such a strategy, because it builds a base for the organization before growing through other strategies.

The Chairperson of NGO (G) mentioned, “branching is the main growth strategy we depend on to scale-up our impact. Although this strategy entails adequate financial resources as the organization is solely responsible for the operations of branches, it is very important to note that having contacts inside the new neighborhoods and positive reputation necessities the success of the new branch. Sharing experience from other branches, having knowledge about community needs, and ability to meet community expectations are key. It is worth to mention that we usually recruit community officers and leaders from the new neighborhoods to gain legitimacy and access further resources” (personal interview, 2015).

Social franchising and program licensing require the same resource bundles, except for external networks and relations, where reputation (especially brand name and identity) is not needed in licensing. Social franchising is a strategy resting on the resource scarcity theory
Accordingly, social ventures carrying out social franchising and licensing in a certain community usually do not have enough resources to increase the capacity of their operations, as well as lack knowledge about the needs and norms of the community.

However, the decision to franchise means that there are opportunities out there in the market that can be met. Accordingly, usually social ventures adopting this strategy have market knowledge and business networks, and this is why they encourage others to adopt the model. It is evident that social franchising and licensing needs know-how and experience to be transferred to others, while the ability to disseminate and replicate the development model is even more important to provide step-by-step implementation guidelines. It is worth to mention that although the social venture does not have local knowledge, the venture has to be capable of building alliances so they can reach out to some organizations to partner with. Earning generation is an essential capability to sustain the franchisee/licensee as well as the support received from the franchisor/licensor. As the main difference between social franchising and program licensing is that organizations in social franchising operate franchisees under the franchisor brand name, reputation as an intangible resource is not a requirement for program licensing. Working through cross-functional teams is crucial as franchisees will need support from various programs simultaneously, and work-flow has to be flexible. As this strategy spreads change among community members and organizations to adopt a new system, it is usually bottom-up change and market penetration happens through idea adoption by community members.

The HR manager of NGO (B) mentioned, “we needed to expand in different poor areas in Egypt but we do not have the access and/or local knowledge of all neighborhoods. Accordingly, we decided to implement a social franchising model through students in universities to replicate our development model in a local area near their universities that they know about. It is our role then to connect them to donors and potential local partners so franchisees can scale-up; building on our well-established brand name in the field of community development and employment. As student franchisees usually lack financial resources, we receive third-party financing to sustain the model through private businesses and foundations. It is also worth to mention that the capacity building of those franchisees is done through various team members in the organization to share knowledge about various organizational areas.”

System change addresses institutional rigidity and inability to access institutions and markets (Robinson, 2006). Laws and government regulations prevent social ventures from implementing their ideas or accessing certain markets. Accordingly, intrapreneurial skills are highly needed in order to implement creative ways to overcome such barriers. This also needs proper staffing capabilities to source the right people to advocate and represent the organization. Political relations and positive reputation are essential to lobby and establish strategic alliances with various governmental agencies. Alliance building is of utmost importance to create a wave and pressure. Local knowledge is also important as government power vary across different villages and rural areas. Cross-fertilization and knowledge sharing is also needed as teams need to share success stories and learnings to the public. The expected outcome of this strategy is change in policy or procedure, which will then help in increasing the market size for the venture and similar ones.

NGO (A) managing director mentioned, “in order push the society to respect garbage collectors, we had to work and lobby on the government to change business policies related to dealing with local garbage collectors. Securing business deals with various municipalities required various forms of relations and partnerships, as well as strong staff knowledge and creativity in addressing institutional challenges.”

Value chain partnerships address market failures (North and Thomas, 1970). Although there is a need for the product/service provided by the social venture, the market does not
contain enough suppliers, distributors, or technical labor, which causes market failure. Social ventures implementing this strategy possess market knowledge about the opportunities, as well as business networks and reputation necessary for commercializing the products. Strategic alliances among various community groups as well as external stakeholders (if necessary) and cooperative agreements guarantee the movement of the product/service to consumers/beneficiaries. Know-how and experience are essential to sustain this growth strategy. Adapting service design and cross-fertilization and sharing knowledge are also needed to tailor the partnership according to market needs, and to share previous experiences in similar markets/value chains. It is also essential to have an earning model to sustain the partnership. The resulting outcome of this growth strategy is market building, which promises further growth in the future to meet the continuous needs of consumers/beneficiaries.

The sustainability manager of the private business said, “working closely with small-holder farmers created further business opportunities. We know the market very well, and we have the needed business partnerships and brand name to leverage further opportunities. Instead of owning organic farms all the way, which is not feasible in all governorates in Egypt, it is a better strategy to partner with local suppliers and train them on organic farming methods. We then buy their proceeds and they take percentage of profits from local and international sales” (personal interview, 2015).

