



GLOBAL ENTREPRENEURSHIP MONITOR

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Designing a Global Standardized Methodology for Measuring Social Entrepreneurship Activity: The Global Entrepreneurship Monitor Social Entrepreneurship Study

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The Global Entrepreneurship Monitor (GEM) is an annual assessment of the entrepreneurial activity, aspirations and attitudes of individuals across a wide range of countries. Initiated in 1999 as a partnership between London Business School and Babson College, the first study covered 10 countries; since then more than 85 'National Teams' from every corner of the globe have participated in the project, which continues to grow annually.

GEM is the largest ongoing study of entrepreneurial dynamics in the world.

GEM explores the role of entrepreneurship in national economic growth, unveiling detailed national features and characteristics associated with entrepreneurial activity. The data collected is 'harmonized' by a central team of experts, guaranteeing its quality and facilitating cross-national comparisons.

The program has three main objectives: to measure differences in the level of entrepreneurial activity between countries; to uncover factors leading to appropriate levels of entrepreneurship; and to suggest policies that may enhance the national level of entrepreneurial activity.

GEM is unique because, unlike other entrepreneurship data sets that measure newer and smaller firms, GEM studies, at the grassroots level, the behavior of individuals with respect to starting and managing a business. This approach provides a more detailed picture of entrepreneurial activity than is found in official national registry data sets.

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DESIGNING A GLOBAL STANDARDIZED METHODOLOGY FOR MEASURING SOCIAL ENTREPRENEURSHIP ACTIVITY: THE GLOBAL ENTREPRENEURSHIP MONITOR SOCIAL ENTREPRENEURSHIP STUDY

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1 INTRODUCTION

Attention for social entrepreneurship, defined as entrepreneurial activity with the explicit objective to address societal pains, has increased significantly in the developing and the developed world (Brooks, 2009; Seelos & Mair, 2007: 38). Social enterprises are endorsed by a growing number of political and business leaders across the world (Defourny & Nyssens, 2008; Tracey & Jarvis, 2007) and many organizations (e.g. Ashoka, Aspen Institute, the Skoll Foundation and the Schwab Foundation), events, awards, and celebrations highlight the heroic efforts of social entrepreneurs (Marcus & Fremeth, 2009).

On the academic front, interest in the subject has also increased (e.g., Dacin, Dacin, & Matear, 2010; Hemingway, 2005; Short, Moss, & Lumpkin, 2009; Tracey et al., 2007; Zahra, Gedajlovic, Neubaum, & Shulman, 2009) as indicated by the number of papers, special issues, international academic conferences, and workshops on the topic. Short, Moss, and Lumpkin (2009) identified 152 articles published in scholarly journals from 1991-2009 and reported a 750% increase in publication during this time period. Brock (2008) counted over 350 professors teaching and researching social entrepreneurship in more than 35 countries and approximately 200 social entrepreneurship cases and 50 textbooks.

Despite the growing interest, scholarly inquiry on social entrepreneurship is in an emergent state (Cohen & Winn, 2007) and the field is still in the process of establishing institutional legitimacy (Hall, Daneke, & Lenox, 2010; Nicholls, 2010). Among other problems, faster progress on this matter has been hampered by a predominant focus on case studies and success stories of 'leading social entrepreneurs' (Sharir & Lerner, 2006; Van Slyke & Newman, 2006) and proposition-based theory building. Missing from current scholarly work on social entrepreneurship are studies that can test the scope and generalizability of theoretical propositions, discover antecedents and consequences of social entrepreneurial activity, and statistically analyze differences among various social entrepreneurs through a large scale quantitative dataset. Despite some fragmented initiatives to fill this void (Kerlin, 2009, 2010; Salamon, Anheier, Toepler, List, & Sokolowski, 1999), extant quantitative research does not utilize a consistent definition or yield from one large dataset that allows for a detailed empirical analysis of individual drivers and antecedents of social entrepreneurship.

Addressing this research gap, however, implies a number of methodological challenges. For example, a very first question that emerges is: "How should one measure social entrepreneurship in a large scale initiative?" Answering this question requires a consensus on how to measure social entrepreneurial activity, and a large scale and consistent data collection approach in different parts of the world. This paper proposes and tests a methodology that represents the first theory-based data collection approach for social entrepreneurial activity on a global scale, enabling country comparisons on social entrepreneurship. We developed a questionnaire that is integrated in the largest existing research effort to collect data on regular entrepreneurial activity, the Global Entrepreneurship Monitor (GEM). GEM surveys over

150,000 people across over 50 countries on an annual basis. Before introducing this methodology, we review current theoretical perspectives on social entrepreneurship and existing cross-country social entrepreneurship-related datasets. Next, we present a detailed overview of the methodology and feature some initial results obtained with it. We conclude the article with a discussion on the validity of the methodology and acknowledge some limitations that provide interesting new research questions to be explored in the future.

2 SOCIAL ENTREPRENEURSHIP: CONCEPTS AND CURRENT PERSPECTIVES

Social entrepreneurship is a “simple term with a complex range of meanings” (Trexler, 2008). The lack of a unified understanding of the concept (Zahra et al., 2009) is one of the major barriers to the advancement of scholarly research on the subject. Multiple definitions have emerged from scholars pertaining to disciplines as different as accounting, economics, entrepreneurship, and political science (Short et al., 2009). This has been further complicated by social enterprise’s multiple manifestations, with organizations that marry philanthropy with business models, and non-profit with market-based tools (Alter, 2007). Despite the unsettled definitional debate, there seem to be a number of characteristics that distinguish social entrepreneurs from “regular” entrepreneurs and/or traditional charities. In particular, three selection criteria seem to stand out from extant literature: the predominance of a social mission, the importance of innovation, and the role of earned income.

First, scholars converge on the fact that social entrepreneurial organizations must have an explicit and embedded social objective (e.g., Certo & Miller, 2008; Mair & Schoen, 2007; Peredo & Chrisman, 2006a; Peredo & McLean, 2006b; Sullivan Mort, Weerawardena, & Carnegie, 2003; Thompson, 2002). Here, the notion “social” refers to the fact that social entrepreneurs develop products and services that “cater directly to basic human needs that remain unsatisfied by current economic or social institutions” (Seelos & Mair, 2005: 243-244). The main difference with regular entrepreneurship is not that such regular entrepreneurship would be a-social, but rather that social entrepreneurs associate top priority to the creation of social value, while “economic value creation is seen as a necessary condition to ensure financial viability” (Mair & Martí, 2006: 38). Dees (1998a), for example, argues that just as the purpose of a for-profit firm is to create superior value for its customers, the primary mission of the social entrepreneur is to create superior *social* value for its clients.

While this first selection criterion provides some indication of what is meant by the notion “social”, the two remaining criteria relate more to what is meant by “entrepreneurship”. As a second selection criterion, the literature underscores that the successful pursuit of social entrepreneurs’ mission requires an *innovative* delivery of products and services (Alvord, Brown, & Letts, 2004; Borins, 2000; Chell, Nicolopoulou, & Karataş-Özkan, 2010; Mair et al., 2006; Peredo et al., 2006b; Prabhu, 1999). Consequently, individuals and organizations not actively engaged in the provision of innovative solutions to complex social issues are considered to fall outside the scope of social entrepreneurship.

Finally, for several researchers “entrepreneurship” means that the exposure to a market logic is expected for one to be considered a social *entrepreneur* (Masseti, 2008; Peredo et al., 2006b; Tracey et al., 2007; Wallace, 1999). Whether or not this translates into an obligation to have 100% earned income, however, is one of the criteria that currently seems to receive the

least consensus. While some scholars and policymakers attach a lot of importance to the requirement of earned income for a person to be a social entrepreneur (Austin, Stevenson, & Wei-Skillern, 2006; Boschee & McClurg, 2003; Dorado, 2006; Thompson & Doherty, 2006) define social entrepreneurship more narrowly, as economically sustainable ventures that generate social value (Dees, 1998a; Emerson & Twersky, 1996; Robinson, 2006), regardless of where the revenue comes from.

In this paper, we follow the recommendation of several scholars (Short et al., 2009; Zahra et al., 2009) and start from a broad definition of social entrepreneurship that considers individuals or organizations engaged in entrepreneurial activities with a social goal. Specifically, we adopt Mair and Marti's (2006: 37) definition:

“First, we view social entrepreneurship as a process of creating value by combining resources in new ways. Second, these resource combinations are intended primarily to explore and exploit opportunities to create social value by stimulating social change or meeting social needs. And third, when viewed as a process, social entrepreneurship involves the offering of services and products but can also refer to the creation of new organizations”.

Yet, and as detailed in the following section, in operationalizing social entrepreneurship we make sure that at least all the above-cited criteria are taken into account in order to reflect the breadth of views on the subject. Furthermore, we aimed to develop a database that is useful to a maximum number of research communities regardless of their perspective on the subject.

