

# Has someone seen my spark?

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# Entrepreneurship within Oxfam Novib

Research on the interpretation of entrepreneurship and leadership by Oxfam Novib staff

*Master thesis*

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## Preface

You are now holding my master thesis on entrepreneurship within Oxfam Novib (ON). I have known ON for a long time. One of my first memories of ON is sitting with my sisters in the canteen, which always smelled the same and after ten years still does, and hearing people say; ‘oow, these are you daughters?’ When I went to primary school we used to go to ON, where my mum used to work, at least once a year at Prinsjesdag. It feels very strange and funny to end up here, at least ten years later, performing research. That I still know many of the people working at ON is very strange but it somehow also feels very welcome. Doing research at ON has been an amazing experience and this period has been very valuable to me.

Passing by the different stages of my research and writing my thesis I had many people helping me along the way. I would like to thank all these people who have been by my side, supporting me. I want to thank some people in person as well. First, I would like to thank Gine, because if it was not for her I would not be writing my thesis at ON. Secondly, I would like to say thanks to Monica, because she let me in to the Change Management Team, which has been a very valuable and memorable experience as an organisational change management student. This leads me to thanking Oxfam Novib and especially all the staff and respondents who helped me during my research. Thank you for your time and knowledge. Thank you for letting me see what you are doing and letting me find my place in the organisation. Without your support my thesis would not exist.

I would like to thank Ewout, who has been a great help. Many breaks we have been sitting at the statue in front of Paleis Noordeinde, having our lunch and talking about our researches. Thanks also to my classmates and especially my supervision group; Tim, Juliette, Lilian and Milou. Milou and Lilian, extra thanks to you for listening to my complains and questions on the chat during the research period.

I would also like to thank Jo, Martijn, Aletta and Ivo. Ivo, thank you for being there for me during my research and helping me by asking the right questions every time I needed help. Aletta, thanks for your support and time during my research. Thanks for your confidence in me and letting me find my own way. Jo, thank you so much for correcting my English grammar during your holiday. Finally, I would like to thank Martijn who has been my supervisor during this process. Thank you for your patience, especially in the first stage of focussing, and your help and tips. This has been very useful and you kept me going on the right track.

I would like to say a special thanks to my family who have been very patient and helpful during this period. I would like to thank my mum and dad especially for reading my thesis over and over again and for always helping me. Without your help I would not be where I am now. I cannot thank you enough. Thank you so much!

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## Abstract

To graduate from the Utrecht School of Governance, I undertook research at one of the largest nongovernmental organisations of The Netherlands; Oxfam Novib (ON). I researched entrepreneurship within ON, a topic that is getting more and more relevant within the Dutch international development cooperation sector as well. The field of international development cooperation in The Netherlands is changing and has an insecure future. As a result of the economic crisis and the budget cuts of the government, ON received fewer subsidies than it has been receiving for the past years. In order to survive in this context, the board of directors of ON decided that ON has to become an entrepreneurial organisation.

The research focuses on how ON staff perceive entrepreneurship and interpret leadership necessary to change ON into an entrepreneurial organisation. The following research question was formulated: *“How is entrepreneurship interpreted by staff of Oxfam Novib and how do they interpret the role of leadership in establishing entrepreneurship within the organisation?”*

In order to answer the research question the concepts of entrepreneurship, leadership and organisational culture and their linkages were studied. I made use of the qualitative research method in which observations, formal and informal interviews, group sessions, desk research and literature research form the basis of the analysis.

According to many respondents entrepreneurship is important for the survival of ON. Entrepreneurship can be found at individual and at collective or organisational level as scholars and respondents argue. At individual level, entrepreneurship is perceived by the respondents as; seeing, creating and taking opportunities in innovative ways, by thinking out of the box, cooperating and networking. They argue that entrepreneurship is instigated by a spark or internal motivation of the entrepreneur. The respondents name characteristics of the entrepreneur like; not giving up, willingness to fail and having a spark. At organisational level the respondents say that the organisation needs to be quick and flexible, has a reward or incentive system for entrepreneurship and failure and risk-taking should be allowed. In order to be entrepreneurial, the added value of ON has to be defined. Entrepreneurial ventures have to be based on the mission of the organisation and should be within the organisational framework. The respondents do not perceive ON as an entrepreneurial organisation. In order to achieve becoming an entrepreneurial organisation, the literature argues that innovation, risk-taking and proactiveness are important elements. The respondents argue that these elements are currently missing in the organisation.

It is stated by the respondents that leadership is necessary when becoming an entrepreneurial organisation. They say that leaders have to set an example by taking risks. The leaders also have to facilitate and stimulate entrepreneurship. The literature concurs with these statements.

The respondents describe the organisational culture of ON as idealistic and consensual. They say ON staff consists of professionals. The respondents argue that there are many elements of the organisational culture blocking the organisation to become entrepreneurial, such as emphasis on control mechanisms for purposes of accountability. According to the respondents and the literature, entrepreneurship needs to be embedded in the organisational culture if an organisation wants to be entrepreneurial.

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## List of Abbreviations

<b>CMT</b>	Change Management Team
<b>MFS</b>	Mede Financiering Stelsel
<b>NGO</b>	Nongovernmental organisation
<b>OGB</b>	Oxfam Great Britain
<b>OI</b>	Oxfam International
<b>ON</b>	Oxfam Novib
<b>SMS</b>	Single Management Structure
<b>R&amp;D</b>	Research and Development
<b>USP</b>	Unique Selling Point

# 1 Introduction

## 1.1 Introduction

So, you are going to enter the lion's den by doing research here? was the first I heard when I entered Oxfam Novib (ON) a week before the official start of my research. This sentence triggered me. Something must be happening within the organisation to call it 'the lion's den'.

