

RESEARCH NEW ECONOMY

Framework for recognizing, identifying, managing and evaluating initiatives for and in a new economy

Godelieve Spaas February 2012

*creating
change*



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Godelieve Spaas

En route to a new economy

Re-thinking economy and entrepreneurship

Contributing towards a more sustainable world, a world in which everyone is capable of providing for his or her own needs, calls for an entrepreneurial mentality in which people and nature are more important than making a profit. It calls for an economy that adds social and ecological value. It calls for people and initiatives striving towards a new economy.

It takes courage to contribute to the development of a new economy. It takes people of character, entrepreneurs who believe there is a different way, who have the nerve to stick their necks out, who have a unique vision and set about achieving it. It calls for financial backers with the nerve to believe in those entrepreneurs and to help them on their way with loans, investments, grants and/or information. For people who believe that things can and must be done differently, without knowing if they will succeed. Because precisely what a new economy is, what works and what doesn't, and how it can be achieved alongside and in harmony with the old economy, is slowly becoming apparent but has yet to take full shape.

Stichting DOEN aims to identify guidelines that will help it to support entrepreneurs and organisations in a new economy as effectively as possible and thus contribute to the further development of an economy with scope for social and sustainable entrepreneurship. This research describes and interprets the development of a new economy based on the experiences and personal accounts of people and initiatives contributing to it.

A new economy is an economy that leads to a positive impact on society and nature. This study shows that this development is taking place in two different areas: in the organisation and on the market.

Because organisations see delivering social and ecological 'added value' as their core activity, their goals are becoming more hybridised: social, ecological and economic goals are combining and reinforcing each other. Social and ecological values form the moral compass of an organisation in a new economy.

Social and ecological impact takes place inside and outside the organisation. To achieve this, a connection with the environment is vital. Sensitivity to their environment is a vital precondition for organisations in a new economy. That connection with the environment calls for a capacity to adapt, and for the flexibility and creativity to anticipate and respond to the mobile, changing nature of that environment. Organisations in a new economy become resilient by organising on the basis of diversity.

The second area in which a new economy is emerging is the market. Organisations in a new economy use the market not only to trade their products, services and ideas but also to share them with each other or to give them away. As a result, new rules of play are evolving and people and organisations other than simply those demanding and supplying (scarce) economic goods are able to participate in the market.

This report describes:

- the background to and the approach used in the study;
- the underlying principles of a new economy and sustainable entrepreneurship;
- the generic features of a new economy and sustainable entrepreneurship;
- the individual stories of the six initiatives studied, and their contribution to a new economy;
- a questionnaire as a tool for DOEN to help it select, monitor and guide businesses in the subject area of 'new economy'.

1. Background

“There is nothing new about poverty. What is new is that today we have the resources and the techniques to get rid of poverty.” Martin Luther King¹

Is there such a thing as an economy that contributes to a more sustainable world? Is it possible to do business in such a way that the world benefits as a result? The current economic and ecological crises make these questions all the more pressing. What does a business that prioritises social and/or ecological development look like? How does such an organisation operate? How do market forces² change if price is also determined in other ways, not just on the basis of supply and demand? What if cost price were to take account of impact on people and nature as well? What if ideas, knowledge and qualities were also exchanged, besides scarce products and services? If the sharing and giving of goods, services and ideas were to be part of market forces alongside the traditional transaction models?

More and more entrepreneurs are on the look-out for sustainable forms of entrepreneurship because they believe that things can be done differently and, in particular, better. Better for the people working in the businesses, for the environment, for nature, fitting in with local communities and their cultures and contributing to ecological and social issues. Entrepreneurs are devising and experimenting with new forms of entrepreneurship, trying out different price setting methods, working out how to incorporate partnership with other businesses, in addition to or instead of competing with each other. This study describes how entrepreneurs in practice are shaping what can be described as a ‘new economy’, an economy in which achieving a positive impact for people and nature comes before material profit.

Many entrepreneurs helping to develop a new economy do so from a practical perspective: what do I need, what works and what doesn’t? There isn’t always time to harvest those experiences and share them with other entrepreneurs. Let alone the time and effort needed to combine the findings gained from different experiments and look at the overall story they tell. This study aims to describe and interpret the contribution made by six different organisations to the development of new methods of entrepreneurship and a new economy. Based on interviews and more in-depth dialogues, the study paints a picture of what entrepreneurship in a new economy is, and what it can be, for the businesses concerned. On that basis, it goes on to identify the contours of the emerging new economy and entrepreneurship in general. The DOEN Foundation (Stichting DOEN), which provides financial support for initiatives helping to shape a new economy, also intends that this study should make a substantive contribution to the development of a new economy. The study also serves as a basis in the development of guidelines for DOEN: how, as a foundation, can it facilitate a new economy?

Taken together, the experiments studied here give a picture of a new economy. An economy which, in its current form, is not a single, clear new concept but rather a collection of changes and developments that indicate a new direction without specifying or defining it from one particular perspective. Hence the decision to describe these developments as *a* new economy rather than *the* new economy.

1.1 New economy

The trend towards a new economy is in full swing. In ‘Cradle-to-Cradle: Remaking the Way We Make Things’, William McDonough and Michael Braungart explore and describe the process of designing without waste. The core of the Cradle to Cradle principle lies in the concept ‘waste is food’. After their useful life in one product, all materials should be able to be put to use again in another product. In this way, organisations can contribute to a green economy differentiated by the direct valuing of natural capital and the passing on of costs in full to nature or society.

¹ King, Jr. Martin Luther (1968), recorded in the video documentary “Eyes on the Prize”

² http://en.wikipedia.org/wiki/Neoclassical_economics

Herman Wijffels, professor of sustainability and social change at the University of Utrecht, describes the concept of the circular economy focused on the more efficient use of natural resources with a view to a sustainable society. Wijffels advocates an economy in which production is part of the cycle.

While Wijffels emphasises ecology, Gunter Pauli extends the concept to the 'green economy 2.0', which he calls the 'blue economy'. The founder of ZERI (Zero Emissions Research & Initiatives)³, Pauli links the ecological environment with quality of life:

"Blue Economy is where the best for health and the environment is cheapest and the necessities for life are free thanks to a local system of production and consumption that works with what you have. Innovative business models are capable of bringing competitive products and services to the market responding to basic needs while building social capital and enhance mindful living in harmony with nature's evolutionary path.

Competitiveness is harnessing and optimizing the innate virtues and values connecting untapped local potential - like a natural system, where the seeds lie fallow only to sprout with amazing vigor at the first rain unleashing joy and happiness as the conditions for mindful living are met in balance and in harmony."

An economy that contributes to quality of life is also, according to Judy Wicks, an economy in which everyone has opportunities and in which all can participate. An economy that enables everyone to provide for their own needs: "Businesses in local living economies remain human-scale and locally-owned, fostering direct, authentic, and meaningful relationships with employees, customers, suppliers, neighbors, and local habitat, adding to the quality of life in our communities. Decentralized ownership spreads wealth more broadly and brings economic power from distant board rooms to local communities where there is a short distance between business decision-makers and those affected by the decision. Addressing the deeper needs of their communities, local business owners can provide more fulfilling jobs, healthier communities and greater economic security in their region. Success can mean more than growing larger or increasing market-share, it can be measured by increasing happiness and well being, deepening relationships, and expanding creativity, knowledge, and consciousness."⁴

Arjo Klamer⁵, professor of cultural economy, is concerned with the economy of the cultural sector. He defines 'economy' as the creating of values: giving expression to your talents and receiving something in return⁶. He distinguishes four main partners who make art economically possible and outlines a playing field in which market, state and 'oikos' (family) jointly determine the economy, not only adding culture as an economic value, but also adding family as a player in the economic playing field.

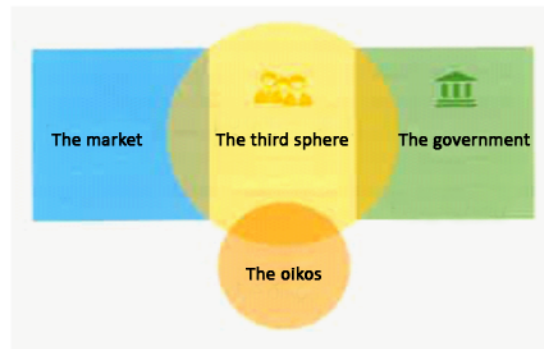
³ www.zeri.org, Gunter Pauli, The Blue Economy - 10 Years, 100 Innovations, 100 Million Jobs, 2010

⁴ Judy Wicks, Local Living Economies: The New Movement for Responsible Business

⁵ Arjo Klamer, Cees Langeveld, *Pak aan, 100 en 1 ideeën voor alternatieve financiering van kunst en cultuur*, 2011

⁶ Arjo Klamer, in his lecture at the DOEN new economy event on 14 March 2012

Financial resources for art and culture



All of these new forms of economy help to make a positive impact on society and nature. Each form enhances the other. Where the green economy aims for careful use of scarce resources, the circular economy strives to reuse and revalue resources already used. The social element of a new economy is not only about man's natural environment but also about allowing man to come into his own in that environment, assigning value and giving quality of life. Terms such as happiness, relationships, creativity and awareness are introduced into the economic domain.

According to Klamer and Pauli, this also calls for different business models.

A new economy places economic returns at the service of ecological and social (including cultural) returns and is about scarce *and* abundant products, services and ideas⁷.

The adding of different sorts of return and of abundance (as well as scarcity) has an effect on market forces. Besides the trading⁸ of scarce resources, there is also room for exchanging⁹ abundant qualities of people and organisations in the form of knowledge and ideas. Incorporating ecological and social returns into economic thinking results in a much broader palette of products, services and ideas to be expressed in terms of value.

This study describes how the economy and entrepreneurial methods are evolving in the direction of sustainability, and provides a framework that can be used in order to identify and interpret that trend in practice.

1.2 The DOEN Foundation

The Doen Foundation (Stichting DOEN) supports initiatives that contribute towards a livable world in which everyone can participate. DOEN encourages people and businesses taking the lead in the field of ecological, social and cultural innovation. In that context, DOEN also aims to further the development of a new economy, an economy that contributes towards ways of doing business that have a positive effect on our everyday environment.

⁷A Bridging Framework for DOEN:

By **Well-Being** we understand the possibility of people enjoying a sustainable form of happiness based on a deep understanding of the natural environment and of its necessities. This sustainable form of happiness is based on the possibility of sharing and experimenting with **abundant** resources, like knowledge and expression, which are free and guarantee a wholesome connection with others and the environment.

By **Better using less** we refer to creative strategies for approaching **scarce** resources in a sustainable way, replacing exploitation, appropriation and abuse of others and of nature by sustainable practices based on a sense of reciprocity and cooperation.

Report on brainstorming session looking for possibilities of a common framework for DOEN's programmes. By Claudia Fontes, Joanna van der Zanden and Godelieve Spaas, Amsterdam, Monday 6th February 2012

⁸ Trade in the sense of replacing one thing with another

⁹ Exchange in the sense of something being given on each side

To help it select organisations and entrepreneurs effectively, and to support and connect businesses receiving its financial support, DOEN will benefit from the development of a framework that can be used to identify, recognise, discuss, monitor and share emerging trends of and within a new economy. A framework that identifies the emerging trend without setting it in stone, a framework that respects the dynamics of a new economy.

DOEN's request and the experiences of the entrepreneurs/initiatives come together in this study, which describes and interprets the experiments and thinking of six different initiatives co-funded by the DOEN Foundation and aims to give a picture of a new economy and forms of sustainable entrepreneurship.

This report describes:

- the approach used in the study;
- the identified underlying principles of a new economy and sustainable entrepreneurship;
- the generic features that form the framework of a new economy and sustainable entrepreneurship;
- the contributions made by the businesses towards the development of a new economy and concepts of sustainable entrepreneurship.

DOEN and the subject area of 'new economy'

DOEN aims to bring an innovative and sustainable slant to entrepreneurship and, to that end, is on the look-out for initiatives making a demonstrable, positive contribution to people and the environment.

Shaping a New Economy:

To make the economy more social and sustainable, it needs to be structured differently. To achieve this, DOEN focuses on initiatives by (new) sustainable entrepreneurs and by organisations bringing about change in existing economic structures.

Sustainable & Social Entrepreneurship:

DOEN focuses on entrepreneurs carrying out sustainability innovations in their businesses, marketing a sustainable product in an innovative new way, or creating jobs for specific target groups. DOEN also focuses on producers in developing countries who are making a positive contribution to their everyday environment.

2. The study

The purpose of the study is to flesh out the concept of 'new economy' (changes in the system and in entrepreneurial methods within that system) by developing a dynamic framework with the aim of identifying, interpreting, guiding and evaluating a new economy and initiatives (within themselves and in relation to each other).

The framework relates to two areas of a new economy:

- Shaping a new economy
- Sustainable entrepreneurship¹⁰

2.1 Research question

The key research question in the study is 'what are the emerging contours characteristic of a new economy?'

It is not about defining a new economy as a clear-cut phenomenon but rather as a developmental direction for entrepreneurial action focused on creating added value for society and nature.

Sub-questions to be answered in the study are:

- What are the intentions of initiatives in a new economy?
- What are their goals?
- How do they organise themselves?
- How do they relate to their environment?
- And how do they act in the organisation?
- In the environment?
- On the market?

The research field is the world of practice, the accounts, experiences and findings of people in and around organisations aiming to make a difference for society and/or nature.

2.2 Scope of the study

Because this study looks at the practice of organisations using different entrepreneurial methods or aiming to encourage a different entrepreneurial approach, its scope mainly concerns different forms of entrepreneurship. How do organisations aiming to contribute to nature and society approach entrepreneurship? What do they do differently from other organisations? In their organisation, in their relations with their surroundings, and the way they operate on the market? Based on their experience, this study gives a picture of how the market and organisations are developing in a new economy. It describes the particular ways in which those organisations are fleshing out the concept of entrepreneurship and operating on the market in a new economy. What else do these initiators and organisations have going for them, on top of the usual entrepreneurial skills? This basis enables us to identify a developmental trend indicative of a new economy as a whole.

2.3 From practice to contours

The framework was developed based on the experiences of six organisations each contributing in their own way to the development of a new economy. These are organisations which successfully combine ecological, social and economic goals and have achieving sustainability as their core activity.

The following organisations making their own individual contributions to the development of a new economy were studied:

¹⁰ http://en.wikipedia.org/wiki/Sustainable_development: Sustainable development is therefore about an ideal equilibrium between ecological, economic and social interests. All developments contributing in technological, economic, ecological, political or social respects to a healthy Earth with prosperous inhabitants and properly functioning ecosystems are sustainable.

- **Social TRade Organization STRO**¹¹ pushes the boundaries of the existing financial system by developing regional financial systems that create fair opportunities for those living in poverty.
- **Enviu**¹² starts up world-changing businesses, from idea through to launch, that have a positive social and environmental impact on the world. One of these businesses is '**Open Source**' House¹³, which aims to design sustainable, affordable housing for people in low-income countries.
- **Tapworld** is a pilot project that aims to contribute to the recovery and building of tropical rainforest and social development. One way it does this is by producing sugar and ethanol from sugar palm.
- **Specialisterren**¹⁴ is a company that tests software. What makes it special is the fact that it works with people with autistic traits.
- **Festival sur le Niger**¹⁵ is a music, theatre and visual arts festival held annually in Ségou (Mali) which has now spawned a range of spin-off activities. Its aim is to develop the region of Ségou in social, cultural and entrepreneurial terms.
- **Stichting Geïntegreerde Visserij (SGV)**¹⁶ engages in coastal fishing in the Dutch Wadden Sea based on respect for nature, employment and fishing culture. The SGV is a collaborative association of fishermen working together to create practicable, achievable prospects for the future of coastal fishing using small vessels.¹⁷

A more detailed description is given in Annex 1.

This research is based on a shorter preliminary study, also focusing on initiatives funded by DOEN, in which the following organisations participated:

- Stichting Progreso, Ghana¹⁸
- KIVA, United States¹⁹
- Prins Heerlijk, Netherlands²⁰
- Agora, Central America²¹
- African Parks Network (South Africa, Malawi, Zambia)²²

2.4 Engaged scholarship

“Wisdom is the fruit of ‘L’arbre à parole’, the tree under which people sit and discuss. The skin of the fruit is just simple friendly talking, but the fruit itself is a serious dialogue and leads to wisdom.” Dr Simaga²³

DOEN and the initiators in a new economy are largely focused on experimentation: trying out what works, learning by doing and figuring out step by step what works and what doesn't. There are very few precedents available that can be easily copied. Indeed, it appears that the devising of custom-made solutions is a mark of a new economy. A new economy is characterised by a huge variety and diversity of methods of entrepreneurship and economic activity. Sustainable entrepreneurs try to find their own ways of doing business that fit in with what they want to achieve. They act on the basis of different economic principles when it comes to the valuing, selling and

¹¹ www.socialtrade.org

¹² www.enviu.org

¹³ www.os-house.org

¹⁴ www.Specialisterren.nl

¹⁵ www.festivalsegou.org

¹⁶ www.geintegreerdevisserij.nl

¹⁷ www.doen.nl/researchneweconomy

¹⁸ www.progreso.nl

¹⁹ www.kiva.org

²⁰ www.prinsheerlijktilburg.nl

²¹ www.theagorafoundation.org

²² www.african-parks.org

²³ Dr Simaga is a pharmacist, expert on Maaya and Godfather of the *Festival sur le Niger*.

distribution of their products, services and ideas. The development of a new economy is characterised by a broad collection of initiatives which potentially share a unifying factor indicating the direction in which a new economy is set to evolve. A new economy develops in the doing. Learning from experience and constantly reassessing the best step to take next leads slowly but surely to a potential course of action, an overall picture and an idea of what works and what doesn't. All good reason to try to find a form of research that contributes to that developmental process by sharing and identifying experiences. The form adopted was 'engaged scholarship'²⁴, in which the interaction between researcher and researchee leads to an understanding and interpretation of the initiative within the framework or context of the development of a new economy and sustainable entrepreneurship. This form of research lends itself extremely well to the study of developments that are still ongoing and consequently are often still implicit.