2.1 MEASURING SOCIAL ENTREPRENEURSHIP ACROSS COUNTRIES

As social enterprises attract increasing interest and success in solving complex and persistent social problems, the issue of mapping social enterprises becomes pressing. Establishing a global measurement instrument is important for many reasons. First, there is currently no insight regarding differences in the extent of social entrepreneurship prevalence across countries. Although several theories have been proposed, no data exists to test these different hypotheses. For example, since social entrepreneurship is an activity that by definition addresses social pains that are not adequately resolved by the state, civil society, or the market, we might expect a higher prevalence of social entrepreneurship in areas with higher levels of social pains (e.g., poverty, environmental degradation, draught, war, or illiteracy), higher levels of state failures (e.g., corruption, education, or health provision) or lower levels of civil society involvement (e.g., trade unions, social dialogue, or volunteering). On the other hand, a different hypothesis is that as a result of higher levels of social pains, people must pay more attention to survival, and would thus find themselves in a context where payoffs favor regular entrepreneurship above social entrepreneurship. One indication of this is the higher level of necessity entrepreneurship in developing countries (Bosma & Levie, 2010). As a result, we could expect lower numbers of social entrepreneurs in developing countries. These and other hypotheses could not be tested, since no dataset exists that would allow doing so.

Second, even though standard definitions are used to assess social entrepreneurship in different countries, there may be very different interpretations of 'social entrepreneurship' across the globe. In other words, the qualitative aspects about who becomes a social entrepreneur, what

their objectives are, and how they understand social entrepreneurship will likely be different across the world. Researchers have only recently begun to map such differences (Kerlin, 2009), but many challenges remain in order to test findings on a broader scale of countries.

Third, and as explained by Kerlin (2009:32): “With much of the international literature focused on individual social entrepreneurs and case studies, broad organizational trends in social enterprise associated with particular regions or countries have been overlooked. Such organizational trends are important because they signal what is currently the easiest route for social enterprise activities in a given context.”

Despite the growing interest and noted increasing prevalence of social entrepreneurship, there is currently no or very limited data available to assess the nature and incidence of social entrepreneurship across the world, nor its antecedents or consequences. Notable exceptions in this domain are the collections of studies by Lester Salamon and colleagues (Salamon, Wojciech Sokolowski, & Associates, 2004), and Jane Kerlin (2009). While providing the first worldwide quantitative assessment of Civil Society Organizations through the Johns Hopkins Comparative Nonprofit Sector Project, Salamon et al. (2004) focus primarily on existing not-for-profit organizations that do not necessarily overlap with the recent developments that have led to the concept “social entrepreneurship”. Furthermore, their data speaks mostly about the workforce involved in Civil Society Organizations as founders, employees, or volunteers. As such, it provides little information about the act of founding social enterprises. More closely related to social entrepreneurship, Kerlin (2009) describes the nature of social entrepreneurship in various parts of the world based on the largely qualitative insights of local experts describing the state of social entrepreneurship in their broad regions. While of great value as a first step for cross-national and regional differences of social entrepreneurship based on a single definition, the combined effort of Kerlin and colleagues is not based on country-level aggregations of individual-level and objectively obtained data. As a consequence of the limitations of both studies, the research question guiding this paper is: “*How can we develop a methodology that enables the measurement of social entrepreneurship across the world in a way that is consistent with current definitions of entrepreneurship?*” In the next sections, we propose and test a methodology that was developed to address this research question, using and extending an existing global research project aimed at capturing the prevalence of regular entrepreneurship, the Global Entrepreneurship Monitor (GEM).

3 METHODOLOGY

In order to facilitate a consistent and widely applicable selection of social entrepreneurs, we based our methodology on four principles. First, our methodology aimed to be consistent with existing theoretical perspectives on social entrepreneurship, in particular with the three dimensions as outlined earlier: social mission, innovativeness, and revenue model. Second, our objective was to capture different perspectives that exist with regards to the importance of each of these dimensions, for example whether or not social entrepreneurs should have revenues that come from the market or not. Third, in order to exclude country-specific legal or bureaucratic definitions of social entrepreneurship, we tried to avoid using the word “social entrepreneurship” in a direct way and instead measure social entrepreneurship through a series of indirect questions. Finally, we aimed to use the exact same question across all the countries included in our research, such that cross-country comparisons would be facilitated as much as possible. Here we could build on methodologies employed previously in GEM single country studies on social

entrepreneurship, in the U.K. ((Harding & Cowling, 2004; Levie & Hart, 2011), U.S., and Norway.¹

Given that international data collection initiatives are notoriously difficult to set up, especially in the context of an exploratory phase such as the objectives presented above, the GEM project offered a unique platform to design a research methodology that piggybacked existing research efforts geared towards cross-country comparisons of entrepreneurial initiative. In order to specifically investigate social entrepreneurship, however, the existing survey needed to be complemented with specific screening questions that could identify social entrepreneurs in the population. Next, we elaborate on each aspect of the research design.

3.1 GLOBAL ENTREPRENEURSHIP MONITOR

The Global Entrepreneurship Monitor (GEM) is a multi-country initiative with the explicit objective of facilitating cross-country comparison of entrepreneurial activity by using the exact same measurement approach in all countries involved in the study (Reynolds et al., 2005). Initiated in 1997, GEM has expanded to over 80 participating countries in the past decade. Each year GEM surveys representative population samples of at least 2,000 randomly selected adults in each participating country. The surveys are conducted by telephone or face-to-face between May and August in the national language(s) and facilitated by a translation and back-translation of questions. From each individual interviewed in the GEM sample, records are collected of gender, employment status, educational background, and household income. Once collected, the data is weighted to reflect the national population and harmonized with the other countries by the GEM coordination team.² In 2009, over 150,000 individuals in 54 countries were surveyed, as depicted in Table 1.

* Insert Table 1 about here *

GEM is widely acknowledged to be the best source of comparative entrepreneurship data in the world (Shorrock, 2008) and has been cited extensively in leading news outlets (e.g. Economist, 2007, 2009) and utilized in research published in leading academic journals (Aidis, Estrin, & Mickiewicz, 2008; Bowen & DeClercq, 2008; Koellinger & Thurik, 2012; Kwon & Arenius, 2010; McMullen, Bagby, & Palich, 2008; Stephan & Uhlaner, 2010).

The principal GEM measure used for international comparisons is Total early-stage Entrepreneurial Activity (TEA). TEA captures the percentage of the adult (aged 18-64) population that is actively involved in entrepreneurial start-up activity. As such, TEA includes nascent entrepreneurs and young business owners. Nascent entrepreneurs are individuals who have, during the last past 12 months, taken tangible action to start a new business, would personally own all or part of the new firm, would actively participate in the day-to-day management of the new firm, and have not yet paid salaries for anyone for more than three months. Young business owners are defined as individuals who are currently actively managing a new firm, personally own all or part of the new firm, and the firms in question is not more than 42 months old. In some cases, an individual may report both nascent and young business ownership activity. However this individual will only be counted once towards the TEA

¹ Lessons from the U.K. data collection are nicely described in Levie et al. (2006).

² Weights are based on age and gender structure for every country. In addition, other characteristics such as education and ethnicity are captured in the weights if appropriate. Most countries adopt a regional stratification to make sure that all regions are represented in the sample.

percentage in the adult population. TEA indices have high validity and reliability (Reynolds et al., 2005).

In addition to the TEA, GEM also identifies owner-managers of established firms, individuals who discontinued their activities as owner-managers in a firm, and individuals active as investors in entrepreneurial activity. While an overall description of the GEM questionnaire and research design can be found in Reynolds et al. (2005), a selection of the key screening questions for identifying entrepreneurial and investor activity is shown in Table 2.

* Insert Table 2 about here *

3.2 SCREENING FOR SOCIAL ENTREPRENEURIAL ACTIVITY

Social mission: As mentioned above, while there is debate on the importance of earned income or the innovativeness of social entrepreneurs, most scholars in the field agree on the fact that social mission is a key differentiating element of social entrepreneurs. In order to screen the surveyed population for social entrepreneurial activity, a series of questions were added at the end of the existing GEM questionnaire that probed interviewees on their involvement in organizations with a particular social mission. We used two approaches to this purpose: explicit self-identification and goal-based classification. First, we asked respondents whether they self-identified as being involved in an organization with a social mission, by asking a broad introductory question:

“Are you, alone or with others, currently trying to start or currently owning and managing any kind of activity, organization or initiative that has a particularly social, environmental or community objective? This might include providing services or training to socially deprived or disabled persons, using profits for socially oriented purposes, organizing self-help groups for community action, etc.”

This item covers any and all activity that could be any form of social or community work, incorporated or not incorporated, for profit or not-for-profit. In other words, the intention is to capture all individuals that are involved in an organization with the purpose of addressing a particular social issue. To ensure that respondents had an active role in this organization, we also explicitly asked whether respondents put money or effort into the process of founding the enterprise or whether they currently owner-manage the organization.

Second, we asked all interviewees that self-identified as being involved as a founder or an owner-manager in an organization (whether explicitly social or not) to allocate 100 points across 3 organizational goals: economic, social and environmental. As a starting point, we considered all interviewees that indicated an active involvement in the founding or owner-management of an organization that was either explicitly social (answering affirmative to the introductory question) and/or implicitly social (either social or environmental rated higher than economic; see below for rationale of this decision) as part of the potential social entrepreneurship population. Although a lot of variety remains in this selected population, the excluded respondents perceived themselves as members of an organization with a particular social mission.

To further refine the population of potential social entrepreneurs, we asked a number of follow-up questions with the purpose of developing a spectrum of social entrepreneurship types.

As shown in Figure 1 and explained in Table 3, this variation was designed along the dimensions of revenue model and innovativeness.