In order to finish my master in "Organisations, Change and Management" I undertook research at ON, a Dutch nongovernmental organisation (NGO). For this research I was linked to and participated in the Change Management Team (CMT). This team was set up in January 2011, to coordinate and facilitate the changes ON finds itself in. The team is supporting the board and the staff of ON during the change processes. The team consists of three people who worked in different departments before becoming a Change Manager.

After weeks of observing, talking to employees and participating in various brainstorm sessions with the CMT I decided to do research about entrepreneurship. The shift towards becoming an entrepreneurial organisation is probably one of the biggest changes within ON. According to the CMT and the board of directors, becoming entrepreneurial is key for the existence of the organisation.

The title of this thesis 'Has someone seen my spark?' is based on the analysis of this thesis. The analysis shows that the spark, necessary for entrepreneurship, is missing within the current organisational culture of ON. This thesis tries to find the spark and the conditions to groom the spark.

## 1.2 Problem description

At the moment ON is dealing with many changes instigated by developments inside and outside the organisation. The consequences are huge for the organisation and its staff. But, one thing is clear; ON has to change to ensure the continuity of its work. But how?

ON is one of the largest Dutch NGOs (Aangeenbrug, 2011). It was founded in 1956 after the great floods as a response to the aid The Netherlands received. Until recently ON was mainly funded by the Dutch government ([oxfamnovib.nl](http://oxfamnovib.nl)). According to an international agreement 0.8% of the GDP is traditionally allocated to the international development cooperation sector from which several NGOs are financed. ON is one of them. However, the international development cooperation sector is changing.

As a result of the economic crisis the GDP has decreased. Consequently the amount of money available for the international cooperation sector has been reduced. In addition, the political climate of The Netherlands is changing as well. The newly elected government decided to have huge budget cuts in the sector, which had a big impact on all Dutch NGOs. Having less funding for partners and projects, ON needs to adjust to this new situation. Besides these budget cuts, the world is changing as well. The Dutch public is getting more critical towards international cooperation ([www.ncdo.nl](http://www.ncdo.nl)). And furthermore many 'Southern' countries (like Brazil and India) are growing in their GDP and becoming less dependable on 'the West'. These changes, in addition to strategic policy decisions



within Oxfam International (OI), of which ON is one of the founding members, has led to major organisational changes for ON.

Anticipating the budget cuts by the Dutch government, ON decided to continue working within fewer countries. Reducing the number of countries, results in less available jobs which has led to fewer staff in The Hague, the headquarters of ON. ON has also had to work out different scenarios based on different amounts of subsidy it would receive. Together with 'IMPACT' (§4.3), ON applied for the Mede Financierings Stelsel (MFS) II.<sup>1</sup> After decisions on the distribution of the available funding in December 2010, it became clear that ON only received 79% of the total budget it applied for. This meant that ON had to work out a different scenario again. Unfortunately, the government decided in the wake of the economic crisis that it would cut more money from the development cooperation sector. Thus, in January 2011 ON received the unexpected message it had to deal with another budget cut. In 2011 ON has to save an additional E 7.9 million and from 2012 onwards E 9.5 million per year. ON then decided to phase out of more countries than originally intended in order to save money and remain effective in its mission (oxfamnovib.nl).

In many 'Southern' countries there are several active Oxfams but they are not always working together. This causes ambiguity towards donors and partners. To have more impact, be more efficient and create one brand, OI decided the cooperation between the Oxfams had to become stronger. OI therefore created the Single Management Structure (SMS)<sup>2</sup>. Contrary to ON, other Oxfam affiliates have field offices. In order to participate in the SMS process ON has to be present in the field (decentralise) and therefore open field offices. Both the budget cuts and the start of SMS influenced ON's decision to bring part of their 'primary process', the International Department, to the field.

All these developments together create a changing organisation. ON has to think about how it will bring its primary process to the field, what kind of competencies it wants to hire and what is needed in order to keep growing even when there is less money available. As a result ON has to find new ways of working, new partners and alliances and new funds. The board of directors believes it is necessary for ON to become more entrepreneurial. This entrepreneurship is needed in order to grow in knowledge and finances as an organisation. One of the goals formulated by the board of directors is to receive as much money in 2015 as in 2009 but with less dependence on and money from the Dutch government (source: Change Management Team).

This research is undertaken in order to help ON defining entrepreneurship and get an idea of what is needed for the organisation to become more entrepreneurial. It will give an overview on how staff (board of directors, managers and employees) from different departments define entrepreneurship and the type of leadership necessary to become entrepreneurial. Entrepreneurship and leadership are part of the organisational culture. Therefore a closer look will be taken at the organisational culture of ON as well.

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<sup>1</sup> MFS is the system by which the Dutch government grants subsidies to development NGOs.

<sup>2</sup> SMS is the structure in which the Oxfams (not more than four or five per country) will cooperate. One of the Oxfams is managing affiliate and the others are implementing affiliates.

Changing the culture towards entrepreneurship requires a different mindset of ON staff. They need to become (more) entrepreneurial to gain and spread more knowledge and to achieve the set goals, like receiving as much money in 2015 as in 2009. This research tried to find the opinions of ON staff on entrepreneurship and leadership and will give recommendations based on the outcomes of the research.

To find the opinions and interpretations of ON staff I undertook qualitative research. The research focused on entrepreneurship and leadership and at the organisational culture. The methods used are formal and informal interviews, observations, group sessions, literature study and document analysis. A more detailed description can be found in §3.5.

### **1.3 Relevance**

This research intends to help ON by holding a mirror in front of the organisation and opening up issues related to entrepreneurship. I hope this research will lead to more discussion, open communication and a focussed approach within ON about becoming entrepreneurial, and will give some good and feasible recommendations that support ON in its change process. Since ON is not the only NGO dealing with budget cuts and changes within the sector, this research and its recommendations might be relevant for other NGOs. Becoming entrepreneurial is a concept and a necessary change that affects almost everybody in the Dutch international development sector.