Through dialogue and discussion with the DOEN programme managers, the various initiators, their stakeholders and the researcher, shared views and theories emerge as to what a new economy and sustainable entrepreneurship are, and can be.

The results of the study serve several purposes. On the one hand, DOEN gains a framework to help it identify initiatives in a new economy and social and sustainable entrepreneurship. At the same time, participating entrepreneurs reap the benefits of shared knowledge and practical experience and on that basis are able to implement specific improvements within their own businesses.

The latter factor also appears to be a crucial aspect of the development of a new economy and sustainable entrepreneurship. Or, as Van de Ven puts it: "Practicing managers, (...), are criticized for not being aware of relevant research and not doing enough to put their practice into theory (Van de Ven, 2002; Weick, 2001). As a result, organizations are not learning fast enough to keep up with the changing times."²⁵

With this research, DOEN is making a tangible contribution to the development of a new economy, by harvesting practical knowledge and sharing it with the sector and with entrepreneurs in a new economy. Knowledge that Richard Rorty so aptly describes as follows: "Knowledge is coping with reality, not copying it".

2.5 Approach

The research consists of an exploratory preliminary study and a more in-depth follow-up study.

Preliminary study

The aim of the preliminary study was to conduct an initial inventory of the research field.

For this study, five organisations were selected and the initiators and a number of stakeholders were approached for an interview. In the context of an open interview, they were asked the following questions:

- What do you aim to achieve, and how does it differ from ordinary entrepreneurship?
- What do you understand by a new economy? And how do you contribute to it?
- What problems have you come up against, or what have you learned?
- And, looking to the future, how do you see (entrepreneurship within) a new economy taking shape?

The follow-up study was in two phases.

Phase 1

Collecting data on the various businesses/initiatives from documents from and about the organisations and from interviews with a wide range of stakeholders in and around the organisations. Use was also made of DOEN documentation and analyses concerning the initiatives.

²⁴ Andrew H. Van de Ven, *Engaged Scholarship: Creating Knowledge for Science and Practice*, Oxford University Press, 2007

²⁵ Andrew H. Van de Ven, *ibid.*

Phase 2

Broadening and interpreting those data, at the level of the initiatives and at the level of the development of a new economy and different forms of entrepreneurship, in dialogue with groups of stakeholders, DOEN programme managers and initiators of the organisations. This interpretation of the reality is the basis of the new economy framework produced for DOEN.

Re 1

- a. Business plans, mission statements, annual reports, websites and other written documents and sources obtained from the organisations concerned
- b. One hundred and thirty-five interviews with various stakeholders
 - Initiators
 - Employees/consultants
 - Customers/clients
 - Suppliers
 - Organisations concerned
 - Representatives of:
 - Society
 - Interest groups
 - Science
 - State

in the form of open interviews structured as follows:

- Function, role and organisation/group in which the interviewee works/lives
- Relationship and involvement with the organisation studied
- His/her ideas about the organisation
- History
- Objectives
- Values
- Organisation
- Impact (what, who, how: via what output/effect)
- Role/action in the market/market forces
- Partnership (who, how and to what end)
- Vision of the future

Re 2

- a. Seven more in-depth dialogues with each initiator separately
- b. Eight group dialogues concerning different overarching themes with:
 - all initiators from the various organisations
 - DOEN employees on the topic of 'new economy' (twice)
 - stakeholders of SGV (twice)
 - stakeholders of *Festival sur le Niger* (three times)

Summary

This study generates knowledge about the trends involved in a new economy, based on experiments and best practices of constantly evolving organisations taking a conscious decision to make contributing to sustainable or social development their core business. The study describes and identifies the experiences of entrepreneurs in relation to their contributions to the development of a new economy and other forms of entrepreneurship. The aim of the study is to harvest knowledge and experience for DOEN, for the entrepreneurs involved and for others.

3. Contours of a new economy

"How we can maintain our standard of living while eliminating poverty and repairing our ecosystem. With that as your mindset, you will start to think quite differently." Stef van Dongen, Enviu

A new economy is a work in progress. A new economy is developed in practice by initiators who actively aim to help resolve ecological and/or social issues based on their core activity. Their *raison d'être* is contributing to sustainable development.

In so doing they come up against numerous obstacles, for example in the form of laws and regulations. In the case of Stichting Geïntegreerde Visserij, the shrimping sector is not permitted to conclude sector-wide catch agreements with a view to nature conservation because free competition comes into play (see blog: the shrimp dilemma²⁶). In the case of Enviu, tax regulations make it virtually impossible to combine entrepreneurial (read: profit-making) activities with not-for-profit activities within a single business.²⁷ Other obstacles lie more in the area of funding: who wants to invest in an organisation with a completely different – and as yet unproven – way of doing business? Or to run counter to prevailing practices: why give something away if you can ask money for it, why work together instead of competing?

Enviu has produced a list of changes in attitude with regard to financial practices that clearly illustrates the potential extent of these differences in attitude.

A paradigm shift

From

Formal
Top-down
Builds on debt accumulation
Financial value creation oriented
Based on scarcity and distrust
Globalised structures
Consumption centered
Fast transactions
Banking on intransparency
System complexity as excuse
Efficiency

To

Networked (formal and informal)
Horizontal and bottom up
Builds on asset accumulation
Societal value oriented
Based on abundance and trust
Glocalised
Consumer need centered
Loyalty
Banking on understandibility
Not hiding behind the system
ICT used to enhance personal relationships

Source: Financial services, five trends for 2012, Enviu February 2012

All of these obstacles highlight the differences and similarities between current economic practices and a new economy. Entrepreneurs are finding their own solutions in order to deal with these issues, usually within the bounds of what is possible within the current basic framework of the economic system, sometimes outside it. Not with the intention of overturning the current system but certainly with the aim of broadening it, creating scope for greater variety.

²⁶ www.doen.nl/onderzoeknieuweconomie

²⁷ In the US there is a new legal form, the 'B-corp' or 'BENEFIT corporation', that enables social, ecological and economic interests to be combined within a single identity. California is the 7th state to adopt this legislation (January 2012). In the UK, the 'community interest company' has existed for some years now.

3.1 Broadening the playing field

The six organisations studied display a wide range of different ways of acting. It is not possible to identify a single answer, a single new economy or a single specific form of entrepreneurship. Central to a new economy and sustainable entrepreneurship are entrepreneurs who make a conscious decision to do things differently, to contribute to sustainability and social impact not only through what they do but also, and above all, through the way they do it. How the product or service comes into being is just as important as the sustainability or impact of the product itself. As is the way in which entrepreneurs work and organise themselves. In a new economy and the new entrepreneurship, doing business, producing, organising and positioning constitute a single coherent whole. One can't change without the other, and sustainability and social impact call for alignment of all these factors and hence for an integrated approach.

The implementation differs widely. Each example is based on an individual vision, an individual world view and an individual strategy for development. Around the different organisations, an area emerges within which they operate. An area in which there is much more variation, both in entrepreneurship and in economic respects, than there is at present. Variation in views, ways of working, rules of play, players and basic principles.

What these experiments have in common is that the broadening of the economic playing field and the entrepreneurial perspective comes about in two ways. Entrepreneurs regard themselves as co-creators of the entrepreneurial and economic playing field. For example, Tapworld and Enviu seek different revenue models and ways of valuing sustainability on the market. They actively impart form and colour to entrepreneurship and economy by choosing their own interpretation of both terms. This means that neither the economy nor entrepreneurship is seen as a fixed concept. The decision to interpret both as continually evolving has the consequence that every entrepreneur also has responsibility for making decisions. It calls for a vision of the way in which the initiator does business and helps to shape the economic playing field. Because every entrepreneur can make decisions, the entrepreneurial perspective and economic playing field are continually changing and expanding.

The second way in which the playing field is expanding is more substantive. If sustainability (and hence ecological and/or social interests) is the basic principle, the economy and entrepreneurship are coloured accordingly. As a result, the basis changes from a primarily economic basis to a more hybrid form.

3.1.1 A new economy, designing in co-creation

“You need to start restructuring your system based on the standard notion of minimising the use of raw materials. That is one of the most important starting points for a new economy.” Stef van Dongen, Enviu

Entrepreneurship and economy are not static concepts but are continually subject to change prompted by factors such as social and cultural opinion. The spirit of the times colours activities and views connected with entrepreneurship and economy.

More and more entrepreneurs are putting the ecological and social impact of their products, services and ideas first and foremost. That trend is influencing the economy and the nature of entrepreneurship in many ways and on different levels. For example, organic or fair trade certification is increasingly playing a role in a company's image and in determining the prices of products, services and ideas. Consumers are prepared to pay extra to offset the CO₂ emissions of their air journeys and businesses are striving to reduce their ecological footprints. Intentionally and unintentionally, all of these activities influence the economic playing field and entrepreneurial perspective to a greater or lesser extent.

The organisations supported by DOEN under the rubric of 'new economy' set themselves apart from these examples because they regard a different kind of entrepreneurship as a precondition for developing a more sustainable economy. For them, sustainability cannot be achieved unless the economy and methods of entrepreneurship change as well. This view is shared by Professor Almeida Ashley, who took up the Prince Claus Chair in Development and Equity in 2009: "Firstly, the CSR concept developed from a narrow and after profit perspective, mainly at the early stages of the CSR literature, which defined CSR as a business benevolence conduct and community relations policies, ranging from

corporate philanthropy to business social investment. A second, broader and before-profit CSR concept includes policies and practices towards sustainability throughout the business process at the level of the firm and in business-society relations."²⁸

The organisations in this study report different reasons for changing their methods of entrepreneurship or economic activity. Some examples are given below:

Enviu: a group of people with ideals who aim to prove that there is a different way; that you can achieve more together than alone. They therefore developed a highly participative way of doing business in which different entrepreneurs, individuals, universities and a range of other organisations work together to improve the quality of life for all.

Tapworld: a group of people who are aware that nature needs to be repaired, and that this can be done only if nature is seen as the basis of entrepreneurship.

Specialisterren: a group of people who believe that you build an organisation on the basis of not what you make but who makes it. The talent of individuals is the basis; by facilitating that talent you can make a difference to society.

STRO: a group of people with a shared conviction that economic growth needs to find a form other than the current one: a form of growth in harmony with nature. One way to achieve that (to assign value to nature) is by broadening the current monetary system.

All of them have a vision of entrepreneurship and the economy that enables them to achieve their objectives and shape their businesses and actions in partnership with their environment. To be able to operate sustainably, in these businesses' vision, we need adjustments in methods of entrepreneurship and in the working of the economy.

Consciously dedicating themselves to a change in entrepreneurship and economy makes them designers of a new economy.

3.1.2 New economy – a hybrid playing field

"Personally I don't see it [OS House] as a profit driven project (building sustainable houses for the lower middle class) but essentially to provide basic living accommodation for people. It is fifty fifty, a business and an NGO. It is an NGO sort of, but it's also interested in recapturing what they put in." Peter Dery²⁹, OS House, initiated by Enviu

The terms 'economy' and 'entrepreneurship' can be interpreted in a variety of ways. In most cases, both are interpreted within an economic context. The definitions below give general economic descriptions of these two terms:

Economy:

An economy is a system of production, distribution and consumption of scarce goods and services in a society.

The current economic system is based on the principle of the free market. The fundamental idea behind this is that, by allowing/preserving competition, free market forces ensure that a fair price is set for products and promote innovation. The basic principle is that the consumer, or 'homo economicus', always makes the most rational, most favourable decision. The current economy is not a purely free

²⁸ Corporate Social Responsibility: A Role only for Business Leaders? Patricia Almeida Ashley, Inaugural Address as Professor to the Prince Claus Chair in Development and Equity 2009/2011 delivered on 30 March 2010 at the Institute of Social Studies, The Hague, Netherlands

²⁹ Coordinating Director Cape Coast metropolitan Assembly CCMA

market economy but a mixed economy in which the state plays an important regulatory role. Most Western societies have a form of mixed economy with an emphasis on the free market model.

Entrepreneurship:

An activity with the aim of generating an income by running or maintaining a business or corporation with a particular combination of labour, capital and knowledge.

As indicated above, both terms are flexible and are influenced intentionally or unintentionally by entrepreneurs and market participants. In practice, neither the economy nor entrepreneurship works according to these pure underlying principles. Contributing to sustainability brings with it a number of values that alter these definitions. All of the organisations studied have features of both profit-making and non-profit organisations and use both economic values and social and ecological values. The new economy entrepreneurs studied here are characterised by their bridging role between society, nature and economy. This translates into hybrid forms of economy and entrepreneurship that combine the characteristics, value systems and 'action logics' of different worlds.³⁰

The importance of combining social, ecological and economic values and goals is also emphasised in the Earth Charter³¹: "Life often involves tensions between important values. This can mean difficult choices. However, we must find ways to harmonize diversity with unity, the exercise of freedom with the common good, short-term objectives with long-term goals. Every individual, family, organization, and community has a vital role to play. The arts, sciences, religions, educational institutions, media, businesses, nongovernmental organizations, and governments are all called to offer creative leadership."³²

The coming together of different value systems in the economic domain is not new, or unique to a new economy. What is new is the explicitness and the express choice of ecological and/or social values and objectives. And what sets the entrepreneurs in a new economy apart is transparency and their awareness of their input in fleshing out a new economy and sustainable entrepreneurship. In a sense, they invent their own custom-made rules of play. All the entrepreneurs in the study seek their own solutions in order to combine society and nature with their entrepreneurial activities. As Jurcell Virginia, finance and investment advisor to Tapworld, observes: "We are making a link between economy and the softer side of sustainability."

Mamou Daffé, the initiator of the *Festival sur le Niger*, believes that entrepreneurship in Mali can have only one aim: that of contributing to social development. In order to achieve that, he combines traditional local values with more global economic principles.

Stef van Dongen of Enviu explores options for shaping his organisation in such a way that profit-making and not-for-profit activities reinforce each other. He puts it as follows: "Enviu consists of two parts: the "good causes" organisation develops ideas that are then sold to "participations", a subsidiary in the holding company under the commercial foundation. It is a sort of hybrid structure." Enviu's initiators have developed their own unique structure that allows them to retain their ANBI (charitable) status on the one hand but at the same time creates scope for developing, setting up and selling entrepreneurial initiatives. In this particular case the Dutch tax authorities have given special consent for Enviu to operate in this way.

³⁰ "Hybridity refers to heterogeneous arrangements, characterized by mixtures of pure and incongruous origins, (ideal) types, "cultures", "coordination mechanisms", "rationalities", or "action logics". The notion of hybridity has its origins in biology, where it refers to the more or less stable mixture of different species". Intl Journal of Public Administration, 28: 749-765, 2005 Griffins or Chameleons? Hybridity as a Permanent and Inevitable Characteristic of the Third Sector, Taco Brandsen, Wim van de Donk and Kim Putters

³¹ The Earth Charter (2000) is an international document on fundamental values and principles that attempts to contribute to a just, sustainable and peaceful society in the 21st century. According to the vision of the Earth Charter, ecological integrity, human rights, equality and peace are inextricably bound up with each other. The document therefore creates a framework in which all of these topics are jointly addressed. The Earth Charter resulted from a global consultation process that took place in the tenth decade of the 20th century. The drafting of the Earth Charter was one of the most open and complete collaborative processes ever undertaken in order to write an international document.

http://en.wikipedia.org/wiki/Earth_Charter

³² <http://www.earthcharterinaction.org/content/pages/Read-the-Charter.html>

Open Source House illustrates how social values are starting to play a role in the organisation. They have gathered a network of professional associations around them with a view to jointly resolving the issues surrounding sustainable and affordable housing and helping people make the move from slum areas to houses of their own.

If making a social and/or ecological contribution is a basic principle of a new economy and sustainable entrepreneurship, it makes sense to extend the basic definitions of economy and entrepreneurship to encompass definitions of a new form of economy and sustainable entrepreneurship. This could be done as follows:

New economy:

An economy is the system of production, distribution, circulation and use and consumption of scarce and abundant resources and ideas in a society. A new economy combines the trading of quantities (goods, services) with the exchanging of qualities (talents, ideas, knowledge, experience). Besides being founded on basic free market principles, a new economic system is also based on the fundamental idea that all participants in an open and transparent (local) market work together to ensure a positive impact on the overall system of ecological, social, cultural and economic values in order to promote fair pricing and innovations for the benefit of people, nature and society. The state plays a facilitating role in this process.

Sustainable entrepreneurship:

An activity with the aim of achieving ecological and/or social development by running or maintaining a business or corporation with a particular combination of entrepreneurial acumen, social, cultural, ecological and economic capital (labour, knowledge and values), in partnership with stakeholders, and thereby acquiring a sustainable source of income.