* Insert Table 3 about here *

Revenue model. In addition to the social mission, social entrepreneurs may differ with respect to their dependence on the market for generating revenues. As previously mentioned, reliance on the market has been proposed by some as the most important identifier for social entrepreneurial activity (e.g., Austin et al., 2006; Boschee et al., 2003). We used three questions to capture the importance of market logic in the revenue model of the social enterprise. First, we asked all explicit social entrepreneurs whether their organization depended on any kind of (product or service) sale (see question 4 in Table 3). The assumption here is that a negative answer to this question implies that the organization depends entirely on either government subsidies or membership fees. Organizations for which revenues from sales represent a marginal but not vital part of its income sources, however, would still answer positively to this question. We therefore included a second question that specifically asked for the percentage of the total income that would come from sales of services or products (question 5 in Table 3). Furthermore, we assumed that organizations with less than 5% dependence on sales and revenues would be more inclined to see such income sources as negligible. As a consequence, they would therefore not adopt any market logic in their decision-making. Finally, we asked explicit social entrepreneurs that had also self-identified as a regular entrepreneur (see questions 1a – 1c in Table 2) whether the social activity was actually the same organization as identified previously. This question served two purposes: it prevented double counting a person as both a social and a regular entrepreneur, and we considered the self-identification as being active in “a business”, “self-employment,” or “selling goods or services” to be a relevant proxy for adhering to a market logic. Continuing this logic, we also assumed that all self-identified regular entrepreneurs that did not self-identify as a social entrepreneur were fully reliant on the market for their revenues.

Innovativeness. As a final classification variable, innovativeness aims to separate out those involved in organizations that merely replicate or copy existing solutions to social problems from those that involve “pattern-breaking” (Light, 2006) or “innovative solutions” (Ashoka, 2011) and are thus “change agents” (Schwab, 2011) in society. In order to capture this innovativeness of the organization, we asked six questions that looked at the innovation behavior of the organization from different angles (questions 7 in Table 3): product / production process / delivery / promotion / unattended customer niche. Organizations identifying themselves with any of these innovation dimensions were considered innovative. This methodology clearly separates out those organizations for which innovation was not part of their core missions or identity.

3.3 DEVELOPING THE SOCIAL ENTREPRENEURSHIP SPECTRUM

Using social mission, revenue model, and innovativeness as identification variables, we then made different combinations and aligned them with theoretical categories for further analysis. Figure 1 shows a schematic overview of this classification.

* Insert Figure 1 about here *

Non-governmental organizations. In our classification, “non-governmental organizations” (NGOs) are not-for-profit organizations that have an explicit social mission, but depend on market-based income for less than 5% of their revenues. While some authors (e.g., Boschee et al., 2003) would exclude them from the notion “social entrepreneurship”, other

authors suggest that the revenue model in itself is not the best indication for entrepreneurial behavior and that the innovativeness in addressing social issues is more important (Ashoka, 2011; Dees, 1998a). To facilitate a more fine-grained analysis of these different perspectives, we created two additional subclasses of NGOs. We therefore define “Not-for-profit social enterprises” (NFP SE) as those NGOs that, although dependent on government, aid, or membership based revenues sources, combine their social mission with an innovative approach in achieving their goals. “Traditional NGOs”, on the other hand, are NGOs that achieve their missions by relying on more established practices or target customers.

Hybrid Social Enterprises. For many, the distinguishing and innovative feature of social entrepreneurship is the combination of an explicit objective to address social needs with the establishment of a private organization as a means to achieve this objective. As such, it is said that social entrepreneurs have “hybrid” objectives, combining both market-based and social logics. In our classification, “Hybrid Social Enterprises” are organizations that self-identify as a social organization, receive at least 5% of their revenues from the sales of services or products, or identify themselves as a regular business as well. An extreme form of hybridization, however, is when organizations self-identify as a social organization, but indicate that they aim to realize their social objective primarily by paying attention to the economic bottom line. Given the importance that has also recently been suggested for such hybridization of objectives, we created two subcategories based on their relative weight of social and environmental objectives. Thus, hybrid social enterprises for which economic objectives are numerically more important than social and environmental objectives are defined as “Economically oriented Hybrids”, while “Socially oriented Hybrids” are those organizations for which the reverse is true.

Socially committed regular enterprises. While it is clear that regular enterprises with clear priorities set on economic objectives can be excluded from the social entrepreneurship spectrum as “For Profit Regular Enterprises,” the subset of regular enterprises that exhibits high attention to social and environmental objectives can still be considered part of the social entrepreneurship spectrum. Although not self-identifying as a social organization, these organizations indicate that social and environmental aspects are nevertheless a significant part of their mission in running a regular enterprise. In a staged approach, we therefore identified “socially committed regular enterprises” and “for profit social enterprises” as the remaining parts of the social entrepreneurship spectrum. “Socially committed regular enterprises” are regular enterprises for whom either the social or the environmental objectives are more important than the economic ones, while “for profit social enterprises” are those regular enterprises for whom environmental or social objectives are twice as important as the economic ones.

3.4 OVERLAP AND SIMULTANEITY OF SOCIAL AND REGULAR ENTREPRENEURSHIP

An interesting by-product of adding questions to an existing questionnaire on regular entrepreneurship is that it enables an understanding of how these social entrepreneurs identify themselves vis-à-vis regular entrepreneurship and vice versa. For example, a person self-identifying as a regular entrepreneur, but then subsequently indicating that this regular enterprise is actually a social enterprise has a particular approach to the notion “entrepreneur” that is different from a self-selected social entrepreneur who did not self-select as a regular entrepreneur. Furthermore, by explicitly asking social entrepreneurs who had also self-selected as regular entrepreneurs whether they were talking about the same organization, our

methodology can identify entrepreneurs who run regular and social enterprises simultaneously. Such indications are important, since it allows researchers to understand how the distinctions between the notions “social” and “entrepreneurship” could differ across countries. For these reasons, we developed the following four categories:

- Pure Regular Entrepreneurship and Pure Social Entrepreneurship refer to “pure” social and commercial categories, that is, cases where respondents launched either a social organization or a commercial one.
- Overlapping Social Entrepreneurship refers to cases where a respondent states that s/he is launching both a commercial and social enterprise and specifies that s/he is referring to the same organization.
- Finally, Simultaneous Social Entrepreneurship corresponds to cases where respondents have created both types of enterprises specifying that these are different entities.

3.5 ADDITIONAL QUESTIONS FOR FURTHER ANALYSIS

In order to facilitate additional analyses on social entrepreneurial activity either at the level of the social enterprise or at the level of a country, we added two sets of questions to the methodology that was described above. First, the questions relating to social mission, revenue model, and innovativeness were supplemented with a series of questions related to the characteristics of the social entrepreneurial activity. For example, to get more information on the social enterprise itself, we included questions about the founding dates of the social venture and a clarification on the type of activity. The founding dates allowed us to differentiate between new social enterprises and established social enterprises. To assess the real impact of social entrepreneurship, one must consider how these enterprises have benefited the immediate society. Furthermore, we asked questions related to individuals’ partial or full-time involvement in the social venture, the number of people working in the organization (separate counts for volunteers and part-timers), and expectations of the number of people working for it in five years. Finally, we also gauged respondents for their intentions and actual practices related to impact measurements. Although this last criterion does not represent per se a defining characteristic of social enterprises, several researchers consider performance measurement of social impact to be a fundamental differentiator between social enterprise and more traditional forms of social activity (Austin et al., 2006; Sawhill & Williamson, 2001; Smith & Stevens, 2010). It is also a key element in gauging the real impact of social entrepreneurship and its effectiveness in healing the world’s problems. A more detailed description of these questions can be found in table 3.

In addition to these individual and organizational-level questions, we used the GEM National Expert Survey (NES) to ask a number of questions about the context in which social entrepreneurial activity was established. In the annual GEM ‘cycles’, national framework conditions related to entrepreneurship are captured using the NES surveys and include items on finance, government policies, government programs, education and training, R&D transfer,

commercial and legal infrastructure, internal market openness, access to physical infrastructure, and cultural and social norms (see Levie & Autio, 2008). Several recent works highlight the key role played by context in promoting or hindering social entrepreneurship (Austin et al., 2006; Kerlin, 2009; Mair, 2010; Weerawardena & Mort, 2006). The GEM 2009 assessment on social entrepreneurship therefore seeks to complete the overall picture of social value creation through entrepreneurship by placing it into the broader framework of the regulatory, socio-cultural, demographic, political and macro-economic context. Hence, specific questions were included in the GEM 2009 National Expert Survey to assess the level of support of national framework conditions for social entrepreneurship. See Table 4 for the National Expert Survey questions.³

* Insert Table 4 about here *

4 RESULTS

In order to show the potential and limitations of our methodology, we present a descriptive overview of the data that was collected using the methodology in the GEM 2009 survey. It is important to note at this point that the results given only relate to *early-stage* social entrepreneurship (including the phases before the start-up and a phase of 42 months after the start-up) and excludes the phase afterwards, defined as “established social entrepreneurial activity”. (See Figure 2).