### **1.4 Outline**

In order to understand the framework of this thesis the scientific approach of the researcher is discussed in chapter two. This is necessary if you want to understand the way I perceive doing research, organisations, organisational change and organisational culture. In the third chapter the research design is explained. It will introduce the research question, discuss the research methods, the validity and reliability and describe the background of the respondents. The fourth chapter gives a brief overview of the context in which ON is operating, the history of ON and the changes and its consequences for ON. This information is needed to understand the impact of entrepreneurship within ON. Chapter five discusses the theoretical framework consisting of literature on the three main topics; entrepreneurship, leadership and organisational culture. Next, chapters six, seven and eight present the analysis of the research and link the theory and collected data. In chapter nine the research question is answered. This is followed by topics for future research and a discussion. Last but not least chapter ten will give practical recommendations for immediate implementation as ON asked for. After this chapter the literature list can be found.

## **2 Scientific approach**

### **2.1 Introduction**

The scientific approach of a researcher determines the methods that will be used for the research and the interpretation of the outcome. Tsoukas and Knudsen (2005) describe four different paradigms for organisation theory. These paradigms are based on different assumptions of research. My interest lies with perceptions, opinions and social relations. I find it interesting to find out how people interpret certain subjects. I believe that these perceptions, opinions and social relations are always interpreted by the researcher. An objective truth – not linked to the subjective interpretation of the researcher – in my opinion does not exist. In the context of doing research on organisational change and organisational culture it is equally important to define the way I see organisations, change and culture. Therefore paragraphs three, four and five will consist of my view on, respectively; organisations, organisational change and organisational culture.

### **2.2 Scientific approach based on Tsoukas and Knudsen**

My interest corresponds with the interpretative paradigm of Tsoukas and Knudsen (2005). They argue that perceptions are always interpreted. Other paradigms, like positivism, argue that research should not be influenced by the researcher. I believe researchers will always, probably unintentionally, give their own opinion too and thereby influence the interpretation of perceptions. The interpretative paradigm is based on interpreting opinions and states that an opinion cannot be seen as the only truth but as part of the truth (Tsoukas & Knudsen, 2005).

Besides the interpretative paradigm, I also believe there is no such thing as knowing everything. Therefore I will combine the interpretative paradigm with the post-modern paradigm. This paradigm does not assume that the researcher needs to be aware of everything that has happened in the organisation or with the respondents. I assume that the interpretations of the respondents could be different. All the opinions together can give an overview, but they will not reveal the all encompassing truth, because I believe there is no such thing as the truth (Tsoukas & Knudsen, 2005).

Both the interpretative and postmodern paradigms show how my position can influence the research and the analysis. It also determines the research methods because only by observing and interviewing I can find out how the respondents interpret the research subjects.

### **2.3 Organisations**

There are many different views on organisations. I will discuss the way I see organisations. An organisation can be seen in an instrumental way (Bovens, 't Hart, & Twist, 2007). "An organisation can be described as a co-operation between (groups of) people used to achieve certain goals. Seen like this, the organisation is an instrument, a tool that exists because of people and is used to produce certain products or services. Organisations do not exist 'just like that'. They are the result of arranged acting by people which we call organising" (Bovens et al., 2007: 211). Following Bovens et al. (2007), in my opinion organisations are shaped by people interacting with each other. Organisations are continuously changing because of this interaction. What the organisation looks like and how people perceive it, depends on the person you talk to and the different and continuously changing compositions they work in. An organisation therefore is the way staff defines what, with whom and why they are doing certain things. In this thesis the organisation is therefore seen as interaction between staff combined with superficial items as Schein (1986) discusses.

## 2.4 Organisational culture

Organisational culture is an often researched topic within organisational studies. Research shows that there is not (yet) a clear and broadly accepted definition on what organisational culture is (Martin, 2002). Organisational culture can be approached from different perspectives as Schmirchic (1983, In: Demers, 2007) argues. Organisational culture can either be seen in a functionalist or in an interpretative way. The functionalist way shows that an organisation *has* a culture. Culture is then seen as a variable. Organisational culture can be used as an instrument to change organisations (Demers, 2007). The interpretative vision, argues that organisations *are* a culture. Culture is then seen as a root metaphor. Culture is being shaped in relation with others and it is therefore harder to change the organisational culture (Demers, 2007). Because of the differences in interpretations of organisational culture, the way I see organisational culture will be discussed.

I agree with Schmirchic and see organisations as a culture. The organisational culture is shaped in interaction between people and therefore ever evolving (like the organisation). A culture therefore is never interpreted the same. People will always define the most important elements of the culture for them. Culture is therefore very subjective. However, I also believe that some parts of the organisational culture can be changed. I think that culture cannot be understood by either the functionalist or the interpretative vision on their own. I believe both visions are intertwined. Culture develops in interaction between people; between management and other staff as well as between staff members themselves. On the other hand, once the culture has developed, it becomes part of the identity of the organisation. It is an expression of the organisation itself. The management and staff behave according to the cultural norms that have developed and, especially leaders, are fundamental and instrumental in maintaining and re-shaping the organisational culture. The cultural approach described by Demers (2007) and used in this thesis, argues that leaders can deliberate attempt to change the established assumptions and values. Thus, even in the cultural approach there is no hard segregation of the functionalist and interpretative view.

## 2.5 Organisational change

Organisational change can be seen from different perspectives as well. Demers (2007) gives an overview of different perspectives on organisational change and the way it could be managed. Important in her analysis is that the theory written has been an evolving process. In time the perspectives on organisational change have changed and influenced scholars (Demers, 2007). Because many theories exist, just my perspectives are discussed.

I see organisational change as an evolving process. Organisations always change due to its circumstances (Demers, 2007).