Stakeholder capacity building does not involve close follow up or auditing as in the case of social franchising, and thus depends mainly on spreading awareness. The social venture usually adopts this strategy when it does not possess enough resources and there is resistance from community members to immediately adopt the idea/product. Accordingly, this strategy leads to growth that is usually incremental till community acceptance takes place. Strategic alliances and community networks are necessary to establish relations and gain preliminary trust. Know-how is needed to provide details about the service to beneficiaries/customers and elicit their cooperation. Staffing of the right people to speak on behalf of the organization and disseminate widely is essential, while intrapreneurial skills are required to come up with new ways to address different stakeholders. As dissemination and increasing awareness needs holistic organizational knowledge to be able to communicate the right messages, working through cross-functional teams will be beneficial to provide staff with the needed knowledge about the various programs.

The chairperson of NGO (F) said, “it is very important to carry out training and capacity building sessions for Egyptians on how to store and dispense unwanted medications. There is immense number of poor people in Egypt who cannot afford the high prices of various medications, and the in-kind donations provided by pharmaceutical companies do not cover the required needs. In our organization, we know the needs and we have solutions to various problems facing the poor accessing medications. Our staff and volunteers are experts and professionals, and this allow us to disseminate and train governmental hospitals, NGOs, and companies on ways to efficiently distribute medications in Egypt” (personal interview, 2016).

As a case example, the foundation implemented three of the six growth strategies in different communities. Controlled growth strategies were implemented in the cities of Upper Egypt, where the venture has strong local knowledge and resources. Through branching, the foundation was able to install the low-cost sewage systems in hundreds of villages through community funds and micro-loans. Responding to local needs, the venture introduced biogas systems to generate household electricity, and agriculture waste management systems and recycling to valuable products. This all added different activities to the venture including vocational training programs on the construction of biogas units, organic waste management, and others.
In the same region, the venture applied system change strategies to access cities in Upper Egypt, where the government was not very cooperative. To mention one example, the foundation is partnering with the government to install the low-cost sewage system in the poorest areas in Upper Egypt funded by an international donor. Accordingly, the foundation will be reaching a market otherwise would not have been reached. Lastly, the foundation applied the strategy of stakeholder capacity building in Ismailia, where there was the highest resistance to adopt the low-cost sewage system. Series of awareness sessions with some technical assistance sessions are carried out to spread knowledge about the system in a hope that the idea will be adopted later on.

Conclusion
This research studied the nature of social ventures’ growth that scales up and replicates social impact. Building on the understanding of the RBV as well as the literature on social entrepreneurship, this paper shows the role of intangible resources in selecting growth strategies for social ventures. As previously stated, social ventures own unique bundle of intangible resources, which together with the specific context of the venture decide the suitable strategy to grow. After the coding of primary and secondary research, 15 intangible resources were generated grouped across four main categories. In addition, six growth strategies were created with specific funding mechanisms, and then were related to the intangible resources owned, context of growth, and expected outcomes to form a typology for growth strategies. All intangible resources are important for social ventures; however, every growth strategy prioritizes certain resource bundle for the growth strategy to be successful. The context of growth affects the decision to grow, which essentially interacts with intangible resources to decide the growth strategies of ventures. Generally speaking, social ventures aim for immediate growth (in size or impact) or creating markets for the future, which need distinct resource bundles.

The current study advances our understanding of the RBV from the perspective of social ventures. Accordingly, this paper contributes to understanding the special nature of social ventures, and how they grow to spread their impact. Given the limited financial resources owned by social ventures, understanding the role of intangible resources in social ventures’ growth is crucial to explain the behaviors of replication, growth, and impact scale-up of those ventures. This paper also has various practical implications namely for social ventures who wish to learn about the possible growth strategies given the resources they possess. In addition, organizations supporting social ventures such as incubators may benefit from this research as they can provide technical support to social ventures to grow and replicate through strategies that fit their resource profile. It is worth to mention that this research can specifically benefit social ventures in Egypt given the resource constraints faced by different ventures in the country; due to economic turbulences that limit the ability of social ventures to access financial resources. Leveraging on intangible resources including partnerships, networks, know-how, various capabilities, and others may aid in overcoming financial-resource constraints and open new channels of opportunities.