Both definitions represent a broadening of the existing definitions and explicitly create space for combinations of values, activities, products and ideas. All of the organisations studied here are adapting and contributing to ways in which these basic principles of a new economy and sustainable entrepreneurship are implemented.

Summary

There is no single new economy or one single method of social and sustainable entrepreneurship. Both are continually evolving.

Organisations in a new economy consciously (help to) shape different methods of sustainable entrepreneurship and adapt to a new economy in what they want to achieve and the ways in which they aim to achieve it.

A new economy and sustainable entrepreneurship are hybrid forms and are characterised by the combining of different value systems within their economic and entrepreneurial playing field.

- Economy: is the system of production, distribution, circulation and use and consumption of scarce and abundant resources and ideas in a society.
- Entrepreneurship: an activity with the aim of achieving ecological and/or social development by running or maintaining a business or corporation, in partnership with stakeholders, and thereby acquiring a sustainable source of income. To that end, the business combines entrepreneurial acumen, social, cultural, ecological and economic capital (labour, knowledge and values) in its own particular way.

4. Results of the study

**"We need to see knowledge as a matter of conversation and of social practice".
Richard Rorty, philosopher³³**

The results of the study lead, at different levels, to an understanding of what a new economy and sustainable entrepreneurship are, and can be.

Based on the study, we can identify the ways in which each organisation broadens the playing field of the economy and entrepreneurship.

Together, these different pictures tell a story, one that identifies the development of a new economy and sustainable entrepreneurship as a more broadly recognisable development in modern-day entrepreneurship and economy. In both areas, a trend is emerging that can be recognised on the basis of a number of generic characteristics that can be fleshed out in different ways. Within the resulting framework, the dynamic development of a new economy and sustainable entrepreneurship can be identified and shared.

4.1 New economy – a dynamic framework

"In a new economy, learning, earning and returning coincide." Cornelis den Boer, Enviu consultant

There is no consensus on how things should be done differently. But there are plenty of examples of how things *can* be done differently. A new economy is emerging not as a single new form, but rather as a series of variations on a theme. Sometimes close to the current economy, sometimes further away. But always connected with the current economy. Diversity increases and, with it, the responsibility to make decisions oneself, to impose one's own design. There is no longer a single form of entrepreneurship or a single type of economy that is the right one. A new economy and sustainable entrepreneurship are continually evolving.

However, the organisations in this study do have several features in common. Not so much in terms of how they operate, but in the areas where they make conscious decisions to adopt different forms of organisation, activities or operation. A new economy is about sustainable action in an economy that contributes to sustainable development. In parallel, two areas of development can be identified in the organisations studied:

- 1 the entrepreneurial activities of the organisation
- 2 the organisation's activities on the market

The developmental direction can be described as more interwoven with society and nature, resulting in organisation and market becoming more hybridised. Entrepreneurship is based on a combination of goals that seek to achieve a sustainable impact. Its perspectives become broader as a result, as does the playing field of the market.

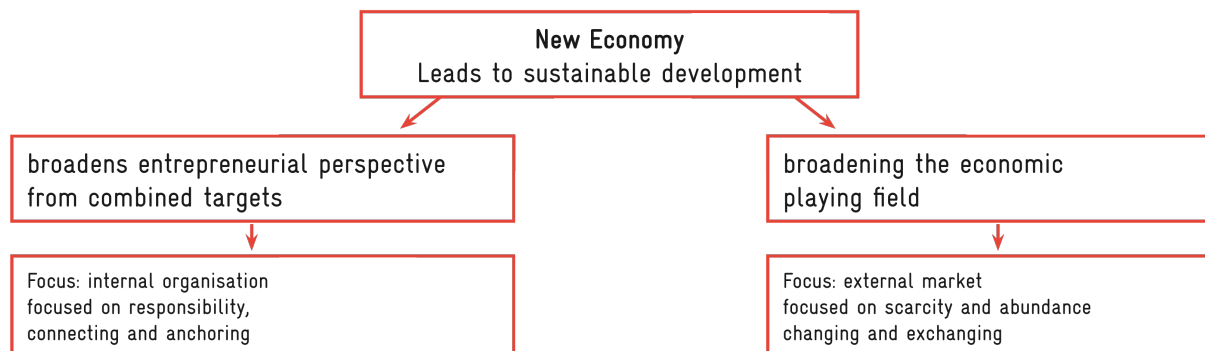
The entrepreneurial perspective is broadened by the variety of goals (social, ecological, economic), resulting in an increased dynamic within the organisation and greater mutual dependence with the environment.

The ecological playing field is expanded by making space for exchange as well as trade, which also increases the variety of players on the market.

The following sections examine the developments in both areas in more detail.

³³ <http://plato.stanford.edu/entries/rorty/>

New economy a dynamic framework



4.1.1. Broadening the economic playing field

"A new economy is a process of collaboration." Henk van Arkel, Stichting Strohalm³⁴

In its own way, each of the organisations studied is pushing the boundaries of the economic playing field to some extent. STRO's approach is more extreme and the most explicit, while Specialisterren goes about it least explicitly. Taken together, the stories of each organisation give a picture of how they are helping to shape that playing field and make it a more hybrid form.

The main aim for Tapworld's initiators is contributing to the repair of the natural environment. They aim to do this in a profitable way by assigning value to nature in the long term as well. The nature they create has to generate an income. But there is always a part of what they do that doesn't generate an income, that they don't get paid for, that they give freely to nature and hence to society. Tapworld's economic model involves selling products, services and ideas (in exchange for money) and giving products, services and ideas away to nature in order to help repair it.

"If what you make and do is quantified, you can exchange it. If you want to make it sustainable, the sugar needs to be exchangeable, to have a price. And you'll start to get competitive prices. The bit that we do free of charge (that can't yet be quantified but is done anyway: e.g. long-term impact on the environment), is always part of it, so if competitors come on the scene that is a good thing." Jurcell Virginia, Tapworld

Open Source House (building affordable, sustainable housing for the lower middle classes in Ghana) does something similar: "The idea was to put the ideas out into the world free of charge. To get the platform right, on the Internet, we need money, so we got a grant for that. Ultimately we aim not to rely on grants. If you want to have an impact you shouldn't be dependent on grants. No free house building and always with scalability in mind. A percentage from the use of a design goes to the architect. A design can be used over and over again." Vincent van der Meulen, concept owner of Open Source House Enviu

In this example too, the selling of products and services is a *raison d'être* in combination with the sharing of ideas. All designs are accessible to all, can be used by all, free of charge or for a minimal fee. The nice thing about ideas, like knowledge, is that they can be shared without losing them. By sharing ideas, they become richer, more varied and used more often than they would be if you kept them to yourself. Besides exchange, OS House adds sharing to the spectrum of economic activities.

³⁴ Henk van Arkel, at the DOEN new economy event on 14 March 2012

And sharing has its benefits. Asked why STRO's initiators make their knowledge and ICT applications 'open source', Jaap Vink replies: "It works both ways. People start to use it, start to test it for you, find solutions and share them with you in turn. The software improves as a result."

Stef van Dongen (founder of Enviu) takes the idea of sharing a step further: to avoid over-burdening the ecosystem you need to change something fundamental. "The key motivator for changing that is spirituality in education. Instead of working on a purely functional level, you also need to discover your passion. Then people develop differently, more organically. Then you see things holistically, money is only one of the factors. If quality is more important you don't need to have property, just access to it." It is not only knowledge and ideas that can be shared: tangible things can be shared as well, by selling not ownership but access. As in the case of *Wheels4All*³⁵, where several people share the use of a car.

These two examples show how the economic playing field is broadened by adding rules of play: ways of acting that stem from both value and the desire to add value. By adding value that can be translated into financial terms, but also adding qualitative value to nature or to society. Values that can be expressed not just in financial terms but can also be described in more or less specific or very global terms.

Adding to society means that ways of acting from both domains become part of the market: from the domain of the community comes sharing: having common ownership or knowing things in common; and from the domain of nature comes giving: nature gives of itself on the basis of diversity and abundance. Trading, primarily an economic term, is combined with sharing and giving and taking. The range of possible **rules of play** on the market is expanded as a consequence.

The story of Colette Traoré, co-founder of a women's weaving cooperative³⁶, shows how sharing can bring a different meaning to competing with each other: "With ten local women we put our money together to buy a loom. That's how we started our cooperative. There were two main reasons for starting it. The first was to reestablish the traditional forms of weaving in a contemporary way. And the second was to help people make a living. For the *Festival sur le Niger*, we work together with all the other organizations in the field of weaving, dyeing, sewing, and so on. Together we ensure that everybody gets a fair share of the work so that nobody is excluded from the benefits of the festival."

Willie Smits from Tapworld also works with income for the collective in addition to that for the individual entrepreneur. Each 'Hub' (local production unit for sugar sap) is part-owned by the community of farmers. Smits describes the profit made by the Hub as follows: "It is community based profit and community spent profit, because the villagers will be co-owners of the Hub."

In these examples, giving and sharing take their place among economic activities alongside trade and barter. Siegfried Finser expresses this as follows:

"There are three transactions and only three, and they all involve two parties. All constitute agreements validated by tangible evidence but motivated by different aspects of our soul. Each affects people and the world differently. Buying/selling draws human beings into the material world and stimulates the whole world to produce what people desire. Lending/borrowing draws human beings into connection with one another, enabling people to accomplish their intentions. It makes the world into a community of striving human beings. Giving/receiving entices the spirit into material existence and can elevate human beings to greater development, wisdom, and love in shaping the future. Based on my observations and experiences, I have concluded that these three transactions are rooted in the architecture of the universe. They contain all the ingredients we need to become healing forces in the life of the society. These three transactions are all we need to transform the world, unfold healthy relationships, and reconnect with the active spirit of our time."³⁷

³⁵ www.wheels4all.nl

³⁶ *Association de Femmes Artisanes et Tisseuses Traditionnelles (AFATT)*, Mali, associated with the *Festival sur le Niger*.

³⁷ Siegfried Finser, *Money Can Heal, Evolving Our Consciousness, The Story of RSF and Its Innovations in Social Finance*, Steiner Books, January 2007

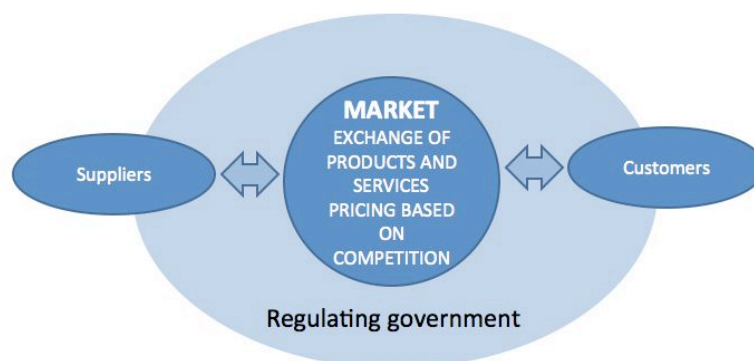
Where organisations such as Enviu and Tapworld operate differently on the market of their own accord, adding different rules of play, STRO works to develop conditions inviting people and organisations to act differently on the market. STRO experiments with this by adding complementary money. “You get a different sort of money, a sort of credit note, bearing the date when it will be paid out, a year later. You can exchange it earlier as well, according to a cost structure. And you can spend it; the person you give it to knows he can collect it in a year’s time”, explains Henk van Arkel, director of STRO. The spending of money is democratised. Anyone who makes or does something can express its return in value terms in advance by issuing a security. By working on local markets with complementary forms of money, by lowering interest as close to zero as possible and by defining money as an information flow in the economic system, different forms of behaviour emerge on the market. Once you realise that money flows, that it enables others to live and do business, then you spend it. Especially if the interest is so low that there is no point in saving. The result is the development on local markets of an economy in which more and more people can participate, an economy based on collaboration.

It is not just the rules of play that increase: the **number of players** increases as well. More people can start to produce, as outlined above by Arkel. But different interests and different parties can also start to play a role on the market. If Paddy Walker of the Wadden Association had her way, she would go a stage further than just allowing entrepreneurs to share with each other. If it was up to her, all parties associated with the Wadden Sea would conclude agreements (such as Stichting Geïntegreerde Visserij). Under such agreements, entrepreneurs, nature conservationists, authorities and communities could explore the best solutions for all concerned and devise fishing schedules accordingly. The agreements would focus not only on economic profitability but also on contributions to nature and society.

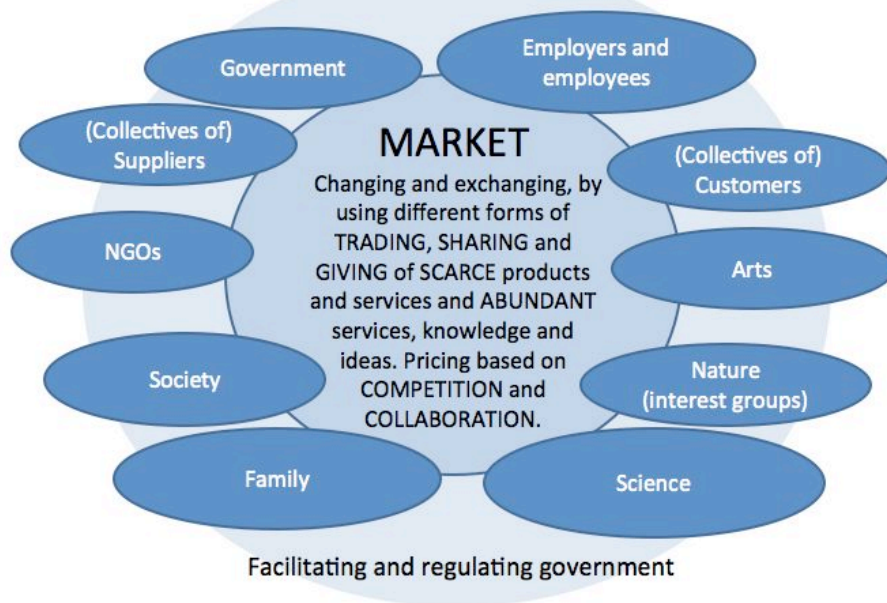
The various organisations studied here are expanding the economic playing field by playing with the conventional rules of play on the free market, and by adding extra rules from the social and natural domain: sharing and giving. They are also adding players, and hence a greater variety of interests. Collaboration and dialogue are gaining a place alongside competition. The aim is not just to achieve an individual gain, but gains for the collective or nature itself.

The expansion of the economic playing field by entrepreneurs is taking place mainly in the area of the market. That development can be illustrated as follows:

Mixed market operation



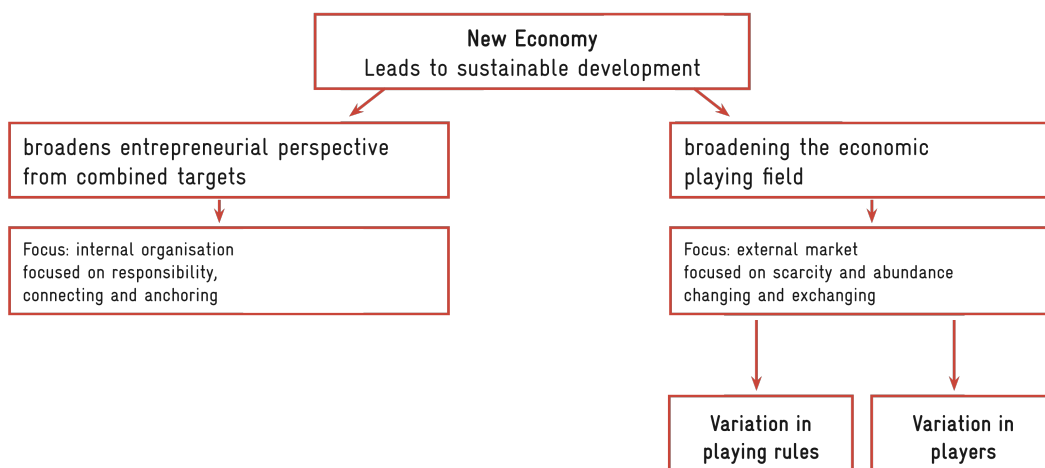
Hybrid market operation in the new economy by variation in rules and players



In a new economy, the market has the nature of a forum. It becomes a place where people and organisations can share and exchange knowledge, products, services, ideas and talents and thereby create values that contribute to society and nature.

4.1.2 Characteristics of a broader playing field

New economy a dynamic framework



Characteristics of a greater variation in rules of play

- Price setting on the basis of supply and demand in combination with social and/or ecological costs and impact
- Market forces based on competition and collaboration

- Assigning value on the basis of quantifiable and qualified values
- Trading and exchanging of products, services, ideas, talent, knowledge and experience
- Exchange on the basis of different units of measurement in addition to money
- Products, services, ideas, knowledge, talent, experience and networks can be traded and exchanged by a combination of giving/taking, exchange and sharing, for example:
 - Products, services and ideas are offered in different ways:
 - For payment
 - Free of charge
 - For common use ('open source')
 - Jointly created products, services and ideas can be offered jointly in a marketplace
 - Products, services and ideas can be obtained by networks or collectives of customers

Characteristics of a greater variation in players on the market

- The market is a meeting place where players of all kinds come together to trade products and services and exchange products, services, ideas, knowledge, experience and talent.
- Players on the market are like apples and pears. Each player has its own specific contribution to make in terms of information, creation or (representation of) interests. And can therefore operate for reasons other than buying or selling. The variety of players is huge:
 - Profit-making and non-profit
 - Large and small
 - Local and global
 - From different sectors
 - Different regions
 - Different cultures
- Values, value and price of products, services and ideas are influenced by different combinations of organisations and people
- Differences in interests are explicit and relevant
- There is dialogue between the players

Summary

The new economic playing field is characterised by:

- Greater variation in rules of play in which
 - Exchanging
 - Sharing
 - And giving & taking
 have a place and are combined with each other.
- Greater variation in players reaching agreement based both on competition and on changing alliances.