The perspectives on organisational change that are used, are the interpretative cognitive and cultural approach. The cognitive approach “[...] sees organisational sense-making as a social construction process and seeks to understand how reframing as a collective process occurs or, in other words, how collective interpretations change. It focuses on the interaction between the meaning-creation processes and action that produces radical change” (Demers, 2007: 62). Based on Weick’s (1969, 1979b, 1995 in: Demers, 2007) concept of enactment the researcher describes interpretation as an active process. Weick argues that cognition and action are inseparable and influence each other. He describes interpretation as creating reality (In: Demers, 2007). I assume this happens in

organisations. People create their own reality by interpreting what is happening. These interpretations lead to actions and these actions finally select the way people see and interpret what is happening. "The assumption is that "facts do not speak for themselves" (Ford & Baucus, 1987, p. 367) and that each actor (whether manager or employee) actively constructs organizational reality from his or her own point of view. A multiplicity of perspectives is therefore inevitable in an organisational setting [...]" (Demers, 2007: 69). Demers (2007) argues that the contribution of the cognitive framework is that it pays attention to the fact that organisational change has a subjective dimension. "[...] the way actors interpret issues influences how they change" (Demers, 2007: 73). The way respondents see and interpret culture and organisational change influences the final data of this research.

The most important perspective described by Demers (2007) which I use, is the cultural approach. To find the interpretations of the ON staff on entrepreneurship and leadership, it is important to take the organisational culture into consideration. As described in §2.4 there are many ways to look at organisational culture and to define it. There are two ways in which culture is used in this thesis. One way is as a description of the perceived culture of the respondents, the other is as a way of looking at the research through the cultural frame. The cultural approach shifts attention from the structural and technical aspects of an organisation towards the social and symbolic aspects (Demers, 2007). Thus from a functionalist to an interpretative view. Within this approach the following vision will be used: "Culture is conceived as emerging from a group's history. Thus, while culture is viewed as a form of social control, it is seen as impossible for managers (or any other group) to control the culture unilaterally and to change it in a predetermined way (Barley et al., 1988). Because culture is the result of collective sense-making and action over time, there is always an unpredictable side to cultural evolution. Moreover, managers are considered to be inside the culture (not above or outside it). Cultural change is, therefore, conceived more as a natural ongoing structuring process than as an episodic intervention by managers." (Demers, 2007: 76).

The interpretative scholars argue that when looking at culture it is also important to look at the symbols, stories and signs in an organisation. These 'superficial' aspects can be seen immediately and therefore give a quick overview of (part of) the culture (Demers, 2007). The interpretative perspective also allows me to look at the organisation in a differentiated and fragmented view of culture (Martin, 2002).

Concluding, change is seen as a continuous process because people give meaning to issues and interpret what happens in certain ways. The cultural approach provides a framework to look at the cultural side of changes and the cognitive approach allows to search for opinions and interpretations. Thus, in this thesis culture is being used as a framework, the way I look at this research, but also as a loose element; the organisational culture. Both are intertwined which causes tension; can cultures change and be changed? The next chapter will show how these approaches influence the research design by describing what kind of research has been done.

## 3 Research design

### 3.1 Introduction

This chapter will give an overview of the research question, the research goals, a description of the respondents, the research methods used, including the operationalisation and accountability, the validity and reliability and the scientific relevance of the research.

As a result of the paradigms I use, it is useful to have 'real life' contact with the respondents. The research question is based on my scientific approach and is therefore directing me towards the qualitative research method. The qualitative research method is inductive. In essence this research is explorative and descriptive since it is not my first intention to contribute to science by inventing new theories or testing hypotheses. A start was made by describing the most important sensitising concepts as a basis for my interviews and observations but the final theoretical framework was finished after the research period. Doing research this way implies that the theory is used to underline, validate or invalidate my analysis. Alvesson & Deetz (2000) argue: "Theory is given a different conception and different role here. While theory may provide important sensitising conceptions, it is not a device of classification nor tested in any simple and direct manner. The key conceptions must be worked out with the subjects under study" (33).

Doing qualitative research means having face to face contact with the respondents, being 'on the spot' where the research is taking place (Alvesson & Deetz, 2000). The research is based on observations and in-depth interviewing (Alvesson & Deetz, 2000). To get the broadest overview and insight from the organisation it is necessary to make use of different methods. These methods will be explained and operationalised in §3.4.

### 3.2 Research question

From the problem description (§1.2) and the discussion with the CMT the following research question was formulated: "How is entrepreneurship interpreted by staff of Oxfam Novib and how do they interpret the role of leadership in establishing entrepreneurship within the organisation?"

The term staff in the research question, is defined as the board of directors, the management and the employees. To find an answer to the question, three main topics were formulated together with three sub questions. These topics were; entrepreneurship, leadership and culture. After observing the organisation and reading literature about entrepreneurship, I found that it is important to describe the organisational culture as well if the research question needs to be answered. It is important to notice that during the research, questions were asked about the current situation of ON and how respondents would (like to) see the future.

### 3.3 Research goals

The goal of this research is to help ON by defining entrepreneurship and leadership that is necessary for the intended changes. It needs to give an insight on how the staff of ON sees entrepreneurship and leadership. By giving recommendations it also supports ON in becoming entrepreneurial. The research will show how ON is currently dealing with entrepreneurship and how employees would like to see it dealt with, in the future. What needs to be taken into consideration though is the fact that there will probably not be one answer to this question since the research is based on personal

opinions of a limited number of respondents. Although it is not the first intention of this research it will try to provide more knowledge on entrepreneurship within Dutch NGOs. It assists in giving insight in what is needed to become an entrepreneurial organisation and the role of leadership that is needed for entrepreneurship. This thesis therefore provides recommendations that other non-profit organisations can use as well. As described in §1.3 this research could and hopefully would open up the discussion on entrepreneurship within ON and maybe on a broader scale, within the Dutch development cooperation sector.

