

Transforming Social Enterprises: The case of Kenyan and Vietnamese microfinance institutions

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***Discipline:* Organisation sciences (J: O. Studies)**

Transformation

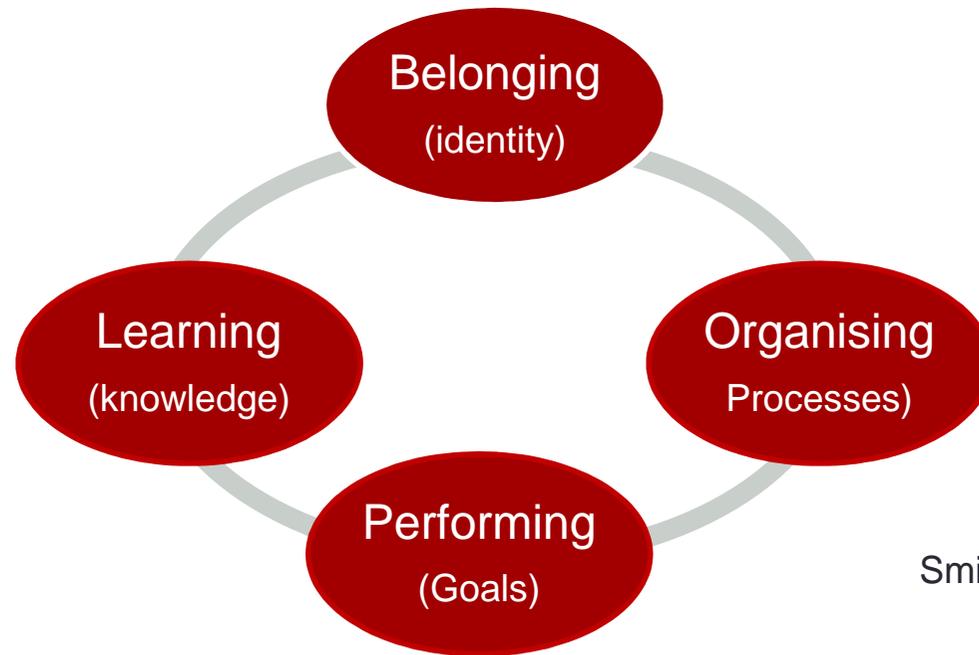
- Transformation is a sign of commercialisation (Armendariz and Morduch, 2010)
- Transformation started in the 1990s (but more especially since 2000s)
- Often presented as something ‘inevitable and necessary’
 - Increase efficiency and financial sustainability
 - Enlarge products and services range
 - Increase societal impact

Transformation into for profit is often not taking up as expected and encounter a number of difficulties

→ Key question: can organisations maintain hybridity?

We study the tensions of transforming

Structure/ Framework



Smith and Lewis, AMR, 2011

How those elements evolve through out the transformation phases creating different tensions/sturggles throughout the different phases

Data

- Kenya (20) & Vietnam (42)
- 62 Interviews (semi-directive)
- Observation

MFI	26
Clients	10
Regulators	5
Donors	10
Others	11

	NGO	Independent NGO	Independent for profit	Shareholder firm – one shareholder	shareholder firm – several shareholders	Stock quoted firm
K			Juhudi Kilimo (Spin-off K-REP) Molyn Credit Limited	KWFT Rafiki	Faulu K-REP	
VN		CEP CWED/ MOM		M7 Thanh Hoa Fund for Women TYM		
Total		2	2	5	2	

Analysis

- Iterative work between the interview data and the relevant literature to develop appropriate themes and codes

Step 1: explorative study on a limited sample to identify the themes →
Make sense of the data

Step 2: More detailed analysis of the selected interviews focusing on primary questions (what, why, how, who, and when)

Step 3: Back and forth between data and literature with a focus on institutional logics and identity to find patterns

Coding book

Transformation

Why do they transform?
What is transformation?
What do they say about regulation?
Implications of the transformation?

Institutional logics

Relationship between the logics
Market logic
Social logic

Identity

Confusion/dual identity
Finance/banking
Non for profit/social
What is microfinance
Mission drift
Decoupling

Another example: Ethics

- Co-authored with L. Kleynjans
- Research question: What is the specificity of codes of ethics of social enterprises?
- Mexican microfinance codes
- Field: Business ethics (J: JBE)
- Methodology: Comparative case study
 - Content analysis of 8 codes
 - 10 interviews of internal stakeholders and experts