

## **Creating social entrepreneurship for rural livelihoods in Bangladesh: perspectives on knowledge and learning processes**

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Social entrepreneurship is regarded as a way to ameliorate the situation of the poorest in developing countries, namely those at the Bottom of the Pyramid (BoP). BoP entrepreneurs operate in a severely resource-constrained environment, 'making do' with the resources at hand in a process called *bricolage*. This is essentially a learning process, acquiring and transforming knowledge to come up with new, improved solutions to improve both the entrepreneur's and the community's situation. We studied how learning processes develop over time and how a non-governmental organisation, PRIDE, could stimulate entrepreneurial learning among poor women in a rural areas of Bangladesh. We gathered data during two years of monitoring, group interviews and individual interviews with entrepreneurs, their families and people from their networks. Our findings suggest that both formal training and learning from conducting experiments are effective, mutually reinforcing mechanisms. Initially entrepreneurs mainly experience single loop learning in training settings. The first double loop learning event occurred after they saw the positive results of their own successful experiments newly acquired knowledge and occurred in the affective dimension, when they realize they can be entrepreneurs. Social entrepreneurial development could well be combined with institutionalising joint learning processes in a larger entrepreneurial network, gradually leading to joint learning sessions and the co-exploitation of entrepreneurial opportunities.

Keywords: social entrepreneurship; women; non-governmental organisations; learning; knowledge; Bottom of the Pyramid; rural livelihoods; Bangladesh

### **Introduction**

This article studies knowledge creation and knowledge dissemination processes in a non-traditional setting in Bangladesh. It describes the way a non-governmental organization (NGO)

has stimulated people to learn, teach and integrate knowledge, and, more importantly, act on this newly acquired knowledge. The mechanism used is social entrepreneurship.

Entrepreneurship in general is widely regarded as a way to improve the situation of the poor in both developed and developing countries (Naudé, 2009). Entrepreneurs are thought to have better chances of improving the livelihoods of the poor than many other initiatives, mainly because of their embeddedness in the local context and their idiosyncratic knowledge of the resource poor environment in which they live (Dixon & Clifford, 2007; Hall, Daneke, & Lenox, 2010; Kolawole & Torimiro, 2005; Seelos & Mair, 2005). Entrepreneurship among the poorest in developing countries, namely among the billions of poor people at the 'Bottom of the Pyramid' (BoP) (Prahalad, 2004), is different from entrepreneurship in economically more advantaged environments.

In the severely resource constrained environments at the BoP, entrepreneurs need to 'make do' with the resources at hand in a process known as *bricolage*, using creative ideas and approaches to employ available resources in an innovative, creative, and often improvised, manner (Baker, Nelson, & Carolina, 2005; Di Domenico, Haugh, & Tracey, 2010). These resources at hand are based in specific contexts, and local knowledge about these resources provides advantages. Entrepreneurs are able to use untapped or underused resources to create a new service or product, trying out solutions to counteract or subvert limitations of the local environment, improving through best-fit approaches, and learning by trial and error (Di Domenico et al., 2010). Local knowledge is often tacit and therefore hard to transfer to distant actors, limiting outsiders' recognition of opportunities. In addition, social entrepreneurs, who aim at creating value for their community as well an income for themselves, engage in stakeholder participation, persuading other people to contribute to their endeavours (Di Domenico et al., 2010). The social entrepreneur, embedded in her environment, engages in a process of bricolage, integrating tacit and explicit knowledge of her own and of others, to draw on resources and create value.

Entrepreneurship and entrepreneurial bricolage are often seen as essentially a learning process (Minniti & Bygrave, 2001). Franco & Haase (2009) are even more explicit, defining entrepreneurship as a 'never-ending, dynamic learning cycle' (Franco & Haase, 2009, p. 629) in which knowledge is created and adopted. This learning process involves not only encyclopaedic knowledge (the 'know-what') and experience and vocational skills (the 'know-how'), but also social skills and insights (the 'know-who') (Wang & Chugh, 2013), or, phrased slightly differently, involves 'the three dimensions of knowing, doing and understanding' (Rae & Carswell, 2001, p. 153). Knowledge and learning are strategic resources that influence entrepreneurial success (Shane & Venkataraman, 2000; Unger, Rauch, Frese, & Rosenbusch, 2011). In recognition of this, the number of publications on entrepreneurial learning have shown a modest growth over the past decade (Wang & Chugh, 2013).