The research contributes to the theoretical debates that might give the interpretation of entrepreneurship another dimension. The literature makes a distinction between entrepreneurship and social entrepreneurship but the entrepreneurship NGOs, like ON, need, are related to both types of entrepreneurs but not the same. This thesis will provide a step in pushing future research to find which third type of entrepreneurship should be created. It also focuses on leadership necessary for entrepreneurship on which not much literature has been written. This research therefore might add new insights or bring up new ideas for future research. The analysis underlines the statement in the literature that parts of the organisational culture can stand in the way of becoming an entrepreneurial organisation.

### **3.4 Description of respondents**

The data for this research comes from literature, articles and policy articles from ON, three informal interviews, twenty-four formal interviews and five group sessions. In total 38 respondents were interviewed. The background of the respondents is different and they work in different departments and on different hierarchical levels.

The respondents of the formal interviews were all working at ON for 1 to 25 years. Worth noticing though is that most of the respondents have been working at ON for at least five years. The average lies at 9.5 years. I talked to two people from the Campaigns department, nine respondents work in the International Department, two work in the Special Projects and External Funding department. Two directors were interviewed, three respondents from Central Services, two from the Staff Bureaus and one respondent from the Global Strategy and Alliances department. From these respondents four work at a field office and are part of the International Department.

The respondents of the group sessions were partly staff who had been interviewed already. Others were staff but their jobs, the department they work for or how long they have been working at ON were not noted.

Some of the respondents who were interviewed are about to lose their job because of the changes. Although this might influence the answers they gave during the interviews it was not a subject we talked about.

### **3.5 Methodology and operationalisation**

The most common methods used for qualitative research are interviews, informal conversations and observations. The methods used for this research are the following: (participative) observations (both formal and informal), informal conversations and interviews, formal interviews, workshops/group sessions, desk research and literature research.

ON is a large organisation with many employees. Because of the duration of the research, it was not intended to get the opinion of everybody, but to get an overview of employees in the organisation. To get as many opinions as possible both interviews and group sessions were used. To provide more insight, the group sessions were held with a small number of employees. 24 formal interviews were done with people from the field offices as well as in The Hague, at the headquarters. To get the broadest overview of ON at least one employee of each department was interviewed. These 24 formal interviews, together with the informal interviews and the five group sessions will provide an overview of the opinions and interpretations of ON staff. The respondents were not completely chosen at random. Because of the size of ON, I requested interviews with staff. I gave a list of requirements and the CMT made a final list of staff. The requirements were; staff with different backgrounds, different knowledge on entrepreneurship, different departments and different hierarchical levels. It was taken into account that many staff are busy and that staff of ON travel a lot, so not all respondents were available for interviews.

In this research, opinions and interpretations on entrepreneurship and leadership were searched for. Interpretations are most likely never the same and for that reason it was difficult to make overall conclusions. The analysis was done based on similarities and differences in the opinions of the respondents.

### **Observations**

Being in an organisation as researcher, you are always busy observing. Things are happening 'around you' and you have access to many people, documents and conversations. All these things happening around you can give you more information and insight in the organisation, structures, informal practices and how people make sense of what is happening. This was very interesting and useful, especially during the orientation phase. According to Alvesson & Deetz (2000) all observations are theory laden. "[...] we best understand theory as a way of being in the world. Theories are developed and are accepted in human communities based on their ability to provide interesting and useful ways of conceptualizing, thinking and talking about life events" (39).

In this research use is made of naturalistic, unstructured and approached observations (Punch, 1993). This means that the process follows certain stages. "As the study progresses, the nature of the observation changes, typically sharpening in focus, leading to ever clearer research questions which require more selected observations" (Punch, 1993: 186). The naturalistic observations were mostly done in the beginning of the research since I did not try to influence the people being observed (Punch, 1993). The unstructured observations were done throughout the entire period of research. The approaching observations were used during informal interviews and especially during the group sessions. This method means that the focus is established and the cases for observations are selected (Punch, 1993).

Observations can give information on the context and informal practices and therefore need to be operationalised. This was done by writing down what was observed. These texts were encoded and used as data. By observing and walking around in ON, a broader vision of the organisation was obtained. The observations of the research were kept in a diary that was written in daily. The observations gave insight in the organisation and its staff and determined my vision on the



organisation and the research topics. It was used for determining the research question, the topics of the interviews and in the final analysis.

### **Informal conversations/interviews**

Informal conversations and interviews were being used the same way as observations, but they have an extra dimension. When you are talking to people directly, you can ask questions and get more in-depth information. After each conversation or interview notes were taken about the conversation, to help find the most important topics during the conversation. The operationalisation of the data of the interviews and conversations happened in the same way as the observations (Boeije, 2005). This data was used for context information and in the final analysis.

### **Workshops/group sessions**

In cooperation with the CMT it was decided to organise five group sessions with different groups. The sessions were with mixed groups of around six staff invited by the CMT. The staff work in different departments. We tried to get as many different staff as possible to join the sessions, to get the best overview of the organisation. We organised four group sessions within the range of four weeks. During the analysing stage another group session was organised to inform the respondents and have a discussion with them about the analysis and subjects (Field & Morse, 1996). The sessions had a duration of 1.5 hours and took place in rooms where there was nobody else present. The goal for the research was to see the energy within the group, the (informal) culture and get more information about their vision on entrepreneurship and leadership. This was used as data. A topic list was used to capture the information retrieved from the group sessions.