4.1.3 Broadening the entrepreneurial perspective

"If there is a big gap in the market where I can make a mark, I would do it myself. If someone else can do it better, that is more important than me making money from it. Then it's better to encourage it, it'll come back to me in another way (...) You're part of an economy and a community here, you have to rely on and help each other." Jan Michiel van der Gang, a Dokkum-based entrepreneur who is also involved in SGV

Sustainable entrepreneurship means a different model of entrepreneurship. What you aim to achieve is determined not only by your results but also by the way in which you obtain those results, and with whom. There are three different areas in which methods of entrepreneurship and organisation are changing:

- a. Responsibility is shifting from purely economic to social, ecological and economic intention and impact: entrepreneurship based on a **moral compass**.
- b. Connection with the environment of shareholders and customers and the overall system: entrepreneurship based on **sensitivity to environment**.
- c. A change of emphasis in the organisation, from efficiency to diversity: entrepreneurship based on **resilience**.

The organisations/initiatives in this study are broadening the entrepreneurial playing field in each of these three areas.

a. Moral compass

“Impact first. Social and/or ecological goals foremost.” Stef van Dongen, Enviu

Like the economy, entrepreneurship is influenced by values and practices from the societal and ecological domain. Every entrepreneur and organisation is part of society and assumes an appropriate degree of responsibility. This means that you adjust your style of entrepreneurship in line with what you aim to achieve as an organisation, for yourself and for the greater whole, society and nature.

Henk Bultjes, a fisherman with SGV, expresses it clearly and concisely as follows: “You hear it all the time, ‘profits are down’, but there’s still an awful lot of profit being made. Isn’t that good enough? We’re making enough profit; we’re doing well; we have time for our families. We don’t need any more.” By not putting profit (and indeed ever-increasing profit) first and foremost, the intention behind entrepreneurship changes.

In Bultjes’ words: “But I don’t just think in terms of money, people do that too much. You have to think in values. My family has been in fishing since 1600 and I want to pass on something good. It’s a business that doesn’t make a lot of profit in itself, but one you can run and still lead a good life.”

Klaas Laansma, Wadden coordinator at Groninger Landschap, adds the following: “What is valuable is your family history, being able to pass it on to your children, your free time and having enough for a good lifestyle. That makes four values, while the economic system has only one: maximising profit. The Wadden Sea calls for more values than simply maximising profit. Imagine the council asks you to go and talk to the community about fishing, money has to be set against that.”

Laansma makes it clear that, if other values are prioritised, this has consequences for what you can put a value on, and how. Or what value people attribute to it. It is not just the nature and value of products, services and ideas that change, but also the way in which they are created. An entrepreneur’s intention helps to determine his style of entrepreneurship and the form of his organisation. Josine Janssen of Enviu describes this as follows:

“We want to set up impact-driven organisations, a new sort of business model where we ourselves are busy learning. We come together with the crowd, the community, we exploit people’s passion, and their knowledge. It is a new method of product and business development. Results are driven by motives other than simply profit.”

The culture of an organisation is also coloured by the intention: “An honourable organisation stands or falls on its culture. If the people are honourable: you want a ‘better quality’ of people with an intrinsic motivation to come and work here. People dance because they want to dance, not to be seen. (...) Some investors arrive here in a Porsche; which is great if that’s your passion, not just to be seen. The choreographers, the purveyors of culture, need to be pure,” says Stef van Dongen.

Clear ethical choices call for ethical staff and partners, a view that is shared by Tomas Fiege Vos De Wael, managing director of Tapworld. He takes that a step further: "We work with a lot of different parties. The only guarantee that lets us be sure in the long term that each of them will continue to put social and/or impact first lies in the sharing of our values. If we don't click on that level, we don't do business."

The organisations in this study describe sustainability and social development as their core activity, and they do it based on social or ecological intentions. They add to the world around them. The ethical choice they make is to operate in the service of nature and society. That choice is a moral choice based on societal and ecological values, alongside economic ones. In a sense, they have a **moral compass** that they steer by and that helps them decide how to act and where to be unconditional.

The way in which Cor Kloet, CEO of SPIE, a partner of Tapworld, expresses his moral compass is firm and clear. It is clear what he stands for, and where his boundaries lie. "Ideology is the driver in commerce, we need to deliver quality. If money is the only motivator it doesn't work. We have a responsibility to society. Buying everything in China is cheap, but not the best. We don't want slave labour, corruption and bribery." The moral compass translates directly into decisions, actions and views about what fits and what doesn't fit within the context of a specific organisation. Making one's moral compass explicit is a precondition for entering into collaboration with like-minded employees or partners.

Sustainable entrepreneurship is entrepreneurship on the basis of ecological and societal values, in addition to economic ones.

According to Arjo Klamer³⁸, people and organisations in a new economy are driven by the wish to contribute to:

1. Societal goals (contributing to a better world)
2. Social goals (contributing to or developing relationships of the community of which you are part)
3. Personal goals (personal development or security)
4. Transcendental goals (contributing based on spiritual motives)

The value system of an organisation in a new economy starts with these social, societal, transcendental and personal drivers and leads to economic, social and ecological effects and impact. This intention influences all aspects of the organisation, from goals to results, and from people to structure. Contributing to society and nature means that the goals of the organisation are always a combination of economic and social and/or ecological goals. The more these goals are interwoven, and the more they reinforce each other, the more effective they are. The art is not to make any one goal superior or subordinate to another, but rather to make them work together by effectively ensuring that they are **combined goals**.

For example, Open Source House aims to build sustainable housing for lower-income families. In practice, these two goals are not always easily combined. The materials used in sustainable construction are also used in the slum areas. Most people in Ghana don't associate such materials with reliable construction. But that is what they want – a house that is robust enough to withstand the ravages of time. Sourcing other materials might be one solution, as might building less sustainably. On behalf of OS House Ghana, Samuel Biitir and Abraham Yenu Lambon made a different choice. They added an objective: involving the community as a co-creator in the development of their plans. By getting people to share in the thinking process and at the same time teaching them about building materials, energy use and other aspects of sustainability, they aim step by step to create a place for sustainable building in Ghana.

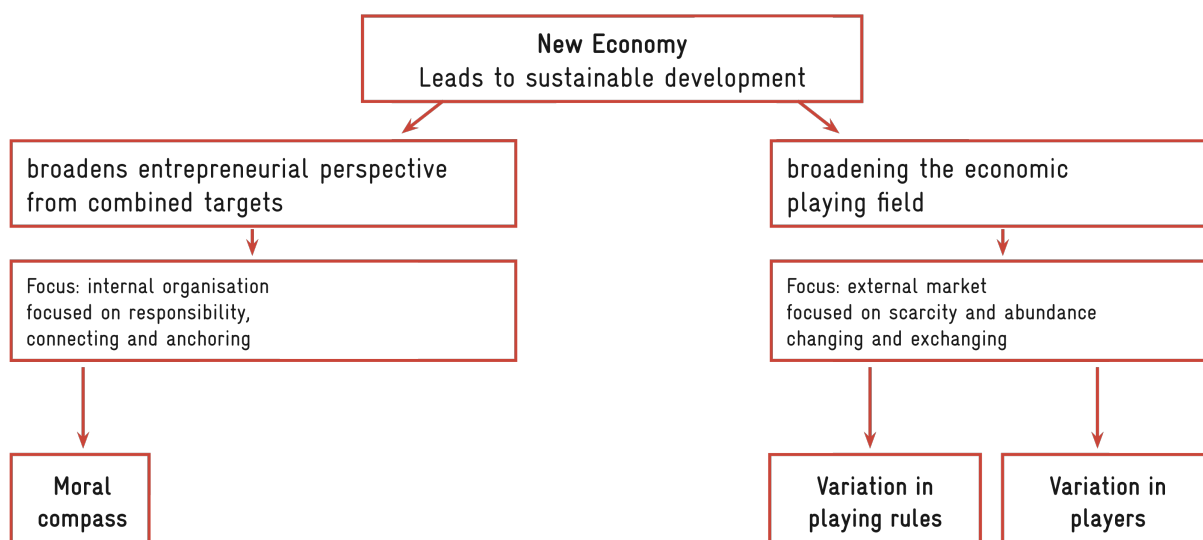
By adding a goal, it becomes possible to combine sustainability and affordability, and the goals start to reinforce each other. "Yes, a much deeper involvement of the would-be owners of the house should have taken place at much earlier stage. We gathered a lot of information and with hindsight it looks very academic. It is not an error in itself but you end up not having the perception that defines what you need to put down there. And this is very critical in the development of everything." Samuel Biitir
The more synergy there is between the goals, the more effectively the organisation can work.

³⁸ Arjo Klamer, at the DOEN new economy event on 14 March 2012

“Under a full moon all the children are playing, the girls dancing, the boys playing all kinds of sports. When it is colder, people tell each other stories. Through that, children learn to listen and to observe. They also learn responsibility for the environment. This playing and storytelling is an important part of educating our children, teaching them the difference between good and bad. Step by step, they are initiated in community values. The *Festival sur le Niger* has the same mission: initiating people in both traditional and contemporary art and in traditional and modern entrepreneurial values.”
Mamou Daffé, *Festival sur le Niger*

Characteristics of the moral compass

New economy a dynamic framework



- Assuming responsibility for the natural and social environment
- Entrepreneurship driven by societal, social, personal or transcendental goals
- Operating with a focus on a combination of social and/or ecological and economic impact
- Shaping synergy between ecological, social and economic goals
- Based on social, ecological and economic values, stating why you do what you do
 - With what intended effect and impact
 - And how to internalise that in a revenue model and business operations
 - And to give it shape in organisation (form and ownership) and processes
- Unconditionality with regard to moral choices

a. Sensitivity to environment

“The reflection of togetherness in the modern society should constitute as an institution,” H. Chandra, Pt. Reka Desa³⁹

It is not possible to contribute to the social, ecological or economic environment without being in contact with that environment. Social and ecological impact takes place mainly outside the organisation and can

³⁹ H. Chandra, Pt Reka Desa, Indonesian Rural Finance Consultancy, doing an audit on the cooperatives of the farmers at Tapworld

develop only in that environment. A relationship or connection with the environment is a precondition for the success of the organisation. All the organisations in this study work together with that environment in generating their products, services and ideas, and their effects and impact. They enter into a relationship with stakeholders in their environment.

The nature of that relationship is determined partly by the closeness of the stakeholder. For example, an organisation can place unilateral demands on suppliers, but not on an association. That relationship calls for collaboration and exchange in order to arrive at joint results. Even further away are nature, people and organisations that are influenced by the actions of the organisation, and vice-versa, without the organisation actually having contact with them. Nature in particular has many examples of this, such as the impact on the world's oceans of waste from plastic products manufactured by industry.

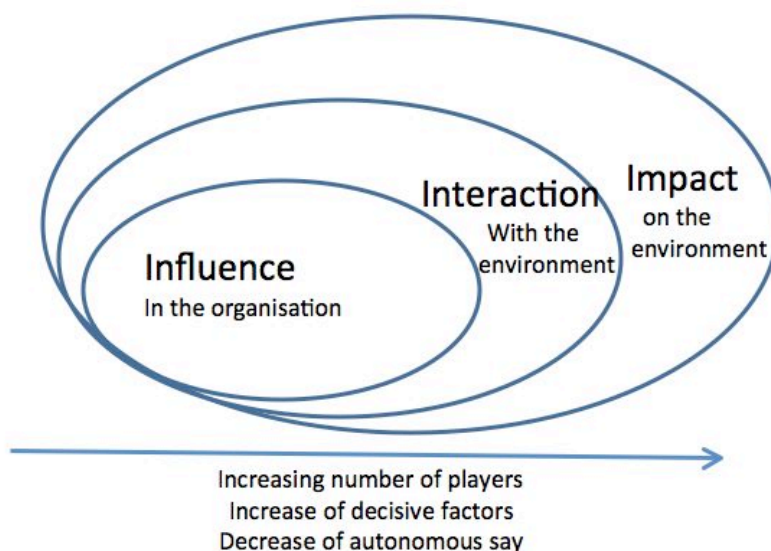
Summary

The new entrepreneurial perspective is characterised by:

Entrepreneurship based on an explicit and unconditional **moral compass** with regard to ecological and/or social impact that gives direction to:

- Mutually reinforcing **combined goals**
- Development of the organisation
- Values of employees and partners
- Business culture
- Business operations
- Revenue model
- Relationship with the environment (sensitivity to the environment)

Circles of acting in the environment



These circles of action in the environment exist in the here and now, but also in the past and present of an organisation. Yesterday's actions can have an impact on the environment tomorrow, and the day after, just as today's environmental developments can influence an organisation's scope for action a few years down the line.

The organisations in this study choose to make the circle of interaction as wide as possible. Together, they attempt to maximise the impact on the environment and in time.

Enviu does this by building a community: "There are around 8,000 people in the network who receive news reports and invitations to events. Our own team is the core of the community. Around that are volunteers, and around that is a layer of people who lend a hand now and then," says Josine Janssen from Enviu.

Together with that community, Enviu develops entrepreneurial solutions to sustainability issues. Stef van Dongen describes the way they work as follows: "Action learning is organising the community on the basis of a problem and the solutions to it; you create support for a service. Civic-driven change, bottom-up communities organise to be stronger. People participate in the study, but are also studied." In this way, ideas are developed into concepts and concepts into businesses. Enviu works with a global community divided into local clusters. Solutions need to fit local circumstances, but can be inspired and contribute at international level. "The design (of the sustainable house in Ghana – gs) must have its effects at local level, but a solution can come from global level." Vincent van der Meulen, the man behind the idea of OS House.

Enviu develops not just in partnership with the community but also with other entrepreneurs. "Sometimes, some strange combinations occur. We are currently working with a pension fund that has some very sharp people with a clear perspective. They think mainly in terms of risks. We do that a lot less, but we click so well that we want to continue working together," says Stef van Dongen. Partnerships are

entered into, or not, depending on whether Enviu's moral compass and that of its partner agree or complement each other.

In Enviu, working together also means sharing proceeds. "If someone has an interest in making it a success, you need to let him share in it," says Stef van Dongen. In one of their projects in India, the community has become a shareholder in the business. And community members who have contributed to the development of a successful concept are given the opportunity to hold shares in that business. Working together influences the ownership situation and decision-making process as well. Chandra, who supports the Tapworld sugar palm farmers in setting up their cooperatives, describes this as follows: "In our community togetherness also incorporates the decision process. It is the wisdom of the people that helps to make a decision by consensus. In a big community you certainly have to be represented. It is about transforming the family togetherness to a nowadays concept. From the sociological aspect, humans are treated as peers and in modern society, you need that recognition to operate in a global world."

In a partnership, decision-making is a joint process. Klaas Laansma: "It's about meeting, a dialogue and listening to each other. Everyone has equal worth." Jaap Vegter expands on this as follows: "So we also talk about that inclusive society (...). Bring the people who are very economically driven and the people who are socially driven together, and let them work out a solution together. Then the socially-minded ones will say: "of course, rationally, we also need to make money." And the business-oriented ones might say it's good to do something with a broader focus for once, something that ultimately benefits the whole environment. Perhaps they can benefit from it as well."

Jaap Vegter's explanation emphasises the hybrid nature of the partnership. Here too, it is about combining social, economic and ecological knowledge, ideas and values. Or, as Jan van Gennip (Start Foundation, and involved in Specialisterven) says: "You need the extremes in order to find common ground."

Different worlds come together in the *Festival sur le Niger* as well. Mamou Daffé: "In Europe, I could see what was missing here in Mali. What can be developed in the local culture, to lift things in Ségou to another level." Abdramane Dicko⁴⁰ gives his take on this: "It is about how the Malian intellectuals can take the Western market roles and confront that with our traditional ways of doing business to meet the international or liberal market standards. I have a strong feeling it is possible."

Working together is a precondition for achieving sustainable development. Jan Beekman⁴¹ goes a step further: "It's not about looking at the individual projects. We are now looking at the types of projects we can co-finance via the *Waddenfonds*⁴²; it is important that projects relating to the whole region score much better than free-standing initiatives. Second, it is vital that organisations and communities work together instead of seeing themselves as separate." He goes on: "There are many positive signals in the run-up to those programmes, good ideas and enthusiasm that you then can't do anything with due to all those rules. The trick is to get all of those people together and break through that."

Beekman considers it important to see an organisation as part of a larger system of interactions. The system influences the parts; the parts influence each other and the system. For that, each organisation needs to relate to the stakeholders in that system. This calls for **sensitivity to the environment**. Partnership is initiated and entered into at the instigation not of one business but based on the field of influence or the process in which multiple parties are involved and interact as a matter of course. Jaap Vegter adds the following: "Our attitude as fishermen should include a bit more of: 'chef, customer,

⁴⁰ Abdramane Dicko is an economist at USAID and a volunteer member of the organising committee of the *Festival sur le Niger*.