Despite this growing interest, entrepreneurial learning as a field of research is still in an early phase of development and it is generally recognised that more research is required (Blackburn & Kovalainen, 2009; Wang & Chugh, 2013). In this article, we aim to contribute to the

understanding of how the learning processes and knowledge of starting social entrepreneurs develop over time. We see the social entrepreneur as a specific kind of entrepreneur and use theories from general entrepreneurship literature, which provides a larger amount of studies on learning than the literature social entrepreneurship. In this article, the social entrepreneur is seen as simultaneously pursuing entrepreneurial goals (earn an income) and societal goals (creating social value). Although the outcomes of general entrepreneurship can also address societal challenges, social entrepreneurs are different in the sense that they actively pursue these societal goals from the beginning (see Maas, Seferiadis, Bunders, & Zweekhorst, 2014a for an elaborate explanation). A deeper understanding of the learning processes might provide pivoting points for stimulating social entrepreneurship at the BoP, thus contributing to self-propelled, endogenous development among the poorest of the poor. First, we briefly describe the research setting, provide an overview of academic streams in entrepreneurial learning, and articulate our research question. After a methodological section, our findings are presented and their implications for both theory and practice are discussed.

## **Research setting**

Bangladesh is a developing country with a high population density of 1100 people per square km, slow economic growth, and high unemployment (Mabud, 2008). About 80 percent of the population lives in rural areas which are poorer than urban environments, and over three quarters of the rural population depend heavily on natural resources (USAID, 2012). In the rural Bangladeshi context, the local non-governmental organization (NGO) PRIDE aims to stimulate social entrepreneurship among women in the Social Entrepreneurial Leadership (SEL) programme. The female entrepreneurs are known as Social Entrepreneurial Leaders (SELs). In the earlier stages of the SEL programme, men participated as well, but they dropped out of PRIDE's programmes due to a variety of reasons. Although not a choice by design, PRIDE nowadays works exclusively with women.

The SELs operate in the low-trust environment (Fukuyama, 1995) of Bangladesh, characterized by widespread corruption (Transparency International, 2012), and by local elites extending their control over private and public land (Mair & Marti, 2009). The SELs also face other barriers to entrepreneurship, such as few resources; little or no access to networks, banks, and other private and public institutions; and a socially constraining environment with regard to their mobility and participation in public life (see e.g. Mair & Marti, 2009; Narayan, Chambers, Shah, & Petesch, 2000). Bangladeshi society is highly socially stratified and 'ridden with class and caste differences' (Thornton, 2002, p. 105)<sup>1</sup> with women, in particular, having little contact with people outside their direct social circle of family and friends (Maas, Seferiadis, Bunders, & Zweekhorst, 2014b). About a third of the nascent social entrepreneurs that work with PRIDE are not able to read and even the most highly educated have only received education up to grade eight<sup>2</sup>.

Each year, PRIDE selects up to 32 villages to take part in the SEL programme. In each of these villages, PRIDE initially starts by trying to identify one candidate to become a social

entrepreneur and to take part in the programme. PRIDE identifies this candidate in consultation with the village leaders. As the families of the prospective candidates have a strong say on a woman's whereabouts, husbands and mothers-in-law are asked for permission to include the prospective SEL before she is approached to take part. From the start of the programme, the SELs are trained in conducting entrepreneurial, income generating activities (IGAs). The *social* entrepreneurial goal of the SEL programme is reflected in the SEL's task to organise a network of women in their village to disseminate the knowledge they have acquired about IGAs, allowing other women to earn an income as well. For the SELs, these networks also function as markets for their products. Over time, groups develop within these networks that jointly set up entrepreneurial activities (Maas et al., 2014b).