* Insert Figure 2 about here *

4.1 PREVALENCE OF EARLY-STAGE SOCIAL ENTREPRENEURIAL ACTIVITY

Figure 2 depicts the prevalence of early-stage social entrepreneurship activity (SEA), the social equivalent of TEA, within the three economic development level peer groups. The average SEA rate across all 49 GEM countries is 1.9%, but ranges from 0.2% to 4.9%. As a first observation, these low levels of prevalence confirm the theoretical assumption that social entrepreneurs are “a rare breed” (Dees, 1998b: 5). Social entrepreneurship is a challenging activity, addressing complex and systemic societal problems that may require tweaking the institutional context, and developing radically new business models. As these situations are characterized by the challenges that come with high resource scarcity and complexity (Dacin et al., 2010), the low prevalence should not come as a surprise.

Despite the low levels of social entrepreneurial activity, variations in prevalence can nevertheless be observed. One way to explore the variation in prevalence is to group countries by stage of development. One classification that is often used in cross-country analyses is the distinction between factor-driven countries (economies based on the exploitation of natural resources), efficiency-driven countries (economies based on large scale manufacturing), and innovation-driven countries (economies based on services and innovation). While the range of SEA is similar for all three economic development stages, the average SEA rate increases slightly with economic development. Averages in factor-driven, efficiency-driven, and innovation-driven countries are 1.5, 2.0, and 2.1 respectively. In general, this could indicate that the opportunity-cost of social entrepreneurship is higher in developing countries, because other

³ Given the focus of this paper on the measurement of social entrepreneurship, a more detailed description of the GEM NES data is beyond the scope of this paper. We refer to www.gemconsortium.org for more detailed description of the GEM NES on social entrepreneurship.

objectives related to fundamental self-interests (such as survival) need to be satisfied first, whereas such self-interests may be less of an issue in developed countries and in fact be picked up by national institutions.

A closer look at Figure 2 suggests, however, that the social entrepreneurship classification by economic development level might be hiding sharp differences among developed and developing countries. In that sense, several scholars (Anheier, 2005; Kerlin, 2009; Mair, 2010) have argued that some country differences in social entrepreneurship activity cannot be explained exclusively by the level of economic development, attributing it to the combined influence of regional variations in geographic, social, and institutional backgrounds.

Table 5 and Figures 3 and 4 depict social entrepreneurship activity levels according to a regional segmentation and shed a different light on these prevalence levels. For example, Figure 3 shows that, although the U.S. exhibits the highest rate of social entrepreneurship activity, it is closely followed by three developing regions: the Caribbean, Latin America, and Africa, which on average supersede the social entrepreneurship activity levels of both Western European and Eastern European nations. The lowest levels of social entrepreneurship seem to exist in Middle-East and North Africa (MENA) and Asian regions.

* Insert Table 5 and Figures 3 and 4 about here *

4.2 THE SOCIAL ENTREPRENEURSHIP SPECTRUM

As mentioned earlier, social entrepreneurship scholars are progressively coalescing around a broad definition of the concept that includes a variety of organizational forms along a continuum, from profit-oriented businesses engaged in significant social commitments to double bottom-line businesses that combine profit objectives with a social mission to nonprofit organizations engaged in innovative activities. Figure 5 represents the regional distribution of the three main social entrepreneurship categories: for profit SE, Hybrid SE, and NGOs. Here again we can find some interesting regional variations, where both the U.S. and Western Europe display high relative prevalence levels of NGOs, and Latin America and the Caribbean have particularly higher levels of hybrid social entrepreneurship.

* Insert Figure 5 about here *

4.3 COMPARISON BETWEEN TOTAL EARLY-STAGE ENTREPRENEURIAL ACTIVITY AND SOCIAL EARLY-STAGE ENTREPRENEURIAL ACTIVITY LEVELS

Figures 6 and 7 compare “pure” overlapping and simultaneous TEA and SEA rates by country and region. Overall, the results indicate that Social Early Stage Entrepreneurial Activity rates are much lower than TEA rates in all countries. Specifically, Figure 6 indicates that across regions the level of commercial entrepreneurship is two to thirteen times more prevalent than social entrepreneurship. Although there is no apparent relationship between the rates of Pure Social Entrepreneurship and Pure Regular Entrepreneurship, Figure 6 seems to suggest that overall, regions with higher Pure Regular Entrepreneurship rates (such as the Caribbean, Africa, and Latin America) also exhibit comparatively higher rates of Overlapping Social Entrepreneurship. In other words, the higher the level of a region’s pure commercial entrepreneurship, the more significant is the level of overlap between social and commercial entrepreneurship, supporting the notion that entrepreneurial economies tend to offer a more

favorable setting for undertaking socially innovative initiatives that depart from the traditional third sector.

* Insert Figures 6 and 7 about here *

Excluding Pure Regular Entrepreneurship, Figure 7 shows a more detailed view on the distribution of these categories. An interesting observation from this graph is that the proportion of the Overlapping Social Entrepreneurship category constitutes a significant portion in the developing regions of Latin America, Africa, and the Caribbean. Furthermore, it shows that Africa counts a relatively high proportion of entrepreneurs that combine a regular enterprise with a social enterprise. In contrast, the relative number of overlapping and simultaneous social entrepreneurs is considerably lower in European, Asian, and MENA contexts.

5 DISCUSSION

The research question that triggered this paper was simple: “How can we develop a methodology that enables the measurement of social entrepreneurship across the world in a way that is consistent with current definitions of entrepreneurship?” Whether we have achieved our objective or not, however, is a much harder question to answer. In what follows, we discuss some of the indications of the validity of our methodology as well as possible limitations. To this purpose, we explore to what extent our findings correspond with those of Salamon et al. (2004) and Kerlin (2009), bearing in mind, however, that both datasets were collected with slightly different target organizations in mind, and in different time periods.

A first indication of the validity of our methodology comes with the finding that, as expected, social entrepreneurship is “a rare breed” (Dees, 1998b: 5). While one could therefore easily catalog the field of “social entrepreneurship” as marginal and of insignificant importance, we would argue that social entrepreneurs like Mohammad Yunus of Grameen Bank (Bangladesh), Dr. Govindappa Venkataswamy of Aravind Eye Hospital (India), and Ibrahim Abouleish of Sekem (Egypt) have been the Black Swans (Taleb, 2007) able to put in place radically novel solutions for persistent social pains in their societies. As a consequence, given the rarity of social entrepreneurs, yet their significant social importance, this reinforces the necessity to understand better what drives them, where they work, and how they interact with their contexts.

A second indication relates to the prevalence levels of social entrepreneurship. While several theories have been proposed as a potential explanation for the levels of social entrepreneurship across countries (for a review see Nissan, Castaño, & Carrasco, 2010), most are inspired by the argument that the market and institutional failures typically associated with lower levels of economic development would create more opportunities for social entrepreneurs and thus higher prevalence levels of social entrepreneurship. If this would be the case, then social entrepreneurship would follow a significantly different pattern than Civil Society Organizations, for whom Salamon et al. (2004) found that the inverse was true: on average, the workforce involved in Civil Society Organizations is higher in developed countries than in developing and transition countries. For this reason, an opposite relationship is suggested by post-materialism theories which relate the change in values with economic development (Inglehart, 2000). Economic and social development permit higher levels of physical and economic security for individuals. As a result, they have changed their moral codes to post-materialistic values, which are not related to material needs, but to more subjective notions such as emotion, personal identification, and quality of life (Inglehart & Welzel, 2005). This is also reflected in the notion

that people in developing countries are driven by values of security, rather than self-expression or openness to change (Inglehart, 1997; Schwartz & Sagiv, 2000), which is more the case in developed countries. Accordingly, post-materialism theories argue that social work such as volunteering and association membership will depend on the degree of development of post-materialistic values (Schofer & Fourcade-Gorinchas, 2001). In other words, the higher the level of economic development, the higher the level of social entrepreneurship activity. By analyzing social entrepreneurship variations across 49 countries, our data suggest that, on average, the second hypothesis seems to get more support and that our findings are more in line with the findings of Salamon et al. (2004). As the next analyses will show, however, the level of development does not seem to be the most relevant predicting factor for social entrepreneurship prevalence.

Finally, the variation in prevalence rates of social entrepreneurship and its subcategories across regions provides similar patterns compared to other datasets, yet primarily raises new questions. For example, while Salamon et al. (2004) finds that the highest proportions of the population involved in Civil Society Organizations can be found in Anglo-Saxon (including US and Australia) and Western-European countries, followed by Asian, African, Latin American and Eastern European countries in decreasing order, our findings show that Latin American and African countries have more social early stage entrepreneurial activity than their European counterparts. Although part of the explanation may be attributed to the earlier time period when the Johns Hopkins Comparative Non Profit Sector study was executed, we believe the most important explanation can be brought back to the different phenomena that are captured. While Salamon et al. (2004) focus on the entire workforce employed by Civil Society Organizations, our data mostly focus on start-up social entrepreneurial activity of individual founders. This does not explain, however, why European countries would have less social entrepreneurial activity than Latin American, African, and Anglo-Saxon countries. A potential reason for this result could be found in Mair's (2010) suggestions, which are based on the notion that "varieties of capitalism" could explain how social entrepreneurship activity varies across economic and cultural contexts.