⁴¹ Jan Beekman works for the Province of Groningen and coordinates the rural development programme focusing on projects to strengthen the economy in the Groningen region. He is a participant in a dialogue with SGV stakeholders.

⁴² The *Waddenfonds* (2011) is a fund to boost investment in ecological and economic projects in and around the Wadden Sea. The *Waddenfonds* has funding of EUR 500 million for the next 14 years and is managed by the Dutch Ministry of Housing, Spatial Planning and the Environment (VROM).

nature conservationist, come with me and I'll show you what it's like in my world'. My dream is that, as part of the system itself, people will come together and think about the Wadden Sea together. What is needed and what we consider important, what uses are permitted and what are not. Set this down as a source of inspiration for policy plans and laws and regulations."

Entering into a connection with the environment based on sensitivity to that environment. Who are part of it? Who are they? What drives them? What connects us? It means recognising the players in the system, both those who stand out and those who stay more in the background. It means making contact with obvious and less obvious partners, partners who are close by or further away, similar or dissimilar. It means moving within a dynamic of influencing and being influenced. For example, Enviu establishes a partnership with a pension fund, Tapworld works with commercial and non-commercial investors, and OS House builds sustainable housing in partnership with professional associations.

In a new economy, stakeholders are all organisations, people and groups forming part of the system in which the organisation operates.

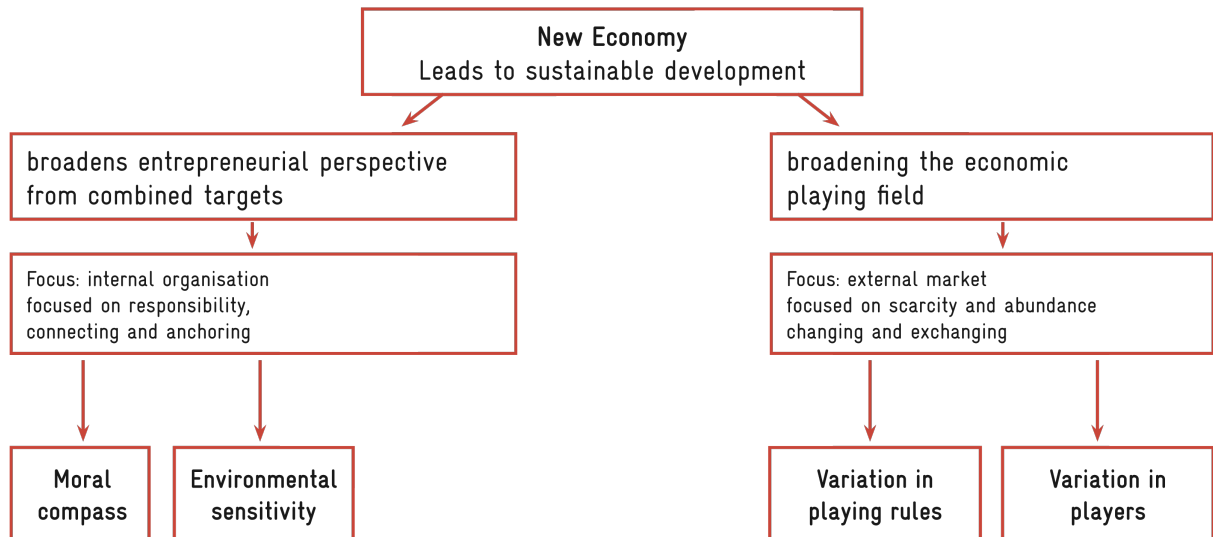
A second aspect of connection is the nature of the connection. This can range from information sharing, as Specialisterren does by publishing a book about the organisation's methods, to co-creation as aimed for by Enviu.

The degrees of collaboration seen in the various organisations studied are as follows:

- Informing
- Facilitating
- Trading and exchanging
- Co-operation
- Co-creation

From informing to co-creation, there is an increase in mutual dependence and the collaboration becomes more a part of the internal organisation, activities and processes. In a sense, the stakeholders start to become part of each other's organisations or the organisations start to define themselves more and more as part of the system.

New economy a dynamic framework



- Social (including cultural), ecological and economic forms of capital (in varying combinations) contribute to the setting up and development of a business.
- The organisation recognises and acknowledges its position in the system and recognises and acknowledges all participants in the system as potential stakeholders.
- The organisation recognises and acknowledges the moral compass of its partners.
- Working with the stakeholders is a precondition for effect and impact of the organisation on nature and society.
- Working with stakeholders is based on shared values.
- Working together at all stages of entrepreneurship:
 - Taking initiatives together
 - Contributing capital (ecological, economic, cultural and social) together
 - Achieving together
 - Harvesting output, effect and impact together
- Working together can take various forms
 - Informing
 - Facilitating
 - Trading and exchanging
 - Co-operation
 - Co-creation

Summary

The new entrepreneurial perspective is characterised by:

Businesses operating on the basis of an awareness that they are part of a greater whole and need other people and organisations in order to help them achieve their sustainable goals.

They have a high degree of **sensitivity to their environment**, as a result of which they are:

- Open to others
- Able to connect based on shared values
- Able to operate based on mutual dependence

b. Resilience

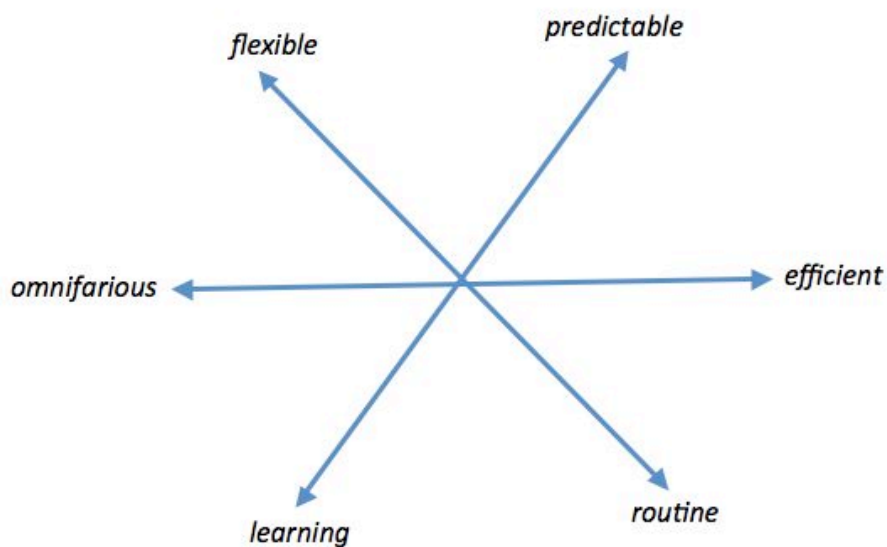
"Salt water thinking is something the fishermen can teach you. Salt water thinking is an awareness that you are not in control. This is in contrast to fresh water (inland) thinking where you are able to control things. People who don't have salt water thinking don't see things in their true proportions." Klaas Laansma, SGV

The internal organisation of sustainable businesses is hybrid, just like their values and goals, and hence diverse. That diversity can take many different forms. Diversity is also a precondition for being able to respond quickly and flexibly to the outside world and within the partnership with stakeholders. Contributing to society and nature calls for constant interaction with that environment.

Managing on the basis of diversity is at odds with managing based on efficiency. Where efficiency strives to maximise results with minimal resources and effort, working on the basis of diversity aims to make the right connections in order to achieve custom-made results geared to a specific situation.

Resilience:

finding balance in relation to combined targets and environmental dynamics



Each of the organisations in this study strives in its own way to strike a balance between efficiency and diversity, between flexibility and routine, and between learning and being predictable. Without diversity, they are not resilient enough to be able to respond to the changing, complex nature of their environment, and without efficiency, their continued existence is at risk. Each organisation makes its own decisions for the areas and activities where it operates on the basis of diversity, or indeed efficiency. Those decisions can change over time.

“The fundamental attitude is that nature is dynamic and we adapt to it. The strategy changes depending on what the sea gives us,” says Laansma. Sustainable entrepreneurship means entrepreneurship in relation with the environment. Jaap Vegter explains how he sees that within SGV: “Fishermen want to start doing new things in the Wadden Sea but are not allowed to. That means you are dependent on the support of a nature conservation organisation. Then you have to describe those activities and their precise effects fully in advance. That’s not possible. But you might also have confidence in each other and in the fishermen. A new activity is permitted within agreed limits, limits agreed with the nature conservationists. The fishermen become part of the collective management and keep an eye on certain things that they report to the nature conservationists. Together, you learn from what happens and you don’t know where you’ll end up.”

Nature and society, both are dynamic and unpredictable. As a sustainable entrepreneur, you aim to influence nature and society; you aim to make a positive contribution.

According to Vegter, it is mainly about being able to deal with an unpredictable process. You want to change, develop something without knowing exactly how that is going to happen or what the outcome will be. A society or nature can’t be influenced in a controlled environment and so cannot be made in the way that you can make a tangible product. Contributing to nature and society calls for an open process of development in which you design and experiment step by step, look at what happens and then adjust accordingly. This calls for a flexible, adaptive and creative way of working.

The state too, the pre-eminent service provider to society, struggles with the same mobility. A different way of thinking and acting is required. Herwill van Gelder, an alderman⁴³ from the municipality of Marne, explains that as follows in a dialogue with the SGV: “We need to change over to a different paradigm on account of population shrinkage: the illusion of governments of being in control of things, growth, land management, development, regulation, is based on growth in numbers. That doesn’t work any more with the current shrinkage, so a different way of thinking is needed. One where you are aware that you are vulnerable, lack money, don’t know what’s going to happen and need to respond to what the outside world offers. Policy advisers say: how does that fit in with our plans? That changeover needs to be made.” The changeover that Van Gelder is talking about is precisely what the entrepreneurs in this study are creating, each in their own way. How to organise in a **resilient** way in order to cope with the mobile, changing circumstances that confront your business.

At Enviu this means, among other things, being truly open to external feedback. Listening to what people are saying to you, and being prepared to act on it. Caspar Dickmann expresses that as follows: “Three or four years ago, a group of consultants carried out a study into effectiveness and efficiency at Enviu. They held interviews over a few days and then presented their findings. The conclusion was that the organisation was not functioning properly: not enough was being done with the core competences, although a lot of energy was invested in them. In other businesses I know, people would start to shift in their seats, put the blame on others who took the wrong approach. At Enviu they said, ‘gosh, you’re right, thank you!’ and two weeks later a plan was on the table. So much energy to improve things, it makes me envious, such decisiveness and capacity for learning.”

That openness is the basis for Enviu’s huge adaptive capacity. This is also evident in the way in which they involve others in their internal activities in order to maximise flexibility and creativity. Stef van Dongen: “Sometimes we do wonder, why are we doing this with so many people? And are we doing what we do in

⁴³ Van Gelder is alderman for public housing, rural development, leisure and tourism.

the most effective way? But innovation cannot be efficient, but it can be effective. That is why we work with young minds and ask people to be flexible. It is an organic system in which different responsibilities are intermingled. Some people have a process responsibility, others can tackle it from other angles. At the start everyone can participate, as the process advances you need experts. At the start you want diversity, at the end maximum expertise.”

The diversity that Van Dongen talks about is also apparent in all the other organisations in the study. Having a form of diversity is a precondition for being mobile, for being able to respond quickly, flexibly, creatively and adaptively.

At Enviu, that diversity lies in the variety of people and the roles they play in a process. At the SGV, it lies mainly in working on the basis of a continually evolving understanding of their impact on the Wadden Sea in conjunction with that of others. They adjust their actions accordingly in dialogue with the environment. At Specialisterren, the diversity resides in their concept of management. Their vulnerability lies in their employees. What they can handle varies from day to day, from situation to situation. “It’s very important, especially on a Monday morning, to look everyone in the eye briefly. How was their weekend, what are they concerned with, are there any changes in their medication? You discuss that in the group. And, where possible, you also discuss what your energy levels are for example. Everyone knows where everyone else ‘is at’. We also have a ten-minute interview with everyone once a week, just to find out how they are getting on, if they’re having any problems and if there’s anyone in the group giving trouble in terms of concentration.” Jan van der Tuijn, chairman of the *Academie*⁴⁴

By really looking at and listening to its people, Specialisterren makes sure that each staff member is given tasks that suit him in terms of volume, skills and situation. And it can constantly monitor what works and what doesn’t and make adjustments accordingly. Even when things go wrong, the situation is handled carefully, flexibly and in a way that suits the employee. “Yes, a good example was with Delta Lloyd. There was a tiny thing I had overlooked, said a whole block was ready but someone wasn’t quite there yet. That mistake ended up on Hans’s plate (manager - gs), which was awkward for me. But I could argue that it wasn’t so bad. Sjoerd and Hans make it very clear that we don’t have to share the responsibility.

Sometimes they forget that for a minute, but they say often enough that something’s ‘our problem’. And it makes me happy to hear them say that.” Daan, Specialisterren employee

That dynamic approach to management, based on diversity in management methods, exploits employees’ skills to best advantage. What they are good at leads to success in the work. “We did a pilot for Delta Lloyd that showed that we found 30% more errors compared with their regular testers, and 200% more language errors.” Ronald van Vliet⁴⁵

Tapworld organises its diversity in yet another way. Its holistic approach to entrepreneurship leads to a structure of different organisations all connected with the sugar palm project, ranging from a sugar and ethanol factory to animal rescue centres, a film studio, a theatre and a university.

“The ITM university at Tomohon started twenty years ago and two years ago Willie took over to support the sugar palm project as a research centre.” Julius Pontoh⁴⁶

According to Willie Smits, all of these organisations can make a real difference only by working together.

The importance of leadership in bringing coherence to diversity is put into words by Adama Traoré (*Acte Sept*) in connection with the *Festival sur le Niger*: “A leader is someone who brings people together. You have to listen first to others, understand them, let them express themselves and let them make themselves understood.”

⁴⁴ The *Academie* is a training institution for software testers with ASD. Set up by Specialisterren, it is now an independent foundation.

⁴⁵ Ronald van Vliet and Sjoerd van de Maade are the co-initiators behind Specialisterren.

⁴⁶ Julius Pontoh works at the government university in Manado as a lecturer and helps to develop the ITM University in Tomohon as a researcher.

Diversity in people, in processes, in activities, in disciplines – all sorts of diversity are possible. There is also diversity in the ways in which the sustainable businesses studied here are financed: often by a combination of grants, loans and participations. Enviu is also experimenting with crowd funding.

Jan van Gennip of the Start Foundation describes why a combination of grants and loans works for Specialisterren: “The people who set Specialisterren up sought donations as well. A lot of social firms do that. The run-in period is very hard for organisations like these. They do an awful lot for the people, which means they spend much less time on economic profitability, so the run-up is much longer. So I think it’s only appropriate that they should receive a donation. We don’t give donations. So it was a loan that Specialisterren got from us. The Rabobank Foundation fell into step with a donation. Their amount and ours combined⁴⁷ was enough to fund the launch. We call that the inclusive economy, which we believe needs to be a mix of social and regular. Purely social can never be made profitable; 100% regular no longer suits this society.”

That combination of hard and soft money, as Alexander Meijer of the Rabobank Foundation calls it, demands clear decisions as to which money to use for which purposes. “If you use soft and hard money, you need ethics to tell you where the boundary lies.” The moral compass of the entrepreneur can point the direction to be taken.

Coping with mobility and open development processes means recognising and acknowledging your own vulnerability and developing strategies for dealing with it. In a dialogue with SGV stakeholders, this was summed up as follows: “We are talking about two sorts of uncertainty: one comes about due to fixation and the other due to mobility. Laws are frozen and nature is mobile. Both demand action from you. But the answer to something that is fixed is completely different from the answer to something that is mobile. There are two different control mechanisms. One is with a group that is interconnected and maintains the balance through diversity and dialogue. The other is where everything is completely under review, under control, and one person can decide yes or no.”

“Vulnerability has everything to do with handling a dynamic rather than a frozen situation. A situation that is constantly changing and where you can’t come up with a standard or an agreement. The vulnerability of operating in a playing field where many factors play a role, involving different players, and where you are part of it and can’t remain on the sidelines as an outsider. As soon as you take to the sea, you will have to go with the flow and relate to the sea. Ways of handling that are:

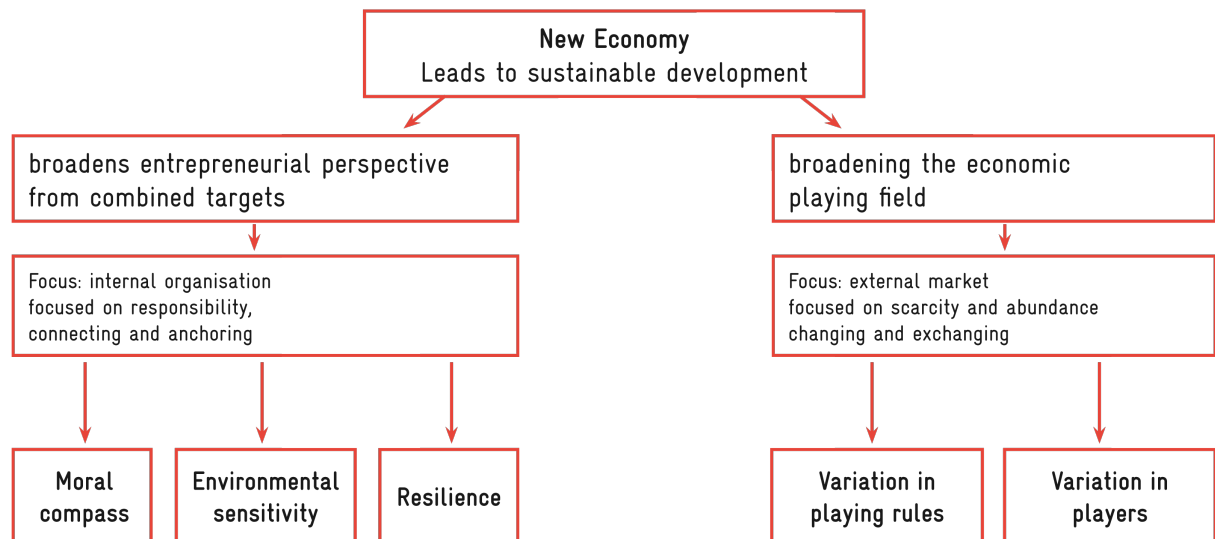
- Not transaction-led but process-led;
- Not hierarchy-led but dialogue-led;
- Not plan-led, but learning-led.”⁴⁸

The businesses in this study are distinguished by an awareness of the need for resilience in their organisation. Each in their own way, they are able to go with the flow and evolve as part of a greater whole. They do so by organising based on diversity in specific areas and by tackling developments in a systematic, learning and interactive manner.