## Theoretical background

In the entrepreneurial process, two ways of learning have been distinguished: exploratory learning and exploitative learning (Wang & Chugh, 2013). *Exploratory* learning is a generative learning process, combining information and looking for new opportunities (McGrath, 2001) and related to activities like search, variation, experimentation and discovery (March, 1991). This type of learning can be associated with the creation of a new entrepreneurial opportunity. Ravasi and Turati (2005, p. 160) consider that: 'entrepreneurial innovation rests on a generative learning process aimed at the development of new knowledge structures embodied in an innovative product, process or service.' *Exploitative* learning is more focused. It represents a directed search aimed at improving a certain product (McGrath, 2001) and the *exploitation* of an entrepreneurial opportunity. It entails behaviour like selection, refinement, and implementation (March, 1991). Wang and Chugh (2013) consider that these different processes which can be divided into a lower (exploitative) and a higher (exploratory) level of impact on learning processes (Fiol & Lyles, 1985), respectively equivalent to single and double loop learning (Argyris, 1977). Lower level learning involves adjusting parameters to change the outcomes of actions, whereas higher level learning impacts underlying assumptions and changes norms (Fiol & Lyles, 1985). In these learning processes, different types of knowledge are acquired. A common distinction is between *general* knowledge and skills (acquired in, for example, formal education and previous working experience) and *task-related* knowledge and skills, comprising both knowledge of the product or service and 'entrepreneurial knowledge, [which] is a rarefied, abstract type of knowledge – the knowledge of where to obtain information (or other resources) and how to deploy it' (Kirzner, quoted in Sarasvathy, 2008, p. 176). Task-related knowledge, in particular, seems to have a small though significant positive correlation with entrepreneurial success (Davidsson & Honig, 2003; Unger et al., 2011). The literature further suggests that the social entrepreneur, in addition to knowledge, needs creative abilities to process that knowledge and use it for their entrepreneurial endeavours (Corbett, 2005). The acquired knowledge can both be tacit, namely acquired through experience, and explicit, acquired through formal training (Davidsson & Honig, 2003).

Like entrepreneurship itself (Moroz & Hindle, 2012), entrepreneurial learning is regarded as a contextualised process in which the entrepreneur learns from experience by continuously

processing information in relation to her business and the wider environment (Rae, 2000; Xiao, Marino, & Zhuang, 2010). As a consequence, entrepreneurial learning is seen as mainly experiential (Politis, 2005), and tacit as typified by Davidsson and Honig (2003). Entrepreneurs learn by doing, continuously 'updating a subjective stock of knowledge accumulated on past experiences' (Minniti & Bygrave, 2001, p. 5). Applying this to the concept of social bricolage implies that the social entrepreneur learns, not only from her own experiences, but also with and from the experiences of other stakeholders with whom she is engaged in the entrepreneurial learning process. Thus, the entrepreneur integrates knowledge, insights and experience within her own frame of reference and in relation to her specific social environment, and re-applies the newly acquired knowledge in her entrepreneurial activities.

Despite the theoretical emphasis on learning as a process, most empirical research tends to be more static (Morris, Kuratko, Schindehutte, & Spivack, 2012) and little research has focussed on the processes through which entrepreneurs acquire knowledge and skills (Unger et al., 2011). In this light, Cope (2005) argues that entrepreneurial learning should be divided into at least two distinct temporal phases, 'prior to start-up' and 'post start-up', each with their own, different dynamics. He proposed that, when trying to stimulate entrepreneurship, interventions should be tailored to the specific needs of the entrepreneur at the specific stage of her development (Pittaway & Thorpe, 2012). He further called for attention to the *affective* side of learning: changes in self-efficacy, self-image and goal setting (Kraiger, Ford, & Salas, 1993) which in turn influence *cognitive* learning (Baron, 2008).

In this paper, we address two research questions: which interventions stimulate entrepreneurial learning among the rural poor in Bangladesh, and how do social entrepreneurial learning processes (exploitative and explorative; single-loop and double loop) and their outcomes (on the affective and cognitive dimension) develop over time, from before the start of the entrepreneurial endeavours to two years after start up.