For the group sessions we used different methods. A PowerPoint presentation was made and first there was an introduction about the session by the facilitator. One of the Change Managers facilitated the workshop. The first four group sessions started with the question: please draw a picture of how entrepreneurship is seen now and how you would like to see it in five years? After this, the rest of the session was used as a forum for discussion with or without already formulated statements. Two of these group sessions had a different approach because an informal interview was held on forehand with one of the participants. This was because two group sessions were about an entrepreneurial project and the goal was to find the lessons learned for entrepreneurship within these sessions. The last group session was based on the first part of analysis made. This group session was used to give an overview of the analysis and to find how the respondents would perceive the analysis. There was room for discussion about research subjects and for three formulated statements. The input from the sessions was written down during the sessions and afterwards and was analysed as data. This data were used in the analysis.

Within this thesis there will be references to quotes from the different group sessions and interviews. The quotes are noted as following: for example, *"I am entrepreneurial"* (GS1) or *"I am entrepreneurial"* (1).

### **Interviews**

Interviews formed the main component of this research. The interviews were used to get more in-depth information on the research subjects. The interviews were semi-structured (Punch, 1993). They were recorded and transcribed so the information and quotes could be used in the thesis. The

interviews were held with different staff, from all departments of the organisation and in the field offices so they provide an overview. The obtained data form the basis on which the research question was answered. The interviews were based on a topic list which provided structure and assistance. The interview topics were the same for each respondent because of the validity of the research. After five interviews there was a reflection on the interviews and the topic list. It was found that the interviews were very useful and the retrieved data was exactly what was necessary to answer the research question. Therefore no adjustments had to be made to the topic list. The interviews with the field offices were all done over the phone. This is not the most ideal way of interviewing because there is still no face to face contact, but there was no other way and it was valuable to interview people in the field offices as well. The background of the respondents can be found in §3.4.

### **Desk research**

The desk research contained articles and texts produced by ON. These articles were analysed depending on the information that was needed and relevant from the texts. In the beginning the articles were mostly used as background information. Eventually some of the articles were coded and used in the theoretical framework or analysis (Silverman, 2005).

### **Literature research**

Literature is needed to make the research scientifically accountable. It was combined with the retrieved data in the analysis. The sensitising concepts were used as a framework during the research period and turned into a theoretical framework at the end. The theory combined with the data provided a 'mirror' at the end of the research period. Theory is seen as the lens through which the activities and opinions in the organisation can be understood like Alvesson & Deetz (2000) argue. "It is a way of seeing and thinking about the world" (Alvesson & Deetz, 2000: 191).

### **Data analysis**

The research does not try to give or create a true picture of reality since this research searched for interpretations and opinions. Instead it gave an overview of the reality seen by the respondents. The data analysis is done in the way Field & Morse (1996) describe the process of analysis. The four stages they describe are: comprehending, synthesizing (decontextualising), theorising and recontextualising (Field & Morse, 1996: 102).

The interviews and texts from the observations and group sessions were all analysed in MAXQDA, an analysing program for qualitative data research. They were coded first open, then axial and afterwards selective (Boeije, 2005). In the next step a comparison between the different data was made to find differences and similarities. During the final analysis the data was linked to the literature. Finally all data in the analysis is put into a new context as Field & Morse (1996) describe it. By using triangulation in the data collection and analysis the validity will be ensured.

Interviews were held with both people at headquarters and at the field offices. The CMT assumed that there would exist a difference between headquarters and field offices because of the perspectives of the respondents. During the analysis I found there are many similarities and no remarkable differences.

### **3.6 Validity and reliability**

Doing qualitative research influences the validity and reliability. As described in chapter two I think that everything is always being interpreted by others. The interpretations of the respondents are always be interpreted by the researcher. This has impact on the validity and reliability of the research. Doing interviews with staff from the field offices and writing this thesis in English also has consequences for my research. Language is central in qualitative research. “Qualitative field data are linguistic in character: observations, texts and interviews all focus and rely on language” (Punch, 1993: 183). It raises the question how the questions and data are interpreted. This could influence the validity and reliability but it is tried to check the answers by summarising what has been said in different wording and checking questions by asking the respondents twice but in different ways.

#### **Role of the researcher**

It is important to be aware that being present at an organisation as a researcher is influencing the outcome of the research. People could feel influenced by the presence of a researcher. They also might want to ‘use’ the researcher for their own ideas on certain subjects. As a researcher you have to be aware of these influences and possible problems. It is also important to determine the distance you take from the organisation and research subjects because that will influence the outcome of the research as well. If you are actually ‘in’ the organisation this can help you see more and get a feeling of the organisation as well but it can also bias you because you will become part of the organisation. It is therefore important to stay critical, keep wondering and asking questions about what is happening and sometimes take a step back, to take a look at what is happening. “Minimizing status differences between interviewer and respondent, and developing a more equal relationship based on trust which includes both self-disclosure by the researcher and reciprocity, can avoid the ‘hierarchical pitfall’ (Reinharz, 1992), enabling greater openness and insight, a greater range of responses, and therefore richer data” (Punch, 1993: 179).

In my case it was important for me to keep in mind that many people ‘know’ me. My mother worked for ON for many years and many people know her. The fact that I undertook research at ON and that I am ‘the daughter of’ was known by many staff, including some respondents. This meant that they were not objective about me and they were well aware of my presence. It could have been to my advantage that I am ‘the daughter of’, because people might have shared more information with me than with more distanced researchers, but it could also have worked in my disadvantage because people might have thought I would tell everything to my mother or that I was prejudiced. It was very important to stay open minded about the people and the organisation. I found myself sometimes already concluding things I could not know. Because of my background and the history of my mother within the organisation it was important to reflect on the organisation, staff and the processes.

#### **Reliability**

When doing qualitative research it is always difficult to make sure the research is totally reliable. The outcome of the research is interpreted by the researcher and the researcher can never be sure that the next time the exact same interview would take place the answers would be the same. It depends on the behaviour and feeling of the respondent, the context, time, date and place the interviews and observations take place. The ‘answers’ can therefore never be ‘checked’ and re-tested, but the researcher can build in some checks by asking the same questions (but in different wording) and

comparing the answers. It is also important to recapitulate the story the respondent is telling and check if that is the correct reproduction of what they said.