⁴⁷ The DOEN Foundation was a co-funder of Specialisterren.

⁴⁸ Summary given by Godelieve Spaas during the dialogue with SGV partners about vulnerability.

New economy a dynamic framework



- The more varied the playing field, the greater the vulnerability due to more uncertainty and ambiguity:
 - Doing something different from others calls for an organisation with quick and flexible reactions
 - Being able to react quickly to the outside world calls for adaptive capacity, flexibility and creativity
- Contributing to social and/or ecological goals in combination with economic goals calls for an organisation based on diversity in one or more areas:
 - An organisation gains in flexibility and becomes more mobile by building parts of itself on diversity
 - Open processes without a fixed route or outcome are a precondition for being able to shape things in a changing environment
 - Social and/or ecological goals call for diversity in disciplines in addition to the commercial one
 - Social and/or ecological goals call for variation in attitude, knowledge and skills
 - Resilient organisations seek a balance between:
 - Diverse and efficient
 - Learning and predictable
 - Flexible and routine

Summary

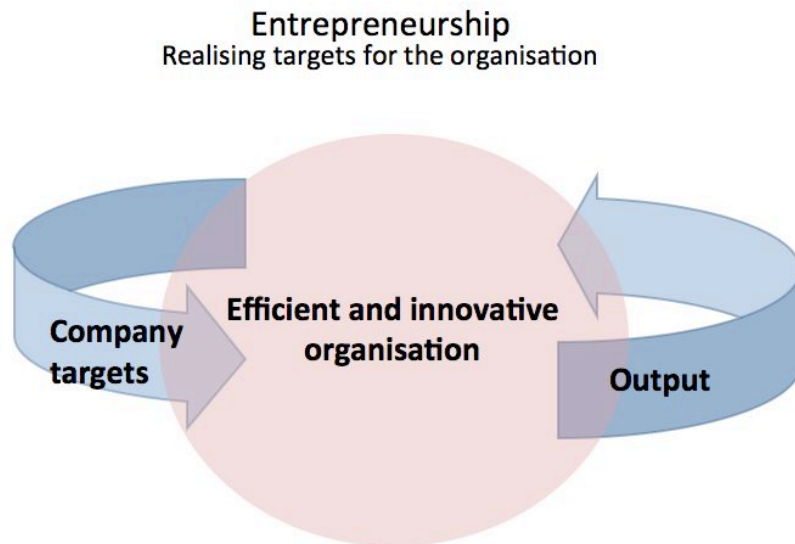
The new entrepreneurial perspective is characterised by:

Resilient organisations :

- With enormous adaptive, creative capacity and a high degree of flexibility
- Developing in and with their environment:
 - In open processes
- Organised on the basis of diversity in the areas where they are vulnerable by striking a balance between
 - Diverse and efficient
 - Learning and predictable
 - Flexible and routine

4.1.4 The entrepreneurial perspective: a model

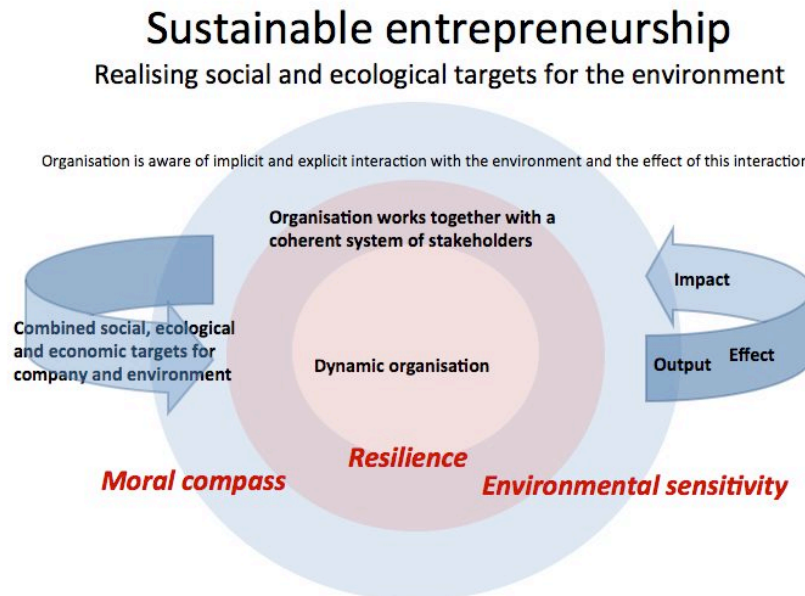
Sustainable entrepreneurship leads to a broadening of the entrepreneurial playing field that builds on a general basis of entrepreneurship. An organisation achieves its goals by organising labour, capital and knowledge efficiently and, where necessary, innovatively.



More and more entrepreneurs aim to achieve their goals in a sustainable way. As a result, they expand their sphere of action and influence and make demands on the production process and its output and effects on the environment. That alters the illustration as follows:



Organisations with the primary goal of contributing to the development of sustainability and society broaden that playing field still further. And make the playing field more hybridised and see their organisation as part of a larger system.



4.2 New economy: by organisation

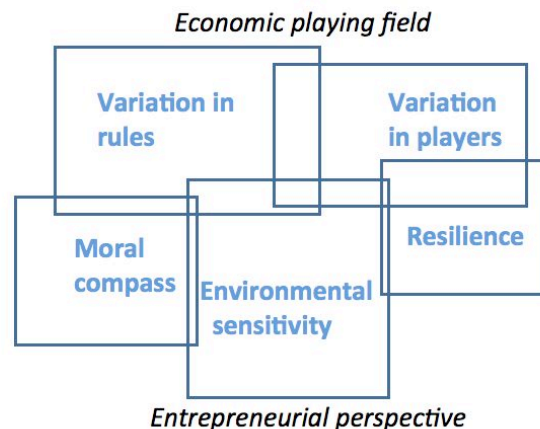
Organisations in a new economy contribute to sustainable development by striving explicitly for a combination of social and/or ecological with economic goals (combined goals). The dynamic framework for identifying and describing that organisation in a new economy is distilled from the characteristics of the organisations and the ideas of the initiators and their stakeholders about their entrepreneurial perspective and their way of operating in the economic playing field. The framework serves as a guide in discovering an initiative's own custom-made interpretation of a new economy within the organisation and on the market. By describing the five qualities:

- Variation in rules of play
- Variation in players
- Moral compass
- Sensitivity to environment
- Resilience

as areas of development for a new economy, a language emerges in which unique organisational and market developments can be compared and linked together. The framework offers the opportunity to share knowledge and to reap the benefits at a higher level.

Each organisation (consciously or unconsciously) creates its own mosaic of these five qualities by assigning more or less importance to each and interpreting them in its own way.

New economy a dynamic framework



Placing the organisations studied back within the framework clarifies the working of the framework and extends it further. Each organisation interprets these five qualities in its own way, one with more emphasis on resilience, another with more development of sensitivity to its environment. Sometimes these are conscious decisions; sometimes they are things that are still evolving. The framework emerges from their experiments and, taken together, they generate a shared idea of the situation as it is and can be. This does not mean that every organisation has already modelled everything on all fronts. They are all still interpreting most of the qualities to a greater or lesser extent.

4.2.1 Tapworld

"Our goal is life in harmony. Nature, the land, is the key." Willie Smits, Tapworld⁴⁹

Moral compass

Jurcell Virginia⁵⁰ describes the origins and activities of Tapworld as follows: "It started with a biologist, Willie Smits, who discovered all sorts of things about sugar palm, including the function of the palm in the environment. One of the problems is that you can't transport the sugar sap. Reducing the sap allows you to transport it. The village Hub (a local sugar sap processing unit) makes this possible, so the product can compete. We have proven amply that the use of sugar palms bring many benefits. If the end product finds a market, you can help more communities."

In these few sentences, Virginia outlines what Tapworld does and, implicitly, what its intentions are: to develop nature that is economically profitable and hence to make the repair of nature financially attractive and strengthen local communities. The sugar palm plays a vital role in this. Everything that is done and undertaken within Tapworld starts and ends with nature. By seeing the economy as part of nature, nature becomes the system within which the organisation operates. So nature determines which crop is grown where, and how, allowing nature and its ecological balance to recover or develop. Nature is the ecological *and* economic capital. Everything stems from it. In Tapworld's conception, the crop is not a single plant but a variety of plants that together form a natural habitat.

Tapworld's moral compass is entrepreneurship on the basis of nature. It is unconditional in that. In every decision, the impact on nature is to the fore. This basic principle is also at the root of its business and revenue model and the values that Tapworld has formulated.

⁴⁹ Willie Smits is a scientist, and the founder and initiator of Tapworld.

⁵⁰ Jurcell Virginia, finance/investment advisor to Tapworld

Sensitivity to environment

Because, for Tapworld's initiators, nature is a crucial factor in deciding what to tackle and how, their sensitivity to the environment is largely focused on nature. Willie Smits is continually studying what nature can and can't do, strengthened and restored by combining as many variables as possible. His connection to the natural environment has become part of him: "I used to spend a lot of time in the forest as a child, and wanted to work with animals. (...) Later I became a tropical forest team leader in Kalimantan, their goals were very similar to what we are doing: planting trial forests to see how we can ultimately plant new forests that are also economically profitable. (...) We developed methods for monitoring the forest, carried out scans (...) I have tried every system for planting forests, depending on a variety of factors. You can factor in the village you're doing it for. There's a model behind it. The knowledge is now extremely specialised."

Tapworld shapes its organisation and approach based on the natural and social qualities of an area and its inhabitants. For example, in one region the planting of sugar palm will be combined with fruit crops; in another with rubber trees. In each case, planting is combined with crops that are not economically profitable in order to ensure sufficient biodiversity.

In addition, Tapworld strives for close collaboration with a large number of stakeholders in the system. The initiators hold discussions all round, identify mutual contributions, and in the process try to share and develop their body of thought. Because Tapworld works on the basis of a holistic vision, it has a fairly broad spectrum of potential partners. This means that they talk to a lot of parties, all of whom can contribute to individual aspects of Tapworld. That variation in types and sizes of potential partners is not easy to manage and keep a grip on. Tapworld strives to find a balance between prescribing what should happen and letting things take their course.

Resilience

As an organisation, Tapworld has to constantly anticipate a wide variety of social and ecological environmental factors. This calls for an organisation with a wide range of options in the field of organising and process design. Tapworld does this by working on the basis of modules and models. For example, the Hub has been developed so it can be put together in a variety of ways. Small or large, with one function (reducing sugar sap) or with various functions (ranging from ethanol production, water treatment, animal feed or compost production to internet and banking facilities).

Aside from the modular structure of the Hub, Tapworld is able to design a wide variety of possible sugar palm forests based on arithmetical models and simulations, taking account of ecological, social and economic variables all at the same time.

Variation in players

Variety in the forest demands not only different farming methods but also a different way of operating on the market. For Tapworld, the challenge lies in making output, effect and impact quantifiable, so that the costs and proceeds of this method of entrepreneurship can be made tangible or understandable. Justus Martens⁵¹ gives an example: "Let's take the case of a region in Indonesia. People live there, it has sugar palm and forest. Some of the people collect palm sap, and some have other jobs. First you look at how much sap can be produced. The sap is made into sugar or ethanol, which is easy to sell. There is wood, fruit, the ethanol also produces energy for the local community. You have an export market, and you use part of it yourself. You take the proceeds from the whole region. That is the first thing, and there are other benefits as well." He goes on: "energy and clean water for a whole population. We have calculated, if everything works out, that the gross product is two to three times higher in a location where you build a Hub. If you generate income, the number of people living in poverty is reduced. They get access to universities, health care, spiritual growth. We're trying to help there too. Thanks to Tapworld's arrival, substantial benefits can be gained, separate from money. How much, we don't yet know precisely. A third benefit is ecological – the risk of forest fires is reduced, water regulation gets a lot better. The quality of the air is improved. The fertility of the soil. And a fourth is that the risk of natural

⁵¹ Justus Martens is a supervisory director of Tapworld.

disasters decreases. We try to assign as much value to those other things as to the economic bottom line. You're fighting urbanisation on a larger scale. It's a nice, direct way of doing something good. Not just for us, but for others as well."

By interlinking benefits in this way, the interaction between ecology, economy and social development becomes tangible and you can actually see how one affects the other. On that basis, Tapworld also attracts different sorts of investor, from individuals making donations to companies seeking to invest. Together, they make Tapworld possible. The holistic approach works by focusing on the relationship between economy, ecology and social development, by focusing not just on the output of what Tapworld does, but also how it gets there. A whole range of organisations, from universities to investors, from national authorities to local communities and from entrepreneurs to NGOs, are working with them in various ways in order to achieve this. All of them have their own motives for taking part. Some are more economic in nature, while others are more ecological or social, but they are all committed to the greater whole.

Variation in rules of play

Tapworld aims to assign value to as many benefits and impacts as possible, and thereby make them exchangeable. It works on models and ways to express the value of nature restoration and social development and to make them quantifiable. On that basis, Tapworld enters into consultation with investors, government, communities and entrepreneurs in order to explore together what they want to invest in Tapworld, or what they are prepared to pay for the products. In addition, there is always a part of the proceeds that Tapworld gives to nature, that the community or buyer gets for free. Because even if it can't be assigned a value, or if no-one wants to pay for it, Tapworld makes the decision to contribute on an ongoing basis to the recovery of nature.

Tapworld	
<i>Economic playing field</i>	
Variation in players:	Different forms and types of investors: industry, NGOs, government, individuals – all playing a role in determining the market value of Tapworld and its products
Variation in rules of play:	Assigning value to and exchanging effect and impact on society and nature Giving to the repair of nature
<i>Entrepreneurial perspective</i>	
Moral compass	Nature sets the tone and is the basis for all decisions within the organisation
Sensitivity to environment	Understanding and acting in conjunction with nature and the social and economic needs of the local community
Resilience	Modular approach to organisational structure (e.g. Hub and sugar palm forest)

4.2.2 Stichting Geïntegreerde Visserij (SGV)

“Vulnerability instead of reparability” Jaap Vegter, SGV⁵²

Moral compass

Jaap Vegter sums up the SGV’s endeavours as follows: “The ideal is to give fishermen the choice of fishing sustainably in different ways. Cleverly planned fishing methods in combination with knowledge of the Wadden Sea. We aim to be profitable by catching a quantity of fish that is as small as possible, i.e. by fishing seasonally with small nets. If the fish disappear, a fisherman is forced to fish for a different species. This makes it freer, less planned, with less negative impact. Based on the results, you can look at how to structure the fishing seasons and operations in partnership.” The SGV is driven by two principles: small-scale operations and balance with the Wadden Sea. The fishermen are part of the Wadden Sea and contribute to the ecological development of the area. Small-scale operations are vital, for various reasons. Working on a small scale emphasises the relationship between sea and fisherman: the sea leads, the fisherman follows. A second reason is that small boats and nets cause less damage to the marine environment, and a third is that if there are more small-scale entrepreneurial fisherman everyone can make a living, instead of the Wadden Sea being dominated by a few large fishing businesses operating with large vessels.

Small-scale fishing in harmony with the Wadden Sea - that is the SGV’s moral compass.

Sensitivity to environment

“Sustainability has to be continually defined in a dialogue, it needs to be kept under watch and remain a subject for discussion.” Jaap Vegter, SGV

Fishing in harmony with the Wadden Sea, with its flora and fauna, and with other activities going on in and around it, such as recreation and research. The ideal balance is determined in ongoing dialogue – a dialogue of equals in which fishermen, nature conservationists, government, the market, tourism and the community come together to determine what is right for each of them. On that basis, the fishermen draw up a fishing plan. The other organisations’ plans are also determined (in part) by the dialogue. Each party influences the others and all participants are required to be sensitive to the environment. That is the ideal of the SGV and of various other parties such as the Wadden Sea association (*Waddenvereniging*), the local province and the MSC (Marine Stewardship Council).