## **Methodology**

The authors were involved in developing the SEL approach from 2006 to 2010 and continuously monitored its development and effects on the social entrepreneurs. This involved field visits, interviews and group interviews with PRIDE staff as well as interviews with the SELs, with people from their networks and with their family members. Based on this information, a monthly monitoring scheme was developed for the SELs who started in 2009 (32 SELs) and 2010 (26 SELs). For both year groups, PRIDE reported on the SELs' progress, the difficulties they faced and the differences between the SELs.

With the 2009 group, four group interviews with, in total, 24 SELs (8 people were ill or unavailable for other reasons) were undertaken in 2010, focussing on their activities, what they had learned and, in order to find specific learning experiences in the SEL approach, why they had not started income generating activities before. In 2011, 29 in-depth interviews were done (3

people were not present for interviews at that time) to triangulate the information from the monitoring scheme and group interviews. The 2010 group has been monitored for two years, and they were interviewed by the first author in 2012. Four group interviews (5-7 members in each, totalling 23 participants) and 20 individual in-depth interviews were undertaken. In addition, 18 group interviews were held, each with 3-7 people from the entrepreneurial networks of the SELs (totalling 85 participants). In addition, 7 husbands of the SELs were also interviewed. All interviews focussed on the development of the SELs, challenges encountered, how SELs learned, and how learning helped their entrepreneurial activities.

## **Results**

The results are presented in two sections. The first describes the training sessions organised by PRIDE and their direct impact whereas the second section describes the monitoring in the field and the learning experiences of the SELs.

### **Training**

Training by PRIDE is organised in a cycle of five one-day sessions spread over five months, each with their own topic: vegetable and seed production; fruit tree nursery management; poultry rearing and vaccination; handicrafts and tailoring; and a fifth training on a variety of topics like fish production, goat rearing and cow fattening. Experience showed that these topics were useful for the women, and they were selected from an earlier list of over ten different training sessions. Limiting the number of different topics also made it possible to repeat the cycle of training sessions once.

The SELs are trained in groups of 13-16 people. The set-up of these training sessions, in terms of both content and process, differs from what the SELs are used to. First, these training sessions did not reproduce the top-down learning environment, familiar in Bangladesh, which mirrors the social stratification of society. In schooling and in most training sessions from other NGOs, the poor to sit in neat rows, listening to the expert in front, waiting until the training is finished. Contrary to this practise, PRIDE started a process of knowledge co-creation (Pralhad & Ramaswamy, 2004; Scharmer & Käufer, 2000) where everybody learns together. PRIDE staff initiate the learning sessions and transfer knowledge but also invite the participating SELs to (literally) stand up and share their own knowledge and insights.

By asking the women for their knowledge and advice, by arranging people in small circles and by literally lowering themselves by sitting down, PRIDE staff aim to reduce their social and psychological distance (Antonakis & Atwater, 2002, p. 682) from the SELs and the differences between the SELs themselves. This approach came as a surprise to the women who reported as being initially scared of standing up, speaking in a group and having all the attention focussed on them. Some remembered trembling when they had to say their name for the first time because they did not know what to say in front of the other people. During one interview, two daughters of a SEL noted:

*Mother never dared to speak to other people than the direct neighbours and the family. She didn't know how to walk to the other village. Now, she is brave and can talk to others.*

As the training sessions progressed, the women learned to speak in front of a group, felt better about themselves and gained in self-confidence. The knowledge they already possessed was acknowledged by PRIDE and further recognised by interested questions from the other participants in the group, which made them feel acknowledged and a person of value. They learned that whatever they had to say was valuable as well because discussions were started based on their input. They highly appreciated the cognitive dimension of the training sessions as well; as one SEL put it poetically: 'knowledge spread through us like fire through rice straw.'

The sequence of the training sessions is important: the first one on vegetable and seed production is the easiest. Most women have an idea about producing vegetables and all of them know what vegetables grow in what season because they cook them. Cultivating vegetables on a very small scale in their homesteads builds on what they already know, while the information on seed production extends their knowledge. In addition, learning that vegetables can also be grown by using pergolas built over water stimulates their imagination. Almost everyone is successful in producing vegetables and the cycle is short: within weeks they have their own vegetable production, and they have seeds, partly for next season's production and partly for sale to others. These first successes are important to the SELs who see them as proof of their capabilities.