In essence, the Varieties of Capitalism literature differentiates between three types of economies (Hall & Soskice, 2001; Hancké, 2009; Jackson & Deeg, 2008): 1) the liberal economy, in which economic and social justice are essentially shaped and governed by market mechanisms (of which the U.S. is an example); 2) the cooperative economy, in which the state is considered the best way to redistribute wealth and to regulate markets (the case of most European economies), and 3) the informal economy, characterized by the failure of both markets and the state and in which "affiliations to social groups determine the local creation and distribution of wealth and justice (such as India and several Asian countries)". Accordingly, Mair (2010) suggests that despite comparable levels of economic development, social entrepreneurship activity should be higher in liberal economies than in cooperative ones. The argument supporting this proposition is that in the former, the withdrawal of the state or the public sector from social service provision increases the volume of needs not catered for, as opposed to cooperative countries where the state has an important role in fulfilling these needs.

Our results seem to lend support to the proposition to the extent that the U.S., the Caribbean, and many Latin American countries operate under a liberal regime. Figure 3 also seems to confirm this hypothesis, as inter-regional variations show that, in general, higher SEA rates correspond to more liberal economies, explaining for example, the relatively high rate in

Emirates compared to other MENA countries. Some exceptions still remain, however, which deserve a more thorough inquiry. Mair (2010: 6) recognizes indeed that, although very informative, typologies based on the “varieties of capitalism” perspective should be “*paired with additional variables that capture the local economic, social, cultural and natural heritage characterizing the specific microcosm in which the SE initiatives are operating*”. Although the Varieties of Capitalism thesis is an appealing one, it is clear that further research would be needed to investigate how institutional context variables explain the prevalence of social entrepreneurship. Our results could for example be analyzed under the framework of other national institutional system classifications, such as Whitley’s (1992; 1998) National Business Systems theory.

6 SCOPE LIMITATIONS AND FURTHER RESEARCH

Although we devoted extensive effort to ensure the methodological rigor and wide applicability of our research approach, it is also important to note its limitations. An important assumption in our research is that, although we did not include any direct question on whether or not a person is a social entrepreneur, it is possible that the notion “social” itself could still be interpreted differently across the countries in our study. In order to gain a better understanding of how one should interpret the results in each country, one avenue for further research would be to add qualitative data to the quantitative data that were collected in our survey. One indication we have that the notion “social” differs across contexts is in the category Overlapping Social Entrepreneurship. One assumption could be that what is considered “social” in one country is simply regular business in another. Furthermore, the notion “social” can carry with it connotations that citizens of particular countries could find difficult to associate with. By the same token, however, one could also argue that the relatively higher portion of Overlapping Social Entrepreneurship in the Caribbean, African, and Latin American countries can be explained by other reasons. Salamon et al.’s (2004) research, for example, demonstrates that in transitional and developing countries 61% of CSOs’ income comes from commercial sources as opposed to a maximum of 45% in developed countries. In the absence of a welfare state in these countries, the scarcity of funding through grants and donations may foster the creation of double-purpose enterprises, that is, enterprises that not only address a social cause but also provide for a sustainable income source. Furthermore, as was also shown in the cross-country analysis of Kerlin (2009), Western European and US contexts facilitate a type of social entrepreneurship that is also often very much related to particular institutional or legal requirements to be recognized as one. In that sense, it could be interesting to analyze country variations in social entrepreneurship rates under the framework of La Porta et al.’s (La Porta, Lopez-de-Silanes, Shleifer, & Vishny, 1998) and Weimer and Pape’s (1999) institutional systems, which emphasize the central role of legal and regulatory institutions. In sum, further research would be needed to understand the exact implications or reasons for the differences in Social Entrepreneurship across countries.

While one avenue for future research could thus be to further explore the impacts of institutional and economic context on the level of social entrepreneurship and how these (co-) evolve over time, another domain of inquiry that awaits further exploration of the GEM social entrepreneurship data are the micro-drivers of social entrepreneurship. For example: what combinations of social and human capital foster the emergence of social entrepreneurship? Or what are the differentiating factors between those social entrepreneurs that found NGOs versus

those that found hybrid or for profit social enterprises? And how does the institutional context influence this?

Overall, our method is the first attempt to allow researchers to further explain and understand the phenomenon of social entrepreneurship. By providing a dataset of nearly 6,000 early stage and established social entrepreneurs, we believe this method provides ample opportunity to do so.

Table 1 - Participating countries in the GEM 2009 survey, including the Social Entrepreneurship section

Country	Interview Procedure	Sampling Method	Sample Count
Algeria	Face-to-Face	Random Walk Method	2000
Argentina	Fixed-Line	Random Dial from List	2008
Belgium	Fixed-Line and Mobile	Random Digit Dialing (80% of sample) and a panel of exclusive mobile phone users (of which socio-demographics are already known), recruited by random sampling methods (20% of sample)	3989
Bosnia and Herzegovina	Fixed-Line	Random Dial from List	2000
Brazil	Face-to-Face	Random choice of Census Tracts in every city, defined by census	2000
Chile	Fixed-Line and Face-to-Face	Random selection of a phone number from a list; Random selection of district (blocks) at the first stage, random selection of household at second stage, and finally random selection of a person within a household.	5000
China	Face-to-Face	First, we determined the maximum sample number of each neighborhood community-that will be 9 for this project. Then, we have a random starting point at an apartment or house. We skip 6 households after each successful contact for urban areas and 1 household after each successful contact for rural areas.	3608
Colombia	Fixed-Line and Face-to-Face	Random Dial from List; Random sampling using Cartographic data	2055
Croatia	Fixed-Line	Random Dial from List	2000
Dominican Republic	Face-to-Face	Random stratified, multi-staged	2007
Ecuador	Face-to-Face	Cluster sampling using Census	2200
Finland	Fixed-Line and Mobile	The sample was delivered by its supplier, connecting the necessary contact information (phone numbers) to the sample.	2004
France	Fixed-Line and Mobile	Random Dial from List	2019
Germany	Fixed-Line	Random Digit Dialing	6032
Greece	Fixed-Line	Random Digit Dialing and Random Dial from List	2000
Guatemala	Face-to-Face	All 22 departments (states) of Guatemala are used, and 179 municipalities will be randomly selected. In each Municipality a map divided the urban area in nine sectors, three of which were selected and, in each seven houses are also selected (a total of 12 houses were selected, but only seven were the	2208

		target)	
Hong Kong	Fixed-Line	Random Dial from List	2000
Hungary	Mobile	Random Dial from List	2000
Iceland	Fixed-Line and Mobile	Random Dial from List	2005
Iran	Face-to-Face	Cluster sampling	3350
Israel	Fixed-Line	Random Dial from List	2073
Italy	Fixed-Line	Random Dial from List	3000
Jamaica	Face-to-Face	Cluster sampling using Census	2012
Jordan	Face-to-Face	Random Walk Method	2006
Korea	Fixed-Line	Random Dial from List	2000
Latvia	Fixed-Line and Mobile	Random Digit Dialing and Random Dial from List	2003
Lebanon	Face-to-Face	Random Walk Method	2000
Malaysia	Face-to-Face	Cluster sampling using Census	2002
Morocco	Face-to-Face	Random Walk Method	2001
Netherlands	Fixed-Line	Random Dial from List	3003
Norway	Fixed-Line and Mobile	Random Dial from List	2029
Panama	Face-to-Face	Cluster sampling using Census	2000
Peru	Face-to-Face	Random Sampling from List using jump interval (every 3 houses)	2021
Romania	Face-to-Face	For all voting districts (strata also) - systematic sampling with equal probabilities from the electoral list of a selected voting district.	2093
Russia	Face-to-Face	Random Walk Method	1695
Saudi Arabia	Fixed-Line and Mobile	Random Digit Dialing	2000
Serbia	Fixed-Line	Random Dial from List	2300
Slovenia	Fixed-Line	Random Dial from List	3030
South Africa	Face-to-Face	Areas are stratified by race, region and community size. Within community size (within region) we selected addresses from GeoFrame (Household register) using a random start and a fixed-interval procedure, according to estimated population proportions. For rural areas, GIS coordinates were randomly selected within the magisterial district.	3135
Spain	Fixed-Line and Mobile	Random Digit Dialing (mobiles); Random Dial from List (fixed-line)	28888
Switzerland	Fixed-Line	Random Dial from List	2024
Syria	Face-to-Face	Random Walk Method	2002
Uganda	Face-to-Face	Using equal probability sampling of districts within regions, and probability proportional to size sampling of parishes within districts based on the # of households as provided by UBOS. An	2095

		approximately equal # of sampled households were chosen.	
United Arab Emirates	Fixed-Line and Mobile	Random Dial from List	2056
United Kingdom	Fixed-Line	Random Digit Dialing (within region)	30003
United States	Fixed-Line	Random Digit Dialing and Random Dial from List	5002

7 TABLE 2 – GEM ADULT POPULATION SURVEY QUESTIONS ON IDENTIFICATION OF REGULAR ENTREPRENEURIAL ACTIVITY (SUBSET)

1a	You are, alone or with others, currently trying to start a new business, including any self-employment or selling any goods or services to others
1b	You are, alone or with others, currently trying to start a new business or a new venture for your employer as part of your normal work
1c	You are, alone or with others, currently the owner of a company you help manage, self-employed, or selling any goods or services to others
1d	You have, in the past three years, personally provided funds for a new business started by someone else, excluding any purchases of stocks or mutual funds
1e	You are, alone or with others, expecting to start a new business, including any type of self-employment, within the next three years
1f	You have, in the past 12 months, sold, shut down, discontinued or quit a business you owned and managed, any form of self-employment, or selling goods or services to anyone