That is not easy to achieve. The SGV contributes in various ways: “We are going to set up our own management system, using Wadden funds for new fishing systems, in partnership with ecological associations. We gather knowledge with fishermen and nature conservationists, a stock-taking exercise. This gets round the regulations in advance, we keep everything up to date and stay in consultation so that everyone can get something out of it on the basis of practice rather than theory,” says Jaap Vegter. In addition, the SGV participates actively in a number of platforms and initiates joint activities with other Wadden Sea users, such as boat trips for oyster lovers, educational trips for specific target groups and tasting sessions with the hospitality trade. By working together in this way, the dialogue emerges automatically.

Resilience

“We choose low operating costs and maximum employment, close to home and with a small, profitable and safe ship. Diversity within the cooperative, combined with knowledge, makes us flexible. This sort of flexibility needs to be ingrained in a community, that’s how it was in the past and we need to get back to that.” Jaap Vegter.

SGV’s resilience is achieved by fishing for different species, depending on season, fish stocks and the fisherman’s skills, by diversity in fishing vessels, and by diversity in people in terms of knowledge and skills. For example, Westerhuis senior and junior, both SGV fishermen, say that in addition to their fishing activities they are also involved in research for the Dutch Department of Public Works (*Rijkswaterstaat*).

⁵² Jaap Vegter, the initiator of Stichting Geïntegreerde Visserij

Westerhuis jr. collects oysters: "I collect on request for restaurants, they want them fresh every day (..) Jaap has already made contact with restaurants and other buyers."

In the Westerhuis family's garden is a building devoted to fish processing and storage. All of the SGV's fishermen can use it. This example illustrates how, by banding together in a collective, the fisherman are able to carry out a wide range of activities. One works the market, another facilitates the processing. This enables them to do a variety of different things at low cost.

Variation in players

The SGV's aim is to develop a vigorous fishing community: to develop an entrepreneurial community in which all activities in the Wadden region have a place and to help the members of that community to make a living. The whole enables the individuals to shape their activities and make them profitable. In this way, they create an economic playing field in which fishermen, interest groups, government and entrepreneurs work together to make things better for everyone: for the Wadden region and for the people working there.

Variation in rules of play

Within the SGV, fishermen share catch quotas and permits in order to respond as flexibly as possible to the situation in the Wadden Sea. In so doing, they share the benefits of the sea.

It is not common practice to share catch quotas, fishing days and permits in the Netherlands. To enable this, the government has launched a pilot study in consultation with the SGV to look at how catch quotas, fishing days and the use of permits can be reviewed on a group basis. The intention is to collect this information and then make it available to other fishermen's collectives.

Besides sharing quotas and information, the SGV is also changing trade on the market by expressing the impact on the Wadden Sea in the price of the fish. SGV is making its mark on the market, in which "Van het Wad" ('from the Wadden Sea') products are presented as a delicacy sourced freshly every day from a particular area. According to the SGV, the price for products from a nature conservation area can be pitched higher due to their exclusivity and because the costs of preserving that area are taken into account.

Stichting Geïntegreerde Visserij

Economic playing field

Variation in players:	All players in and around the Wadden Sea determine the economic playing field, so the sea is part of the process and the individual entrepreneurs can make a living from it
Variation in rules of play:	Assigning value to and trading the ecological impact of fish caught by the SGV fishermen Sharing information and quotas

Entrepreneurial perspective

Moral compass	Small-scale fishing in harmony with the sea Developing a vigorous fishing community
Sensitivity to environment	Acting on the basis of developments in the Wadden Sea and the interests of the sea, and safeguarding them continually in dialogue with all sea users and interest groups More people fish less overall and everyone can make a living
Resilience	Diversity in fishermen, fishing techniques and knowledge, skills and activities

4.2.3 *Festival sur le Niger*

“Maaya Entrepreneurship: the Entrepreneurial Model of the *Festival sur le Niger*, involves a discourse that is enriched by the values of our past societies and the progress of our time. It invites us to discover a path of renaissance in entrepreneurship, which bases its organization on meeting the needs of a united, solidary, enterprising community, while incorporating the values of modern management.” Cheick Oumar SISSOKO, film-maker and former Malian Minister of Culture

Moral compass

The *Festival sur le Niger*, initiated by Mamou Daffé together with other hospitality sector entrepreneurs in Ségou, is a cultural festival that combines contemporary and traditional forms of art. Tens of thousands of visitors come to Ségou every year for the festival.

Daffé describes the aim as follows: "How to realize artistic, economic and social sustainable development based on local values, incorporating modern management principles. By initiating the *Festival sur le Niger*, I found an answer to this fundamental question, inspired by the Malian vision of humanism: Maaya."

Daffé is very clear about his moral compass: as far as he is concerned, an organisation in a developing country can serve no goal other than contributing to social development. Consequently, that is also his main aim for the *Festival sur le Niger*. Even in the way in which Daffé and his team seek to achieve it, they are guided by their moral compass. They seek to combine their traditional values with more global, often Western, values of entrepreneurship.

Sensitivity to environment

By doing business on the basis of the values and customs associated with the concept of Maaya, a style of entrepreneurship emerges that is very closely connected with the customs and values of the society. The community helps entrepreneurs, and the entrepreneurs help the community. Entrepreneurship is engaged in within, with and for the environment, a far-reaching form of sensitivity to the environment. "So the entrepreneur steps beyond the bounds of trade and functions as a fully-fledged member of the community, acting under the same conditions and with the same responsibilities as any other member of that community. Entrepreneurs are in fact part of the community, like all other members such as fathers, mothers, elders, artists and employees. They are therefore just as responsible for the wellbeing of that community as every other member. Entrepreneurship benefits the community as a whole, not just the company itself."⁵³

Resilience

This style of entrepreneurship calls for a high degree of adaptive capacity. Moving with the environment, understanding the environment, scrutinising and connecting with a different environment are vital in order to connect different worlds. Learning and experimenting are the core of the festival's resilience. Mamou Daffé: "In organizing the festival I need a lot of different kinds of expertise, most of them not in my field. So what I do is just find somebody or a group who have that specific knowledge. They can start or expand their own enterprise in doing whatever they are doing and I'll hire them for the festival. If there is no expertise in the region, I just bring it in from outside. I ask those experts to teach our people so they can start their business again after learning that specific expertise. Step by step, a community of people and companies evolves, that can run the festival today and can support the development of what it can become in the coming years."

Variation in players

The community and the festival are inextricably bound up with each other. That strong connection leads to the development of a varied and cohesive economic playing field characterised by a high degree of mutual dependence. The festival is a catalyst for the social, economic and cultural development of the

⁵³ Godelieve Spaas, Maaya based entrepreneurship, Ségou, Editions la Sahélienne, 2012

region in and around Ségou. In the eight years of the festival's existence, a host of small businesses have grown up, encompassing restaurants, light and sound, traditional fabrics, galleries and hotels. Together, they make the festival possible and at the same time the festival forms the basis of their existence. A particular feature is that the businesses, just like the Stichting Geïntegreerde Visserij (SGV), don't try to push each other out of the market but attempt to collaborate within it as far as possible.

Entrepreneurship is a joint activity with social impact at the forefront. You set yourself apart through diversity and partnership.

If entrepreneurship is a joint activity, i.e. an activity that benefits all entrepreneurs, it calls for the sharing of market opportunities, orders and work. This makes it possible to achieve social and economic development together for the community. Kalifa Touré gives an example of this⁵⁴: "For example, regarding the fact that not all visitors can go to hotels, they have asked the population to make rooms in their houses available for foreigners. Of course, they could have asked hotels to build more rooms as well and that is the case, but that is still not enough and they did not put the emphasis on that. They put the emphasis on broader sharing of the income. So making sure that people from Ségou who don't have hotels can also gain an income from the festival. And that goes beyond money, because these are links, networks created between these people and guests that evolve during the festival."

Festival sur le Niger

Economic playing field

Variation in players: Entrepreneurship by sharing market and entrepreneurial opportunities, expertise, knowledge and orders, in order to achieve social and economic development together.

Entrepreneurial perspective

Moral compass Entrepreneurship is contributing to social development.
Sensitivity to environment The community helps entrepreneurs, and vice versa. In fact, they are two sides of the same coin, and in constant contact with each other.
Resilience Continual learning and evolution is the basis of development. And the organisation is structured on that basis.

⁵⁴ Kalifa Touré is the general secretary of religious association in Ségou and a member of the ethics committee of the *Festival sur le Niger*.

4.2.4 Enviu and Open Source House Ghana

“Co-creation as Enviu sees it is actually quite similar to the Ghanaian idea of two hands are better than one, but even stronger maybe. You actually are going to work with these people, get their input and help them refine their input and together you create a unique product.” Samuel Biitir, CEO of OS House Ghana

Moral compass

Enviu is an incubator of new entrepreneurial sustainable initiatives. Open Source House (OS House) is one of those initiatives. In Ghana, OS House aims to build a hundred thousand houses for lower income groups in the coming years. Houses that are sustainable and affordable. This calls not only for well-designed houses that can be built using sustainable, locally-sourced materials, but also for organisation of the housing market. The former has been achieved by a large group of architects who have designed over three hundred houses based on specific features of Ghanaian circumstances and culture, and made the designs available according to 'open source' principles. The moral compass of Enviu and OS House aims to contribute, by entrepreneurial means, to quality of life in an 'open source' manner.

Sensitivity to environment

Both Enviu and OS House aim to devise ideas and build organisations on the basis of co-creation. Samuel Biitir explains why this is so important to OS House: “The issue with people having lower incomes is that they cannot get funding from the bank. For me, a person from a microfinance background who understands group dynamics and what the power of groups can do, I said well if these people as individuals cannot walk personally to the bank to get funding then you can group them so the bank knows that they are not dealing with only individuals which gives them a kind of assurance.” “So we tapped into the existing societal structures. For instance from GNAT, NAGRAT, both associations for teachers, and brought it into the economic paradigm so it can contribute in solving the issue of housing and mortgages. So we are organizing them through unions, and other community networks so that the banks and institutions notice these groups are marketable and reliable customers.”

It is not only banks but the people themselves who become stronger by organising. Together, they can buy the land and get it ready for building, and help each other find the means to buy a house. People in Ghana are often members of several communities. According to Franklin Treve, a maths teacher at Aggrey Memorial School, this has to do with the fact that life in Ghana is insecure. Traditionally, people in Ghana are organised into families, communities and bodies such as professional associations that look after each other in difficult times. As a result, everyone in Ghana is a member of several associations. These associations have developed slowly but surely into organisations that furnish their members with loans, buy products and services together, and provide education and training. They also play an important role in monitoring values and standards, and mediate in conflicts.

His story illustrates how important it is in Ghana to work together, to shape the development of the land and your own life hand in hand in a community context.

These communities are also important for OS House. They mean that several houses can be built and sold at the same time, which is cheaper. In addition, the professional associations offer a platform for consultation and coordination, resulting in a longer-term relationship of collaboration based on mutual trust. The importance of this is explained by S.D. Kwasi Botchway, Chairman of NAGRAT (association for teachers in higher education): “OS House invites us to give our own suggestions about the houses in workshops. There is even the platform to give specifications. They come up with ideas how we could work. I think it is more cooperative than others who build. They deal with the individuals but they also deal with the collective including the complete structure of hierarchy, formal and informal. Everybody is involved.”

The organisation of OS House is evolving more and more in the direction of a community or a network of organisations. They enter into partnerships with banks, architects, construction firms, maintenance firms, government authorities and spiritual leaders of communities that are responsible for the land and its ownership.

Resilience

Architects from all over the world worked on designs for sustainable houses in Ghana. To fit in with Ghanaian practice, they collaborated with universities and architects in Ghana. The best designs were implemented in Cape Coast in Ghana. However, conversations with potential buyers indicated that some aspects of the houses, despite the collaboration with Ghanaian partners, did not ideally match the needs of future inhabitants.

The resilience of OS House and Enviu is evident from the speed with which they then adjusted their strategy. OS House Ghana immediately set up workshops to explore how the houses could be adapted. Enviu lost no time in investigating how to adjust the approach for OS houses in other countries. Both organisations are characterised by a high degree of flexibility in their processes. They tackle things always in a mobile and learning manner, based on an ever-evolving understanding and a custom-made approach to each project.

Variation in rules of play

The basic principle of working 'open source' means that Enviu and OS House participate in adding to the rules of play on the market. They share knowledge about processes and methods and share designs for sustainable solutions and information to help achieve them. For Enviu, adding to quality of life means as many people as possible having access to and being able to use those solutions, so that the world as a whole can effectively become more sustainable. For each idea or concept they devise, Enviu develops a revenue model in which sharing and exchanging are combined.

Enviu OS House	
<i>Economic playing field</i>	
Variation in rules of play:	Seeking the optimum synergy between exchanging and sharing in order to achieve a sustainable solution by entrepreneurial means.
<i>Entrepreneurial perspective</i>	
Moral compass	Contributing to quality of life in an 'open source' way by entrepreneurial means.
Sensitivity to environment	All ideas, concepts and businesses come into being in co-creation with the environment.
Resilience	Developing processes on the basis of evolving understanding by evaluating (is this what and how we intended?), learning and quickly readjusting or throwing the whole thing away.

4.2.5 Stichting STROhalm

“Our dream is to make a rival form of money. To achieve that, we first need a project that is large enough to finance itself. Once the project is there, you need to make the experience available.” Jaap Vink, STRO

Moral compass

The idea of making a complementary form of money stems from the desire to change economic growth from exponential to natural. Henk van Arkel of STRO: “That economic growth, exponential, is fatal for the environment.” Originally an environmental organisation, STRO is concerned with changing the economic playing field in order to safeguard sustainability in organisations and to enable more people to provide for their own needs in an independent, entrepreneurial manner. “In the Western world it is often more efficient to exploit the environment in a non-ecological way than in an ecological way. Many sustainable investments are profitable, if interest doesn’t come into it. The combination of the urge for growth and the lack of opportunities for sustainable investment is the problem”, according to Jaap Vink.

STRO’s moral compass aims to contribute to the development of a different, natural form of economic growth that enables us to exploit the planet’s resources in a sustainable manner and gives people without an income access to the market as suppliers and customers.

STRO does that by changing the conditions on the market in such a way that entrepreneurs start to operate differently on the market. STRO investigates the impact of the following three conditions on the rules of play and players on the market:

- Lowering interest as close to zero as possible
- Democratising the issuing of money

The circulation of money is a flow of information: the movement/circulation of money gives information about economic development. By working with complementary money, STRO is able in practice to experiment with these conditions and to see how entrepreneurs’ behaviour changes.

Sensitivity to environment

STRO is developing complementary money in practice. Together with government, local entrepreneurs and the community, they are building a local economy with its own monetary unit in a co-creation process.

By democratising the issuing of money, i.e. in addition to the money issued by the state, everyone in principle can add means of exchange to the market. A vital requirement is that the community should reach agreement, so that all parties involved have confidence about the use and value of the alternative money. Developing a system together on the basis of sensitivity to the environment is a vital precondition.

Variation in players

For STRO, entrepreneurship means exploiting the capabilities of all, enabling people to provide for themselves, without requiring constant exponential economic growth. To that end, it is necessary to structure trade on the market in such a way that everyone can participate. Complementary money makes involvement possible for everyone, both as customer and supplier. This allows people with little or no money to begin to participate in that economy and so provide for themselves. “Santa Cruz, Cidade de Deus, an enormous slum district to the west of Rio de Janeiro, has opened a community bank that is circulating its own currency for the development of the local economy (...) ‘the idea of a solidary economy is spreading worldwide. With community banks and our own currencies we can break down the isolation of the lower classes,’” says councilman Da Costa.⁵⁵

Henk van Arkel: “If enough people take part, a system develops in which up to 85% of people can effectively access the global market.”

⁵⁵ From the Volkskrant newspaper. For more information on Banco Palmas community currency, see: <http://www.strohalm.nl/projecten-wereldwijd/brazilie/73--bancopalmas.html> and <http://www.strohalm.nl/actueel/174-banco-palmas-2011.html>

STRO

Economic playing field

Variation in players and rules of play

By changing the conditions on the market, STRO contributes to the development of new rules of play on the market and helps to make it accessible to new players.

Entrepreneurial perspective

Moral compass

Making sustainable entrepreneurship possible and making the market accessible for people with no money, by democratising the issuing of money.

Environmental sensitivity

Building a local economic system together with local authorities and partners.

4.2.6 Specialisterren

“We are so used to looking at people’s shortcomings that we forget to look at their talents. We focus on developing what isn’t so good, rather than on reinforcing their strengths.” Sjoerd van de Maade, Specialisterren

Moral compass

Specialisterren is a software testing company that employs people with an autistic spectrum disorder (ASD). People with ASD turn out to be extremely talented at testing work. Despite the repetition involved, they stay alert and sharp in their observations and assessments. By adapting the working environment in such a way that people with ASD can work effectively within it, Specialisterren aims to show that production based on talent has economic and social added value. They choose to create a business that fits in with their employees, not the other way round. This moral compass has its origins in the fact that both initiators have a son with ASD. They know from experience that people with ASD are gauged more on their handicap than on their talent, which reduces their chances of a pleasant and appropriate workplace. That is a situation that Ronald van Vliet and Sjoerd van Maade aim to change.

Sensitivity to environment

With this style of entrepreneurship, Specialisterren also aims to contribute to the development of corporate social responsibility. Initially by adopting a social style of entrepreneurship themselves, but also by giving other organisations the opportunity to do business with a partner that looks out for a vulnerable group on the employment market. It takes a great deal of explanation and persuasion to convince organisations that people with ASD make excellent testers, and indeed that it is their forte and the quality of their work is particularly high as a result. Specialisterren also aims to encourage those around it to adopt the attitude shift of looking at talent rather than at limitations.