Repetition of the training cycle helps to improve the uptake of knowledge. SELs appreciated the repeated training sessions because they applied the knowledge gained in practice and came up with new questions, or indicated that it was 'hard to learn everything in just one day.' Repetition of the training session helped them to learn more on the same topic and made it possible to go into more depth. Improvement of handicraft skills, for example, enabled the women to diversify their activities and further develop their own intricate embroidery patterns.

In 2010, a test was included in each training session to measure the effect of the training on the SELs. Before each training session started, the women took a short test. Immediately after the training, the women did the same test and saw that they scored higher<sup>3</sup>. Although a few women could not remember taking these tests when they were interviewed two years afterwards, most of them did remember and said this testing made them feel proud. They could see that they already possessed knowledge (tacit knowledge that was now being made explicit by taking the test), and also that they actually learned something during the training session. The tests measured an increase in knowledge, and had the valuable side-effect of working on the affective dimension, making the SELs feel proud of themselves.

As the women become more at ease with both their new 'role' as a SEL, and with each other, the training sessions take the form of a discussion group with peers. The training sessions are organised as a joint learning process in which the SELs can discuss and exchange new ideas, and share their experiences of difficulties and solutions. One SEL, for example, made an aphid repellent from tobacco leaves and sold that in her village. Another SEL added a component to

that recipe to make it stronger and their joint solution was shared among the SELs. This solution, the result of a process of co-creation and bricolage, was experimented with by the SELs. They applied it to their own crops and, once they had established its effectiveness, they sold it in their respective villages.

In addition to cognitive exchanges, the SELs also influence each other on the affective dimension. When a fellow SEL had accomplished something difficult, they could not only ask how she did it but they were also strengthened in their resolve: if this one woman was able to do it, they would all be. This mutual influence led to the setting of goals that they had not thought of by themselves.

#### *Extending the learning process*

Parallel to the training sessions, the SELs are required to both start their IGAs and organise their entrepreneurial networks.

#### **Income generating activities: learning by doing**

In the beginning of the programme, PRIDE needed to convince the SELs to start and continue their IGAs. After all, they had grown vegetables before, with little or no result. Even though the women had acquired new knowledge on cultivating vegetables, they needed help in putting this knowledge into practice, and to literally start ‘learning by doing’ by doing experimenting themselves. PRIDE continuously monitors these first IGAs during field visits, providing advice and continuously nudging the SEL to improve, for example, her vegetable beds in order to have the largest harvest possible in her circumstances.

This first harvest, which is higher than that of their neighbours and also provides seeds to sell or barter, is an important transition point. Now the SEL can present personally produced proof of their ability to save household money, and even earn some income. She feels good about her success and now realises that she, as a woman, also has something valuable to offer to her household. Although she conducted her household tasks before, the earning of money from her personal activities is perceived as a new, significant and tangible contribution to the household. For some, it felt as a major transition to realise that they could apply their knowledge to undertake IGAs in addition to their household tasks: ‘we were in the dark, but now we are in the light.’ This had less impact on some of the SELs but all SELs report that they to continue IGAs by themselves, and experiment with new IGAs. PRIDE staff continue to monitor the SELs’ activities and make themselves available to answer any questions.

PRIDE’s presence in the field allows the organisation to tightly embed its coaching activities and training sessions in the entrepreneurial context and tailor them to meet the needs of the SELs. This is a characteristic that sets PRIDE apart from other programmes:

*In other programmes people come [...] and talk about the topic they decide. We sit and listen. With PRIDE, we can talk about topics that interest us.*

Many SELs also mentioned that they cannot remember everything from the training and they appreciate the opportunity to ask questions as they arise. It makes the SELs feel comfortable and



simultaneously allows PRIDE to continually encourage the activities to move in an entrepreneurial direction.