8 TABLE 3 - GEM ADULT POPULATION SURVEY QUESTIONS ON SOCIAL ENTREPRENEURIAL ACTIVITY

	Question objective	Question	Answers
1	Explicit social enterprise	Are you, alone or with others, currently trying to start or currently owning and managing any kind of activity, organization or initiative that has a particularly social, environmental or community objective? This might include providing services or training to socially deprived or disabled persons, using profits for socially oriented purposes, organizing self-help groups for community action, etc.	Yes, currently trying to start/Yes, currently owning-managing/ Yes, currently trying to start and owning-managing/No/Don't know/Refused
2	Actual involvement	Over the past twelve months have you done anything to help start this activity, organization or initiative, such as looking for equipment or a location, organizing a start-up team, working on a business plan, beginning to save money, or any other activity that would help launch an organization?	Yes/No/Don't know/Refused
3	Determine potential overlap between	Can I check, is this activity, organization or initiative the same one that you described in detail earlier, or is it a	Same/Different/Don't know/Refused

	social and regular activities in 'regular' business activity	different one?	
4	Revenue sources (1)	Will any of the revenue for this activity, organization or initiative come from income, for example through sales of products or charging for services? (nascent enterprise) Does any of the revenue for this activity, organization or initiative come from income, for example through sales of products or charging for services? (new or established enterprise)	Yes/No/Don't know/Refused
5	Revenue sources (2)	What percentage of total income will come from the sale of products or services? (nascent enterprise) What percentage of total income comes from the sale of products or services? (new or established enterprise)	Percentage / Don't know / Refused
6	Economic, Societal and Environmental value	Organizations may have goals according to the ability to generate economic value, societal value and environmental value. Please allocate a total of 100 points across these three categories as it pertains to your goals. For example, an organization's goals may allocate 80 points for economic value, 10 points for societal value, and 10 points for environment value. How many points for economic value? And how many points for societal value? And, finally, how many points for environmental value?	Percentage / Don't know / Refused
7	Innovation	Is your activity, organization or initiative offering a new type of product or service? Is your activity, organization or initiative offering a new way of producing a product or service? Is your activity, organization or initiative offering a new way of delivering a product or service? Is your activity, organization or initiative offering a new way of promoting or marketing a product or service? Is your activity, organization or initiative attending a new or so far unattended market niche or customer? Do you believe that if your activity, organization or initiative did not exist, your customers' needs would be served elsewhere in the market?	Yes/No/Don't know/Refused
8	Part of daily job or not	Is this intended activity, organization or initiative your daily job, part of your daily job, or outside your daily job?	Daily job/Part of daily job/Outside daily job/Don't know / Refused
9	Beginning of actual activity	What was the first year the activity, organization or initiative provided services to others, or received external funding?	Year/No payments yet / Don't know / Refused
10	Activity type	What kind of product or service will be provided by the activity, organization or initiative you are trying to start?	Qualitative indication

11	Organization size	<p>Right now how many people, not counting the owners but including subcontractors, part-time workers and volunteers, are working for this activity, organization or initiative?</p> <p>And how many of these people are working as volunteers?</p> <p>And how many of these people are working part-time?</p> <p>How many people will be working for this activity, organization or initiative, not counting the owners but including part-time workers, volunteers or subcontractors, when it is five years old?</p>	Numbers / Don't know / Refused
12	Impact measurement	Are you indeed measuring or planning to measure the impact along these three categories?	Currently measuring / Planning to measure in the future / Not currently measuring or planning to measure /Don't know /Refused

9 TABLE 4 - GEM KEY EXPERTS' SE QUESTIONS – RELATED TO FRAMEWORK CONDITIONS

S01	Society expects companies to give some of their profits back to the community through contributing to important social or environmental projects.
S02	CSOs tend to be willing to partner with companies on social, environmental or community projects.
S03	Social , environmental and community problems are generally solved more effectively by entrepreneurs than by the government.
S04	Social, environmental and community problems can be solved more effectively by entrepreneurs than by CSOs.
S05	The government is able to bring potential entrepreneurs, businesses and CSOs together around specific social/environmental or community projects.
S06	Businesses should invest more in socially responsible activities if they want to regain public confidence lost due to the global economic crisis.
S07	Social responsibility is a significant source of competitive advantage for new and growing businesses.
S08	If a business complies with the law, it is already considered as a very social and environmentally friendly business.
S09	Companies that are advertising their environmental and social projects meet more skepticism than approval.

10 **TABLE 5 – PREVALENCE LEVELS OF NASCENT, NEW, ESTABLISHED AND EARLY STAGE SOCIAL ENTREPRENEURIAL ACTIVITY BY REGION**

		SE nascent	SE new	SE established	SEA
USA	<i>United States</i>	2,90	1,69	0,84	4,15
Caribbean	Dominican Republic	0,76	1,84	0,98	2,59
	Jamaica	1,15	2,41	3,27	3,50
	<i>average</i>	0,95	2,12	2,13	3,05
Latin America	Brazil	0,21	0,16	0,03	0,37
	Guatemala	0,17	0,32	0,05	0,43
	Ecuador	0,39	0,12	0,21	0,50
	Panama	0,86	0,43	0,38	1,29
	Uruguay	1,89	0,75	0,64	2,57
	Chile	1,77	0,85	0,41	2,60
	Colombia	2,60	1,31	1,18	3,83
	Peru	3,45	0,49	0,13	3,94
	Venezuela	3,77	0,32	0,30	4,09
	Argentina	2,21	2,30	3,31	4,32
	<i>average</i>	1,73	0,70	0,66	2,39
Africa	South Africa	1,32	0,74	0,31	2,01
	Uganda	0,98	1,94	1,41	2,70
	<i>average</i>	1,15	1,34	0,86	2,35
Western countries	Spain	0,37	0,19	0,36	0,55
	Germany	0,54	0,32	0,88	0,72
	Netherlands	0,60	0,45	0,51	1,02
	Italy	0,86	0,42	1,26	1,22
	Norway	0,64	1,00	0,57	1,58
	Belgium	1,03	0,82	1,24	1,78
	Greece	1,30	0,65	0,92	1,95
	UK	0,79	1,48	2,05	2,18
	France	1,63	0,87	0,32	2,31
	Finland	1,17	1,58	2,42	2,71
	Switzerland	2,39	0,46	1,48	2,84
	Iceland	2,34	2,07	1,86	4,24
	<i>average</i>	1,14	0,86	1,16	1,93
Eastern Europe	Bosnia and Herzegovina	0,60	0,24	0,09	0,83
	Russia	0,39	0,46	0,38	0,86
	Serbia	0,40	0,74	0,62	1,14
	Romania	1,39	0,34	0,82	1,73
	Latvia	1,49	0,56	0,83	1,99
	Slovenia	1,34	0,90	1,40	2,19
	Croatia	1,32	1,56	1,56	2,85
	Hungary	2,15	1,27	0,59	3,31
	<i>average</i>	1,13	0,76	0,79	1,86
Middle-East and North Africa	Saudi Arabia	0,07	0,18	0,00	0,24
	West Bank & Gaza Strip	0,19	0,19	0,09	0,38
	Morocco	0,26	0,27	0,40	0,39
	Jordan	0,39	0,40	0,19	0,70
	Syria	0,69	0,25	0,04	0,94
	Lebanon	0,49	0,45	0,55	0,95
	Iran	1,07	0,34	0,58	1,41
	Algeria	1,23	0,53	0,11	1,77
	Israel	0,95	1,35	1,80	2,24
	United Arab Emirates	2,46	2,70	1,35	4,93
	<i>average</i>	0,78	0,67	0,51	1,39
South-East Asia	Malaysia	0,20	0,00	0,02	0,20
	Hong Kong	0,20	0,37	0,46	0,51
	Korea	0,40	0,41	0,56	0,81
	China	1,53	1,36	1,12	2,89
	<i>average</i>	0,58	0,53	0,54	1,10