To make sure that not all important information got lost, the interviews were all recorded and transcribed immediately. During the interviews notes were taken of the behaviour of the respondent and the energy during the interview. To make a good comparison between the respondents it is important to ask all the respondents the same questions. When, during the interviews, it was found that some questions were wrongly formulated, the researcher needed to change these questions. The questions were open questions without any assumptions in it. To make sure there is not one 'vision' on the research question it is important for the validity to have interviews with everybody throughout the organisation. In this way an overview of the organisation can be made and certain statements can be checked.

During the research period a diary was kept and all the observations were written down as quickly as possible, so important information would not get lost or forgotten. In this way the data from the observations and informal conversations could be used in the analysis of the research. This provides important information (Baarda & De Goede, 2005). These ways are to ensure the reliability of the research.

### **Validity**

Validity must be guaranteed and depends on the reliability of the research. By making the difficulties of doing qualitative research explicit, validity can be guaranteed. (Baarda & De Goede, 2005) Validity in qualitative research is guaranteed when the methods investigate what it intends to investigate (Easterby-Smith, 1991)

Internal validity can be guaranteed by using different types of methods and getting as many different views and opinions on the research question throughout the whole organisation as possible. The different methods are described in §3.5. By using these different methods, I made use of triangulation. Triangulation as validity can thus be guaranteed.

External validity was not the main goal of this research. It was not intended to say something about other organisations as well. It could be possible that other organisations in the international development cooperation sector would like to make use of the recommendations given about entrepreneurship and leadership but this would be a side-effect. The outcome of the research will be used internally and the wish of the CMT lied within getting practical and good advice at the end of the research period.

### **Usability**

The outcome of the research has to be useful for all staff members of ON. The main goal is to help the CMT so they can implement the recommendations given in the thesis. It is ensured that the recommendations are useful by trying to get the broadest overview of the organisation as possible. It also helped that respondents were involved and enthusiastic about the research. During the interviews they created possible recommendations.

## **4 Context – Oxfam Novib**

### **4.1 Introduction**

When talking about entrepreneurship within the international cooperation sector and especially within ON, it is important to understand the context. Where did the international cooperation sector come from and why is entrepreneurship such an important issue nowadays? This background information will be provided in this chapter. The second paragraph will give an overview of the context of the international cooperation sector within The Netherlands. The third paragraph focuses on ON. First, the background of ON will be given and afterwards the current changes that ON is in are described.

### **4.2 Context of the international development cooperation sector**

The Netherlands has a long history in international development cooperation. For over sixty years Dutch NGOs and the Dutch government tried to help the less developed 'South'. Although the results and measures of the aid are getting better, The Netherlands is not done with giving aid. But the international cooperation sector within The Netherlands, as well as worldwide, is changing rapidly (Lieshout, 2010). There are many reasons why there is a shift within the sector. All these reasons are connected to each other. It is an important movement that influences and changes the whole sector. In this paragraph four main issues will be discussed.

The general Dutch public is getting more and more critical about development aid. They have the feeling that development aid is not working the way it is given now. They feel that other ways of working are needed, or no development aid at all (Lieshout, 2010). This has to do with the fact that the public wants to be informed and have a say in the decisions that are being made. For years it was the case that the public gave money and the NGOs were free to invest according to their policies. Now people want to get involved (Noordegraaf, 2004; Aangeenbrug, 2011).

Globalisation plays another role. It is easier for people to have access to documents, information and organisations. Why would you give your money to ON if you can give it directly to a partner or a family? People are not well informed about the consequences of these actions but then at least they feel like there is no overhead and they exactly know where their money went. Because of the globalisation the behaviour change in giving money is made very easy (Noordegraaf, 2004; Sebora and Theerapatvong, 2009).

The former Dutch governments did not want the five big Dutch NGOs to have the monopoly on development aid so they stimulated new, smaller NGOs and financed them. Now, with the new government, there is a new development. Development aid is being seen as something which is not helping and it was found there are too many NGOs. The government has started to ask for more cooperation between different NGOs and they are only willing to finance less NGOs with less money ([www.ncdo.nl](http://www.ncdo.nl)).

The Netherlands was one of the few countries in which 0.8%, based on the international agreement of contribution, of the GDP actually was invested in development aid. This is an agreement that has been made between different governments many years ago (Bakker, 2009). Since the economic crisis the GDP got less, so there was less money available even though this still was the 0.8%. On top of that, the current government, with right wing parties, decided to make substantial budget cuts because of a big national debt. Many small NGOs cannot exist anymore because they did not

receive enough funds from MFS II. The big NGOs tried to prepare for this budget cut but even they will get into trouble if they will not find other business models to finance their projects and they therefore had to make some very difficult decisions.

### 4.3 Oxfam Novib and its context

#### Oxfam Novib

ON is one of the largest NGOs of The Netherlands. ON was founded in 1956 by father Simon Jelsma after the Dutch flood disaster of 1954. The Netherlands received aid from abroad and “Father Simon Jelsma and others wanted to do something in return to this favour. In March 1956 they founded the Netherlands Organization for International Assistance (Novib) to help people in Third World countries.” Novib was “the first politically independent and non-religious development organization in the Netherlands.” (history, [oxfamnovib.nl](http://oxfamnovib.nl)) “We tackled poverty on all fronts: from support to development projects to pressure on businesses, governments and international institutions.” ([oxfamnovib.nl](http://oxfamnovib.nl)) “In 1994 we joined Oxfam International, a confederation of fourteen development agencies. Hence we are called Oxfam Novib. Together we reach about 100 million people in about 100 countries. We campaign worldwide for, e.g., Education for All, and Make Trade Fair.” ([oxfamnovib.nl](http://oxfamnovib.nl))