The continuous field presence of PRIDE stimulates the SELs to engage in experimenting or learning by doing, and also helps the SELs in identifying new constraints and possible solutions, in other words: new entrepreneurial opportunities, such as the aphid repellent mentioned before. This *generative* thinking involves questioning the status quo and requires, to at least some extent, double loop learning. It proved the most difficult and time-consuming learning process for the SELs and something that would not have started without PRIDE's presence. The following example illustrates this point. Even in the poorest areas, there is fallow land, belonging to rich people who live in the cities. This fallow land is seen as a problem because it does not provide a harvest and is not used to feed people. Simultaneously, the poorest people have neither access to the land nor the money to buy the land from the rich who were not using it. In addition, the owner of the fallow land was living in Dhaka, a 10-16 hour road trip away. PRIDE was needed to help the SEL think differently and see these apparent problems as an opportunity. In several discussions and new field visits, the SEL saw that she could provide something valuable: labour. She also identified family members of the rich landowner who lived close by and who could be contact the rich man in Dhaka. PRIDE further had to help the SEL draft a proposal: lease part of this land to a small group of poor people in exchange for part of the harvest. The rest of that harvest would be divided among the group of people who provided labour. After the first harvest, the SEL, with her group of people who leased the land, quickly realised that they would be better off investing the money they gained from the harvest in paying for the lease up-front, and keep the all of the second harvest for themselves.

#### *Knowledge in networks*

Organising other women in their village into an entrepreneurial network was another unfamiliar and initially difficult activity for the SELs. They went from door to door in their neighbourhood, convincing people to join their networks. It was comparatively less hard for them to engage with people within their small social network (friends and families) but still SELs had to convince them of their newly acquired knowledge and skills. Naturally, their friends wondered how the SELs had suddenly acquired skills, such as producing and selling seeds. It took the SEL considerable effort to overcome this initial resistance, that was reinforced by the SELs' own self-image because the SELs had never envisaged themselves in the role of an entrepreneur, actually making money.

To help the SELs in their new role, PRIDE joined them when they made home visits to recruit other women to their networks in the first months, showed them what they could do to convince people, and reassured them that they actually had something to offer. The SELs found it even harder to contact people who were outside their networks of friends and family because they did not yet have a well-defined idea about what they could offer these people and because they had never previously tried to connect with others with a primarily entrepreneurial purpose. The people who joined the networks in these early phases indicate that the presence of PRIDE staff helped them to trust the SEL:

*At first we didn't trust the SEL because we don't know if she had good intentions. But we have seen [PRIDE staff] before, so we trust them. Also [a village leader] said they were good and they can help, so we decided to see what happened.*

When a number of people are found who are willing to join the network, the SEL holds a first network meeting. These are held in the same manner as the entrepreneurial training sessions, stimulating everybody to speak up and participate. First, the SEL programme is explained. To support the SEL's confidence in holding such meetings and talking in front of an audience of peers, PRIDE staff generally chair the first meeting, showing the SEL how it can be done and handing over to her as soon as she feels confident. PRIDE staff gradually retreat to the background, leaving the meetings to the SEL. The SEL's network members are personally invited to these meetings. The SEL disseminates her knowledge, earning credibility, and invites other people to talk, proving her good intentions. She gets a better understanding about the challenges in the village and, as people ask her for advice, also feels acknowledged.

Networking becomes easier after the SEL's first vegetable harvest, not just because it strengthens the SEL's self-esteem, but also because it provides proof that this new knowledge is trustworthy and yields results. Once the network members see the produce, they want to copy these activities. Consistent with the social entrepreneurial goals of the programme, the SELs teach their network members how to plant the seeds and cultivate vegetables. The SEL's first result also facilitates organising meetings in her network because people have become more interested and want to see whether the SEL can also teach them other activities.

As the meetings progress, people get know each other better. The meetings increasingly take on the form of a group learning process, with open discussion on challenges encountered and how they can be addressed. Over time, these meetings follow a pattern similar to the training sessions PRIDE gave to the SELs: from an initially awkward situation where everybody needs strong stimulation to participate and one does most of the talking, to a joint discussion group where people address problems together.