Figure 1 - The Social Entrepreneurship Spectrum

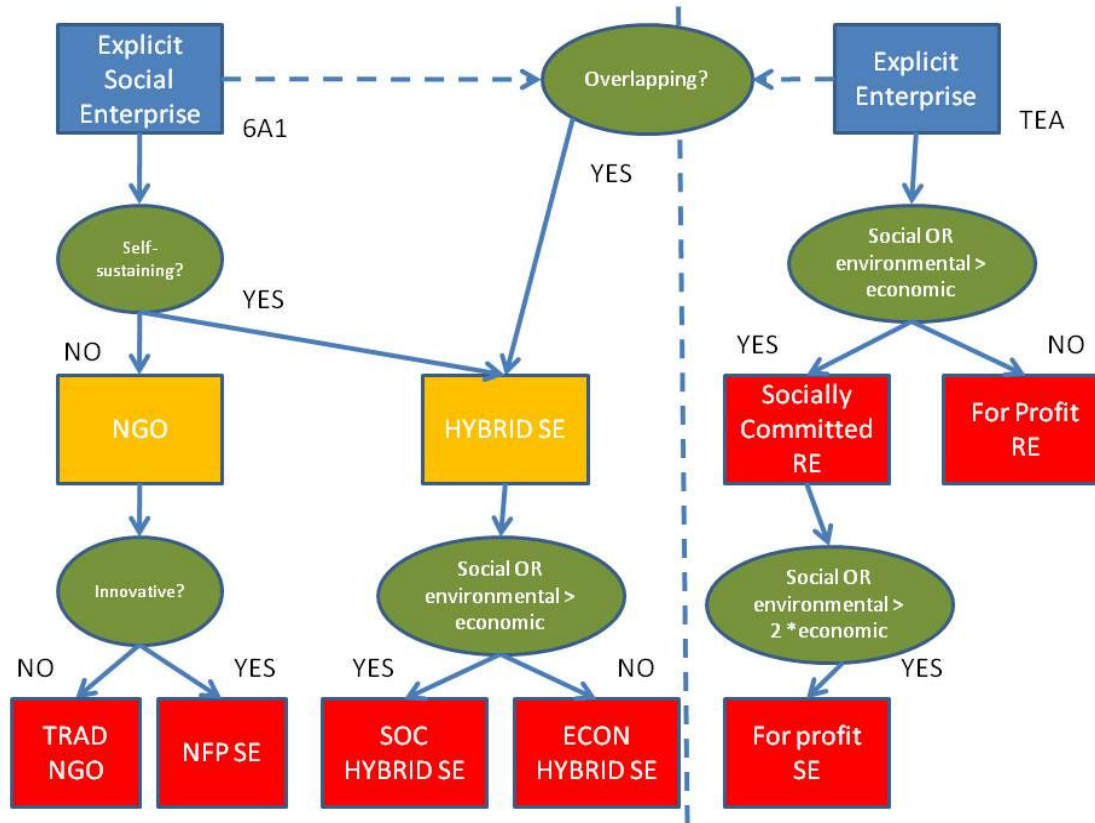


Figure 2- Prevalence of Social Entrepreneurship Early Stage Activity (SEA) by country

Percentage of adult population between 18-64 years

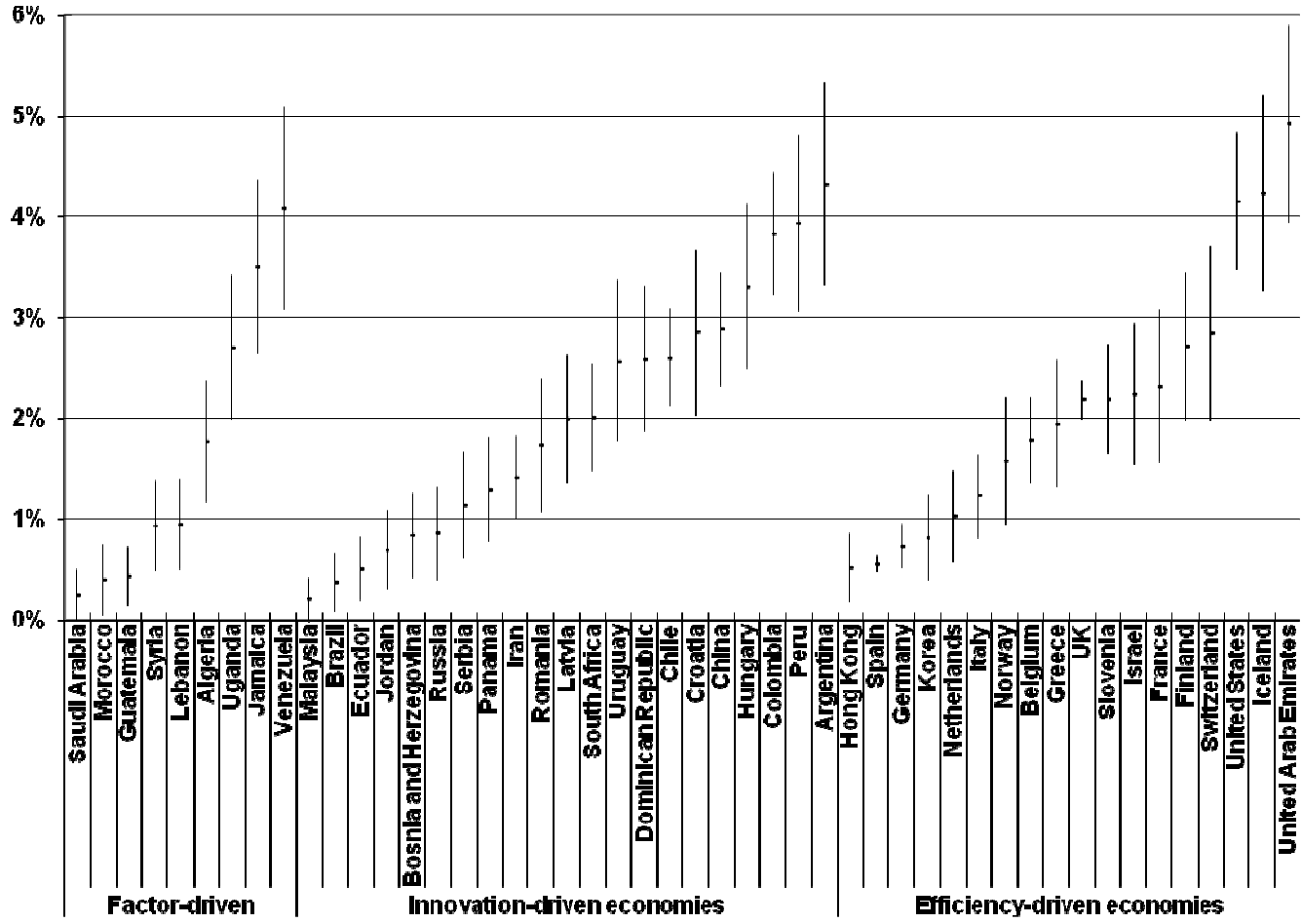


Figure 3- Prevalence of Social Entrepreneurship Early Stage Activity by regions

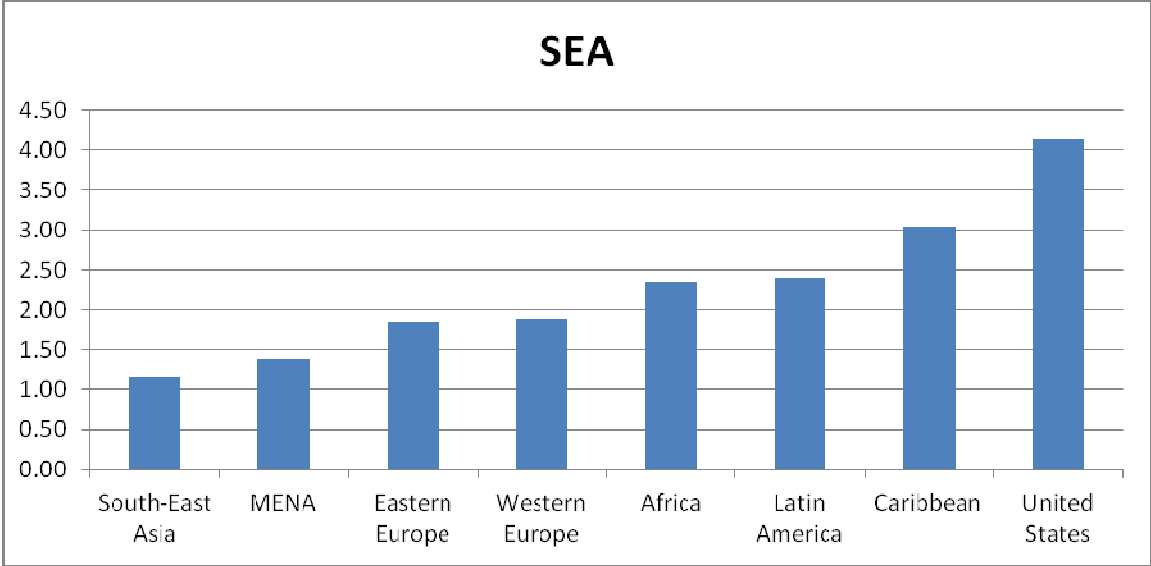


Figure 4 - Prevalence of Social Entrepreneurship Early Stage Activity SEA by region and country