Resilience

Everything in the business is organised with a view to enabling each employee to work in his or her own way in order to achieve the best results.

“Every morning we hold a short meeting in which we answer three questions: what did you do yesterday, what are you going to do today, and is there anything standing in the way of your work?” says Martijn, one of the employees. “And if there is something giving me trouble, I can just say it and they will sort it

out for me. Plus the work is divided up into little pieces that I can keep good track of and are easy to finish in a day. That last one in particular saves me a lot of stress.”

“We try to do the work 100% stress-free. The term ‘pressure of time’ is not used here. We reinforce and empower and try to strike a balance between clarity, focus and space,” explains Sjoerd van de Maade.

That balance between focus, clarity and space forms the basis of the management style within Specialisterren. To that end, Sjoerd van de Maade and Ronald van Vliet have developed three management principles that can be combined differently for each person.

The first principle is coaching according to talent: making sure that people learn to function independently in their own way. The second principle is a combination of two methods of software development (scrum and agile). This amounts in practice to a clear overall concept, continual monitoring, and adjusting quickly and flexibly.

And the third principle is job carving, a method of dividing jobs up into small, manageable chunks (different for each person) for which an individual can take responsibility.

The combination of these management principles ensures that people and work methods can be deployed flexibly and depending on the situation. As a company, Specialisterren aims to deliver quality and to meet its deadlines. Thanks to this resilient style of organisation and management, each assignment can be carried out in a manner that guarantees quality and delivery time.

Variation in rules of play

This approach makes Specialisterren unique. Because they consider it important that as many people as possible should be able to take part in the labour market, they make their experience available to other (social) entrepreneurs. For example, they have written a book about their methods. “In it, they take a very social stance and say: we are sharing what we know and what we have developed, and anyone who can manage it with the book can join in. It’s all on the website as well.” Jan van Gennip, Start Foundation

Specialisterren	
<i>Economic playing field</i>	
Variation in rules of play	Sharing knowledge about social entrepreneurship and working with people with ASD in particular.
<i>Entrepreneurial perspective</i>	
Moral compass	Managing according to talent, giving people with ASD a fulfilling place in the labour market.
Resilience	Flexibility and adaptiveness by a combination of managing according to talent, concept development and job carving.

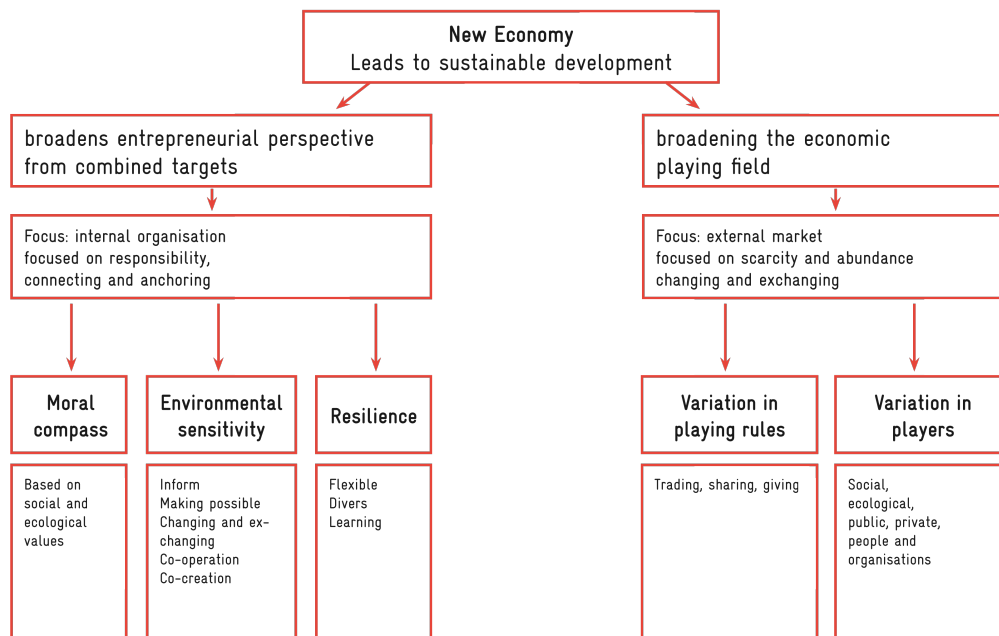
5. Conclusions

“We need to do it now; we need to start to change.” Jaap Vegter, SGV

The entrepreneurs in this study show that a new economy and sustainable entrepreneurship are characterised by a broadening of the economic playing field and the entrepreneurial perspective. A new, more hybrid, constantly evolving economy is emerging, one to which the businesses studied here are making a conscious contribution.

Because these businesses aim to bring about ecological and/or social developments and also see that as their primary objective, they base their way of working accordingly on a unique combination of social, ecological and economic values. As a consequence, organisations and economy become more hybrid. Social and/or ecological values start to assume greater importance in organisations and economy, in addition to economic values.

New economy a dynamic framework



Broadening the economic and entrepreneurial playing field is a dynamic and continuing process. As a consequence, this study cannot say anything about the form of that playing field itself. But it *can* comment on the way in which that playing field is being extended.

Initiatives in a new economy are characterised by:

1. Contributing to sustainability: ecological and/or social development is the core activity of an organisation.
2. Social and/or ecological values form part of economic activity.
3. Entrepreneurial style is a conscious decision based on the moral compass of the organisation.
4. Helping to shape the development of the entrepreneurial perspective and economic playing field is part of what the organisation aims to achieve.

The economic playing field is expanding mainly due to a different dynamic on the free market. Giving and sharing are gaining a place alongside exchanging. And alongside competition, collaboration is becoming a basis for determining the price and value of products, services and ideas. Parties other than customers and suppliers can play a role in that collaboration, such as social and ecological interest groups.

The broadening of the economic playing field in a new economy calls for a custom-made interpretation of:

1. Variation in rules of play: the market who trade and exchange (scarce) goods, services and (abundant) ideas and talents by exchanging, sharing and giving.
2. Variation in players: who compete with each other and work together, with no-one being automatically excluded from participation.

The entrepreneurial playing field is expanded because entrepreneurs see themselves not as separate from the world around them but as an integral part of it. That brings social and ecological values and new economic values into the organisation and, based on them, the entrepreneur makes decisions about what and how he creates, and with whom. The entrepreneur's intention regarding what he wants to achieve in society and nature determines his entrepreneurial approach. A clear moral compass is a vital precondition.

Being part of a larger system makes you vulnerable. It means that sometimes you have to follow; sometimes you can lead. On the one hand, the organisation helps to shape the environment. At the same time, the environment helps to shape the organisation. This means that you need to be able to respond quickly to developments and dynamics in the environment, which demands flexibility, creativity and adaptive capacity.

What you make is produced in that environment. After all, the organisation sees contributing to sustainable development as a core activity. What works becomes visible within that practice and constant adjustment is required until it works. The more resilient the organisation, the better it can anticipate mobility in the system or people, and the more effective it can become.

In addition, the entrepreneur is aware that achieving sustainable or social impact requires co-operation from and with that society or nature. That calls for knowledge and understanding of the environment. Who are the players? What drives them? Why and how to connect? What is the nature and strength of that connection? Observing and understanding all of this demands a high degree of awareness of the environment, in order to arrive jointly at the best products, services and ideas.

The broadening of the entrepreneurial perspective in a new economy calls for a custom-made interpretation of:

1. Moral compass: taking responsibility in entrepreneurship on the basis of ecological, social and economic values and combined goals.
2. Resilience: securing the adaptive, flexible and creative capacity to react to mobility of people and environment.
3. Sensitivity to environment: connecting with the stakeholders in the system by organising and acting together.

5.1 Old and new economy

The organisations in this study show that a different style of entrepreneurship is possible: a style of entrepreneurship that contributes to nature and society, works together with nature and society, and adopts elements from them which it then transposes into entrepreneurial activity.

Looking at these organisations, we can see a shift in the forms that entrepreneurship can take, in which the domain of the economy is increased. The three main areas of expansion demonstrated in this study are:

From autonomous organisation to collective organisation

Organisations as autonomous units are increasingly and more explicitly connected with their environment. Organisations are shaped in and together with an environment and contribute to the development of the environment of which they are part. Organisations are also becoming more than one (legal) entity and developing into a network of mutually reinforcing organisations in which profit-making and non-profit activities are combined.

From creating value to realising values

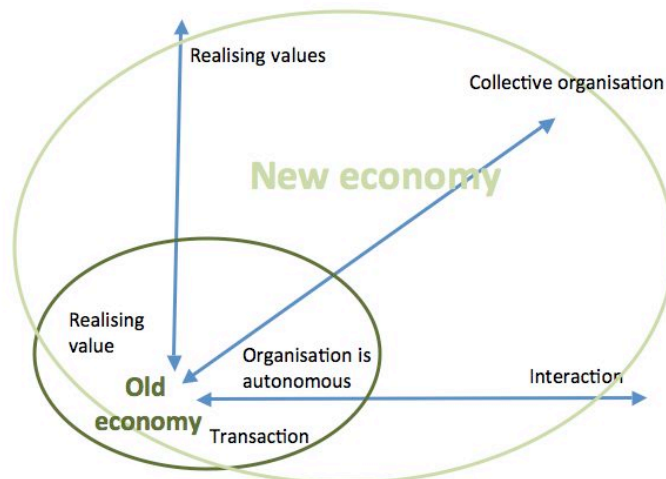
Organisations create value on the basis of values. It is not just the product or service itself that determines its value; increasingly, the (social and ecological) values realised along with the product or service contribute to its value.

From transaction to interaction

Products, services, ideas and knowledge are exchanged not only in transactions, but also on the basis of giving and sharing.

The current domain of the economy is part of a new economy. In a sense, the boundaries of the economy are widening. Activities that currently lie mainly in other domains such as community and nature are becoming part of the economic domain.

From the current economy to a new one



5.2 Scaling up

All of the organisations in this study are still fairly small-scale at present. Whether the approaches described here will actually work on a larger scale cannot be demonstrated on the basis of this study. What *is* clear is that Tapworld, Enviu, Specialsterren and the *Festival sur le Niger* have ambitions in terms of scaling up.

Enviu aims to do so by setting up communities in different countries, Tapworld by building a network of hubs and cooperatives and by creating a large distribution and processing organisation, and Specialsterren by working on multiple branches and by supporting similar initiatives.

Festival sur le Niger aims to expand the network of entrepreneurs surrounding the festival still further.

What is striking is that all of the organisations, in their efforts to achieve growth, are working to expand not only their own organisations but also those of their stakeholders. This means that the scaling up of entrepreneurial organisations goes hand in hand with a scaled-up involvement of their surroundings. The scaling up of these organisations takes place in and with their environment and leads to the scaling up of a cohesive system.

Annex 1

Factsheets about the organisations in the study

STRO (www.strohalm.nl)

Social TRade Organization (STRO) develops regional economic systems that create fair opportunities for people living in poverty. STRO devises local alternatives to existing global monetary systems with the aim of developing the capacities of local people and the local area. Its guiding principle is to reduce money to its essence: a means of exchange and a unit of measurement. By not hoarding money, investment starts with people rather than capital. And by not charging interest on loans, a business doesn't need to grow at all costs to be able to repay the money borrowed. STRO tests new economic methods in pilot projects in places such as South America and Central America. The new methods are put into practice in conjunction with local partner organisations.

New economy

STRO's aim is to design an alternative economic system. It assumes that an economy based on constant growth in turnover is no longer viable at a time when raw materials are becoming scarcer and scarcer. Constant growth puts too great a strain on our environment. STRO doesn't question the free market itself, but the economic rules of play that have developed within it. Money is a crucial factor in that. Without money, you can't run a business. And conversely: with money, you can grow your business. STRO aims to show that there is another way. By replacing money with a complementary unit of currency owned by the local population, STRO demonstrates how a business model based on the capacities of people and the region leads to entrepreneurship in harmony with man and the environment.

Enviu (www.Enviu.org)

Enviu develops world-changing businesses that have a positive social and environmental global impact, seeing them through from initial idea to launch. In developing a start-up, Enviu works with a large group of international entrepreneurs, professionals, universities and multinationals. Only by joining forces is it possible to develop successful businesses with a huge positive impact on our everyday surroundings. One of these businesses is Open Source House (www.os-house.org), which aims to develop sustainable and affordable housing for people in low income countries. OS House is currently developing a project in Ghana to build a hundred homes for people on low incomes without increasing their footprint significantly. The designs for these houses are available to anyone who aims to build sustainably.

New economy

Enviu's aim is to develop a different business model. The businesses it starts up add to rather than take from their environment. Enviu is a body that believes in the 'economy of the crowd' and an open organisation that devises ideas in cooperation with society and develops them into fully-fledged businesses. Its primary objective is to stimulate the economic playing field by contributing businesses that improve quality of life for as many people as possible but are also robust thanks to sustainable economic performance. On that basis, Enviu sets out to prove that there is another way of doing business.

Specialisterren (www.Specialisterren.nl)

Specialisterren is a business that tests software. What is special about it is that it works with people with autistic traits. Their above-average powers of concentration, eye for detail and logical thinking are extremely useful skills that make someone with autism better and faster at testing software. Specialisterren offers businesses the chance to operate as a socially responsible enterprise without having to compromise on quality, efficiency or competitiveness.

New economy

Specialisterren originated from the idea of creating a business based on people's talents. The starting point was not the product but the abilities of people with a form of autism. What can they do that other

people are not so good at? A product-market combination was also identified. Then the organisation, management and work processes were designed in such a way as to develop the talent of the individual employees to the utmost. Everything in the business is related to its staff. Be it productivity, margin or break even points, everything starts and finishes with the employees.

Tapworld

Tapworld is a pilot project that aims to contribute to the recovery and advancement of nature and social development, based on the production of sugar and ethanol from sugar palm. Sugar palm, a crop that grows only in a mixed forest setting, produces sap that is harvested by local farmers. Local village communities in remote areas of Indonesia process their sugar palm sap in tiny factories. Each of these mini factories is a local sustainable production system which supplies the raw material to a large central factory sited in an easily accessible location. This 'hub' also provides clean drinking water, biofuel and biofertiliser for local use. The result is a system in which nature, man and economy support each other through a mutually profitable combination of production and processing, employment, decentralised energy supply and forest management.

New economy

Above all, Tapworld is a completely different business concept. Its main principle is taking its lead from nature rather than attempting to bend it to its will. Nature holds answers to some major issues of the current age. Sugar palm is one of those answers. This crop provides man with sugar and energy, the forest with biodiversity, farmers with an income, and the community with social development. By assuming overall responsibility for the whole system surrounding this crop in the natural and social environment, Tapworld as a business aims to show that a holistic entrepreneurial model is possible – and profitable – for man, nature and economy alike.

Festival sur le Niger (www.festivalsegou.org)

Festival sur le Niger is a theatre, music and visual arts festival held annually in the town of Ségou in Mali. Its aim is to foster the social, cultural and entrepreneurial development of the region. The festival was founded in 2003. In a relatively short space of time, the *Festival sur le Niger* has had a huge impact on the cultural and economic development of the town of Ségou. Examples include the Centre Culturel in Koré, a number of cooperatives in the field of art and applied art, the development of catering establishments and dialogue on social and economic development in synergy with Malian culture.

The festival has successfully combined entrepreneurial objectives with social and cultural goals, and has managed to interweave those goals in such a way that none of them has been left weakened. Indeed, all three goals support and enhance each other to increase the overall impact of the festival on Ségou, the local region and Mali as a whole.

New economy

The *Festival sur le Niger* is an entrepreneurial initiative that is supported and encouraged by the local community. It is not about developing one large, successful business, but lots of small ones all helping to support people and families. Working together, sharing work and contributing together to the development of the whole community are the local traditional values on which the festival is founded. Interweaving modern entrepreneurship with local traditions leads to the development of a sustainable local economy in which everyone can participate and from which everyone can derive a living.

Stichting Geïntegreerde Visserij (www.geintegreerdevisserij.nl)

Stichting Geïntegreerde Visserij (SGV) is a coastal fishing venture that operates with respect for nature, employment and fishing culture. SGV is a cooperative of fishermen working together to develop a practical and achievable future for coastal fishing using small vessels sailing from large or small harbours, islands or the beach in the Dutch Wadden Sea.

The future lies not in larger catches but in quality and in offering a wider variety of fish, crustaceans and shellfish. Working flexibly in partnership with nature, the sea and the seasons and taking account of society's needs and wishes. Living ports and harbours are the picture of the future, with activities in tune with the coastal landscape and employment for local inhabitants.

New economy

Bad weather means no fishing. As a small-scale fisherman, you are dependent on the sea. When it really comes down to it, the sea is stronger than you are. Does that make fishermen vulnerable? Perhaps, but coping with that vulnerability is what characterises the work and life of small fishermen. It is the basis on which they operate. In practice, that means finding ways of operating and organising that take account of the variable and fickle nature of the environment. And making choices. SGV prefers fishing with a larger number of smaller vessels over fishing with a couple of large vessels. This makes the fleet more mobile and resilient in responding to the variability and diversity of the Wadden region. Fishing flexibly and on a small scale, for several species, is the best way to fish sustainably in the Wadden Sea.