The meetings also increasingly serve as a moment to socialise and talk with like-minded people. The network members start visiting each other more, in addition to these meetings, and find that certain household tasks they used to do individually are easier to do in a group:

*In a group, five people can do the work of seven. It is more enjoyable when you can talk to each other and we stimulate each other to work.*

As they find that they are capable of earning money, the network members increasingly dare to rely on their own and on the other's capabilities. This indicates a higher level of affective learning for both the SEL and the people in her network: it requires a change of self-image, as one SEL noted:

*At first I didn't know we could do it. I thought women were not able to do these things... But now we do them and we all benefit.*

This indicates another important transition point. In the earlier stages of the programme, the people in the networks had similar goals, namely to improve their situation, and discussed how they could reach those goals individually. Later in the process, the SELs and the network members recognise that they can trust each other and integrate each other's capabilities to develop activities that they cannot do alone, such as leasing of land mentioned or creating and managing a joint fish pond. They learn together, develop common goals and start experimenting with joint income generating activities.

As intended, the networks serve a social entrepreneurial purpose and, in some cases, even provide a fertile environment for joint learning. In addition, two SELs, in a display of double loop learning, found their networks to be the ideal platform to gain votes in local elections. Neither of the SELs was elected but standing for election did have consequences. One of the SELs was identified as a 'middleman' for the distribution of work orders in her village by a trader in a nearby city. In addition to this economic exchange, the trader also told the SEL that he would come to the village and help her if she faced problems. Some SELs have been asked to join the *shalish* (local informal council) and help intervene in family disputes, also reflecting on their entrepreneurial development:

*At first people didn't trust me. [...] Now they ask me to guard the money of the somity<sup>4</sup> and I opened a bank account.*

When interviewed after two years, SELs indicated that the knowledge they acquired during the training sessions played an important role in helping them start their entrepreneurial activities. Most SELs demonstrate personal entrepreneurial goals and attitudes:

*...anybody could learn to become a SEL. The problem is that many don't try to acquire the needed capabilities. They don't care for it.*

However, a few SELs are less determined and independent:

*I like to have someone who tells me what to do because that makes it easy to do the activities' and 'we need more knowledge.*

The latter group of SELs does not seem to have progressed to the phase of double loop learning that is required for the identification of new opportunities. They do not seem to differ much in terms of acquired knowledge, skills and attitude from the people in their networks, who 'can do whatever she [the SEL] shows us but we cannot do anything new.'

## **Discussion and implications**

In answer to our first research question, namely which interventions stimulate entrepreneurial learning, we found that both the training sessions and PRIDE's monitoring and coaching in the field helped people to acquire new knowledge and skills, and stimulated entrepreneurial behaviour without providing, for example, financial incentives (see for an elaborate description

of the SEL approach Maas et al., 2014a). Throughout the SEL programme, these two interventions strengthened and reinforced each other. Learning by doing helped in applying the explicit knowledge learned and improved knowledge retention, while the experiments also yielded new questions that could be answered and discussed in next training sessions. Both interventions effectuated learning outcomes in the cognitive as well as the affective dimension, and both interventions stimulated the development of groups of women that learned together and sometimes even created entrepreneurial opportunities together.

We also see two general differences between these two interventions. The first difference concerns their nature. Training sessions were mainly aimed at the explicit, verbal transfer and creation of knowledge, or in other words, at the cognitive learning process, although also some degree affective learning occurred within the group of trainees, based on the stimulating, affirmative actions like the test results and praise from PRIDE. PRIDE's 'on the job' coaching, on the other hand, was primarily aimed at stimulating the SELs to start experimenting, or 'learning by doing', bringing their newly acquired knowledge into practice and learning more implicitly from experience. Affective learning during the latter process was self-initiated, when the SELs realised they were creating something. As a second difference, we noticed that double loop learning, such as the SELs realising that they could have a new role in their social environment, occurred mostly during the 'learning by doing' process, not during the training, and at a later stage in the programme.