While this research provided an in-depth view of the phenomena in a new context like Egypt, studying more social ventures with different organization or legal structures in Egypt and the Arab World would provide more insights and aid in generalizability. One of the limitations of this study is the small sample size. Although the study has investigated the case studies employed extensively, further research is needed to include more social ventures from various sectors. Another limitation is the inability of the researcher to include community members/beneficiaries or other stakeholders in the research, who would have provided insights about resources that the current study did not shed the light on.
An interesting area of future research may investigate how resources of social ventures overcome certain institutional voids. As most of the social entrepreneurs address social problems spinning from institutional challenges (be it formal governmental institutions, culture, market institutions and others), it could be viable to understand the resource bundles needed to address each institutional void. The research agenda may also extend to address the specific resources and capabilities needed at each stage of social venture creation, growth, and market leadership. As mentioned before, resources and capabilities are dynamic, and it would be interesting to understand how resource bundles differ at each stage of the venture life cycle given certain environmental constraints.

References


Jamali, D. and Sidani, Y. (2012), CSR in the Middle East: Fresh Perspectives, Palgrave, Mcmillan.


(The Appendix follows overleaf.)
Appendix

Section 1: Admin Questions

1. Name of Social Venture
2. 2. Profile/Activities
   • How long has your social venture been established? Years since founding and years since partnership initiation?
   • How large is the size of your social venture? In terms of: No. of outlets? Total sales, total assets? Number of employees/volunteers?
3. What is the venture’s growth rate? What is % change in branches? What is % increase in sales?
4. Is the venture operating locally or internationally?
5. What is the Replication/growth/Scale-up Model of the venture?
6. Who are your partners (NGOs, government, corporations, foundations, religious entities, educational institutions, communities, individuals, others..)?

Section 2: Resources & Capabilities

7. Which of the following resources helped in scale up/growth/replication and how?

a. Resources

→ Founder human capital
   • Level of education
   • Business education
   • Managerial experience
   • Industry experience
   • Specialized know how

→ Employee/volunteer human capital
   • Commitment
   • Productive
   • Educated
   • Creative/new ideas

→ Employee/volunteer social capital
   • Collaboration with each other
   • Problem solving
   • Exchange ideas among different departments

→ Organizational Capital
   • Patents or licenses
   • Manuals or databases

→ Top management/managerial skills
   • Leadership
   • experience
Typology of growth strategies

Knowledge transferability
- Social venture model ability to be duplicated/copied/repeated/reproduced

Innovation
- Technology
- Process
- Relationships
- services/products

Reputational resources
- Brand name/reputation/company name

b. Capabilities

- Idea generation
- Market disruptiveness
- New product/service development capability
- New process development capability (e.g. labor market, companies then beneficiaries, beneficiaries are source of innovation)
- Organizational culture capability
  - Learning
  - Shared vision
  - Inter-functional coordination
  - Customer/beneficiary orientation
  - Donor orientation
  - Intrapreneurship (ideas-proactive-risk taking-encouraged)
- Organization implementation capabilities
  - HR practices & systems (leading employees/volunteers, assessment systems
- External partners cooperation
  - Partnerships experience
  - Cooperation willingness
  - Managers partnership capabilities
  - Identifying the right partners
- Scaling Social impact (SCALERS)
  1. [...] we have made significant progress in alleviating the problem.
  2. [...] we have scaled up our capabilities to address the problem.
  3. [...] we have greatly expanded the number of individuals we serve.
  4. [...] we have substantially increased the geographic area we serve.
Lobbying (capability to persuade government to act in its favor)
1. […] we have been successful at getting government agencies and officials to provide financial support for our efforts.
2. […] we have been successful at getting government agencies and officials to create laws, rules, and regulations that support our efforts.
3. […] we have been able to raise our cause to a higher place on the public agenda.

Earnings Generation (capability to create financial value that exceeds expenses)
1. […] we have generated a strong stream of revenues from products and services that we sell for a price.
2. […] we have cultivated donors and funders who have been major sources of revenue for us.
3. […] we have found ways to finance our activities that keep us sustainable.

Replicating (how effective can social enterprise scale its social change)
1. […] we have a “package” or “system” that can work effectively in multiple locations or situations.
2. […] we find it easy to replicate our programs.
3. […] we have been successful at controlling and coordinating our programs in multiple locations.

8. How are the previous resources and capabilities generate rents/benefits (tangible and intangible)?

9. What is the financial sustainability model of your growth/replication/growth strategy?
   - franchise/partnership fee?
   - Stake in franchise/partnership?
   - cooperatives (volunteers, employees)?
   - operational franchise/partnership (fixed %, profit-based, or both)?
   - 3rd party funding (private as a company or an individual, public, or both)?
   - mix of funding sources
     - profit/dividend to cover investment + a% from income
     - Profit + % sales + 3rd party
   - Are you charging fees to local sites for membership in the alliance, or training?
   - Do you license programs and materials, or other support services?

**Corresponding author**
Raghda El Ebrashi can be contacted at: raghda.elebrashi@guc.edu.eg