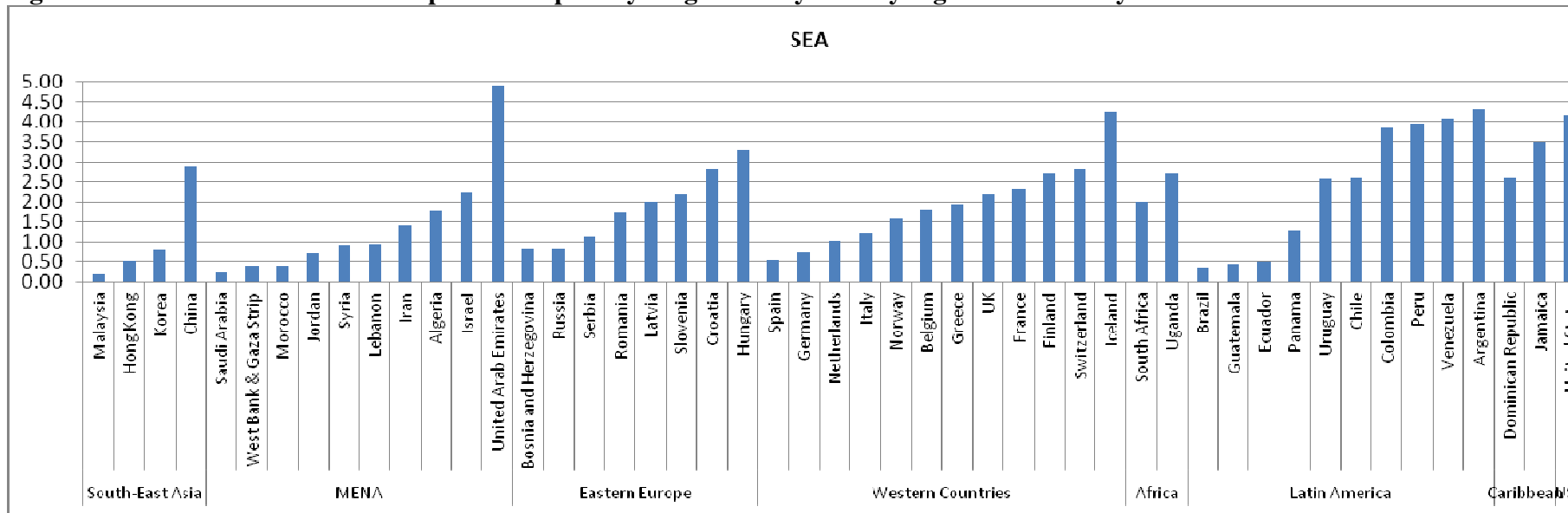


Figure 5 - Decomposition of different social enterprise categories by global regions

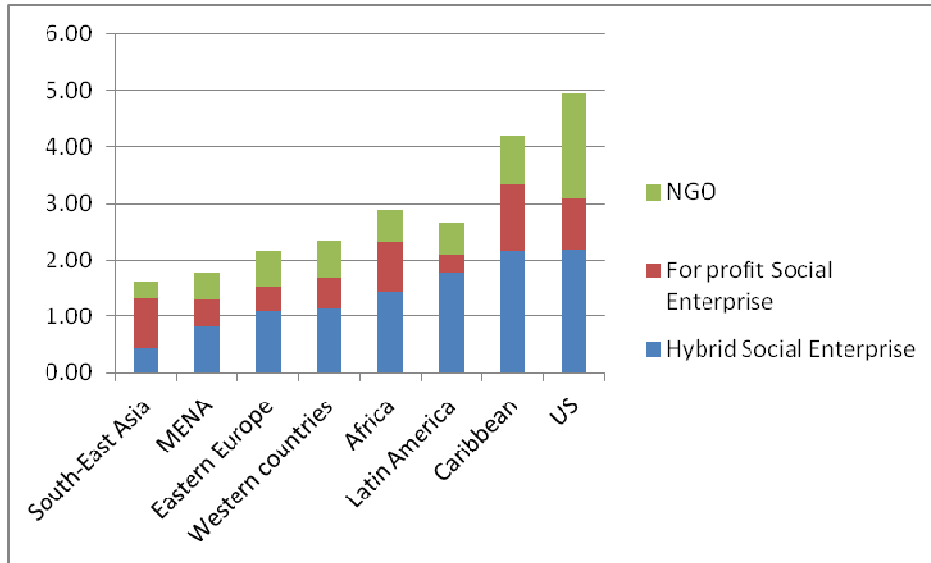


Figure 6- Prevalence of social entrepreneurship early-stage activity (SEA) and commercial entrepreneurship early stage activity (TEA) and level of overlap between the two by region

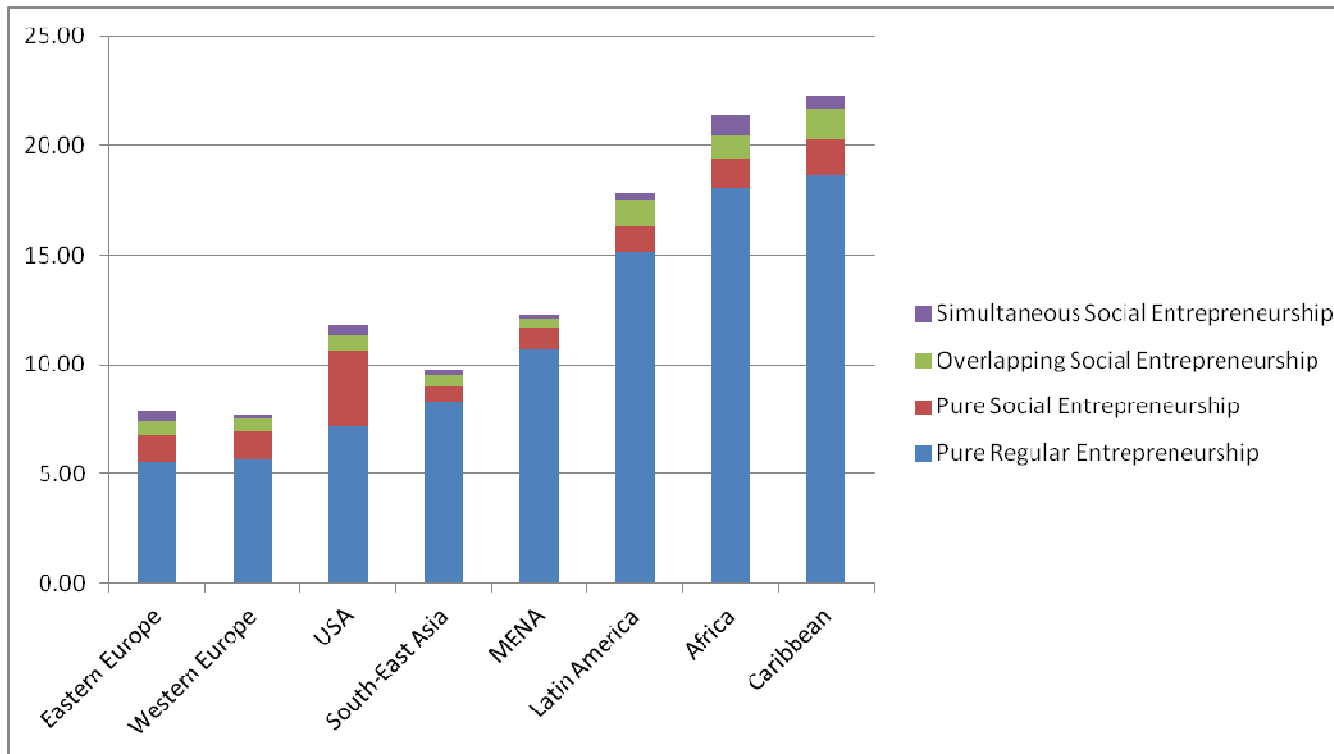
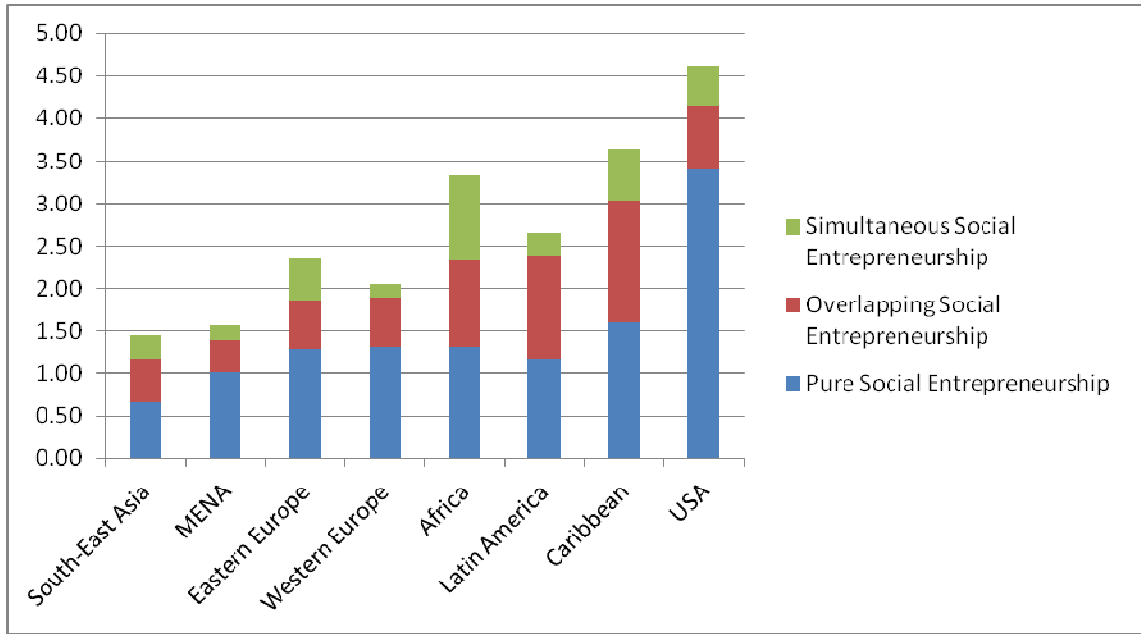


Figure 7- Decomposition of early-stage social entrepreneurship: identifying activities that overlap with commercial entrepreneurship (TEA) and activities that are conducted simultaneously with commercial entrepreneurship by the same individual, by global region



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