This supports Cope's (2005) understanding that developing entrepreneurship involves changes to learning processes and their outcomes over time. Before the SELs started, they had tacit experiential knowledge about their environment and were looking for information to improve their situations. They were mainly looking to learn exploitatively indicating, for example, that they had a lack of knowledge on cultivating vegetables. They acquired the factual knowledge required for vegetable production during the training sessions. Their first successes made them feel good, and they asked for more information from PRIDE to further improve their IGAs. These single loop, exploitative learning processes continued throughout the programme.

The most successful SELs started double loop learning processes later in their entrepreneurial development (Figure 1). The first double loop learning outcome we identified occurred after the first entrepreneurial success, and in the affective dimension: comprising an improved self-image and the realisation that they had changed their role and did things they had not done before. Interestingly, some SELs evidently gained self-confidence from their first successes, while others did not. In addition, explorative, double loop learning processes in the *cognitive* dimension, like searching for new opportunities and starting to experiment, were not self-evident to all SELs. The more self-confident, outgoing SELs<sup>5</sup> were more likely to demonstrate double loop learning, had larger networks and displayed a larger variety of IGAs. This is consistent with the findings of a recent study on the role of mentoring on the learning development of the novice entrepreneur that suggest that 'a greater sense of self-efficacy, validation of one's entrepreneurial self-image [are] factors that could ultimately influence entrepreneur resilience' (St-Jean & Audet, 2009: 119).

Another development that occurred later in the programme was the emergence of joint learning and co-creation, such as starting and managing a joint fishpond. These group endeavours could only be started after the networks had existed for some time and people had confidence in each other's intentions and capabilities. This seems to imply that not only the SELs took up new roles – as a result of double loop learning - but also the network members. Interestingly, this is consistent with Tell's (2008) findings on learning in managerial networks in developed countries in which he found that joint learning and double loop learning in networks only occurs after norms have been established and when network members have learned to trust each other.

Phase	<i>Before starting as a SEL</i>	<i>During entrepreneurial endeavours, as a SEL</i>
Affective dimension	- Feeling good about self  <b>1</b>	- Self-awareness - Self-confidence  <b>2</b>
Cognitive dimension	Refine opportunities - Exploitative learning - Exploitative learning outcomes  <b>3</b>	Search for new opportunities - Explorative - Generative  <b>4</b>
	Single loop	Double loop

Figure 1: Learning processes mapped to SEL development stages

We found that the SEL's entrepreneurial opportunity exploiting behaviour could be combined with institutionalising joint learning processes in a larger entrepreneurial network. Initially, it was in the SEL's own interest to teach the network members to the best of her capabilities because they would only buy her produce when they knew how to use her seeds. Later, when larger opportunities could be exploited, it became increasingly important to find people who could provide labour and later again, to find partners to do business with. Even though primarily the SELs' networks started off as a unidirectional transfer of knowledge, they evolved into joint learning groups, where also double loop, generative learning accidentally occurred. As a result,

joint IGAs were created that none of the participants could have thought of or undertaken individually.

For practitioners aiming to stimulate active social entrepreneurial bricolage among the poorest, our findings suggest that cognitive learning (training) has an important role to play. It is, however, essential to provide the nascent social entrepreneurs with opportunities to learn in an experiential way, and to continuously monitor the activities. This process can be facilitated by an external agent, as in the case of PRIDE, but requires considerable investment of time and presupposes knowledge of the local environment, without which no adequate steering can be given. So, like the entrepreneur, the facilitating organisation should have an in-depth knowledge of the entrepreneurial context. In addition, our findings indicate that it is helpful to start a programme with activities that build on existing knowledge and are therefore easier to learn. These activities are the quickest route to the key first entrepreneurial success and the first double loop learning event.

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<sup>1</sup> Although the reference is a bit old, we found this stratification was still very visible during our research.

<sup>2</sup> Eighth graders are on average 13 years of age; see for a description of the Bangladeshi education system Create (2011).

<sup>3</sup> PRIDE staff reads out the tests for the women who cannot read and write.

<sup>4</sup> A sort of revolving savings fund.

<sup>5</sup> Some SELs were more self-confident from the start, while others were very shy in the beginning and quickly developed it. For both groups, we found stronger double-loop learning.