ON is part of OI, a confederation with 13 other Oxfams. There are Oxfams in ‘the South’ like Oxfam Mexico and Oxfam India. ([oxfamnovib.nl](http://oxfamnovib.nl)) “Since the foundation of Oxfam in 1994 we have been aligning our work. We join forces and conduct joint campaigns. Our outreach and powers to act have increased as a result.” ([oxfamnovib.nl](http://oxfamnovib.nl)) The other Oxfams are: Oxfam Great Britain, Intermón Spain, Oxfam Australia, Oxfam America, Oxfam Hongkong, Oxfam Canada, Oxfam Québec, Oxfam Belgium, Oxfam Mexico, Oxfam Ireland, Oxfam New-Zealand, Oxfam Germany, Oxfam France, Oxfam International. ([oxfamnovib.nl](http://oxfamnovib.nl)) Working together in a confederation has consequences for the ways of working within ON and together with the other Oxfams.

#### Oxfam Novib approach

ON states: “Nobody chooses where he or she is born. But we all have the same rights, wherever around the world. We’re convinced of this, and it is the basis of our strategy and policy.

Poor people can’t build independent livelihoods when their rights are not respected. That is why we support them to stand up for their rights. In our policy we distinguish five fundamental human rights:

1. **Right to the resources for a sustainable livelihood.** People must have access to indispensable resources like land and water. Unfair trade rules must be abolished.
2. **Right to basic social services.** Everybody has the right to quality education and healthcare. The spread of HIV and AIDS must be halted.
3. **Right to life and security.** People hit by natural disasters, climate change or conflicts have a right to aid. The arms trade must be controlled.
4. **Right to social and political participation.** People must know their rights and be able to communicate their voice. Everybody’s involvement is needed for a just world.
5. **Right to an identity.** Nobody should be excluded on the basis of her or his identity. Women, indigenous people, gay men and lesbians, and the disabled have the same rights as anybody else.” ([oxfamnovib.nl](http://oxfamnovib.nl))

These five rights form the basis of the work of ON. The rights are translated into five aims in which the projects have to take place. This means that projects have to relate to one of these aims and partners are active in the same aims.

The slogan of ON is 'ambassadors of do-it-yourself'. ON is willing to cooperate or support everybody who believes in peoples own initiative. "In developing countries we fund around 850 partner organisations. Some support hundreds of thousands of people. Others only a few hundred. One is focused on education or agriculture. Another one is fighting HIV and AIDS, or helping to build democracy." (oxfamnovib.nl) In the Netherlands ON is working together with the Dutch government and private sector to finance partners and projects in third world countries. ON also supports fair trade food like fair trade chocolate and the 'Fair Banking Guide' (oxfamnovib.nl). ON is, together with other Oxfams, undertaking strong lobby and campaigning for a fairer and better world (strategy, oxfamnovib.nl).

In preparation on the MFS II subsidy, ON formed an alliance together with other Dutch NGOs, named IMPACT, to apply for MFS II. The alliance exists of Butterfly Works, 1%CLUB, Somo, HIRDA and Fairfood (oxfamnovib.nl).

As a result of the history of the MFS subsidy policies of the Dutch government, ON created a very specific way of working. The Dutch government was thé donor for a long time and the systems, structures and processes within ON were aimed at this specific donor. The way ON worked was based on what the Dutch government demanded in terms of accountability. The consequences for the organisation and especially for the staff were very big. All systems, structures and procedures were designed so ON could justify their expenses in an accountable way to the government. The Dutch government is currently becoming one of the donors of ON and therefore they have to adjust their ways of working.

#### **4.4 Changes within Oxfam Novib**

ON is working in a continuously changing context. The people involved in international development cooperation want to know where their money goes and what the results of the projects are. They get more knowledge about development cooperation and they want to be more involved (Noordegraaf, 2004). They are becoming more critical towards development cooperation (Lieshout, 2010). This change can be seen with the actual Dutch government choosing to invest less in development cooperation, a fact that is aggravated by the financial and economic crisis. Because there is less money and less investment for development cooperation, ON has to find other ways to finance its projects. At the same time the context for OI is changing as well. Other Oxfams are facing the same contextual problems as ON. This has implications for ON and the way it works. Having less money to divide among its partners and decentralising, influences the role and added value of ON. Instead of being a donor, ON is going to be an actor in change. This means that it will also participate in projects instead of giving money only. The implementation of the SMS is a change in OI. The consequences are that it will not be visible to 'the public' anymore which Oxfam is doing what. OI hopes this will create a stronger brand and less confusion among partners and donors. The changes have consequences for the organisation of ON, its partners, its staff, the added value and the role ON wants to play within the development cooperation sector (Source: Change Management Team).

## **5 Entrepreneurship, leadership and organisational culture**

### **5.1 Introduction**

Entrepreneurship and leadership are the core concepts of this thesis. After observing ON and having discussions with staff and the CMT it was found that if research is done about entrepreneurship within an organisation, the organisational culture needs to be explored as well. Entrepreneurship and leadership are part of the organisational culture. Leadership is necessary for organisational change and to stimulate an entrepreneurial organisational culture. Organisational culture, entrepreneurship and leadership are therefore theoretical topics discussed in this thesis. This chapter presents a theoretical framework to dig deeper into the concepts on which the analysis is based. The second paragraph will explore entrepreneurship. This is the most important topic of this research. It gives several definitions of entrepreneurship and discusses the characteristics of an entrepreneur. Furthermore it discusses the most important issues related to entrepreneurship. It also steps away from the individual level of entrepreneurship and shines its light on the collective and organisational level of entrepreneurship. The third paragraph discusses a specific type of entrepreneurship; social entrepreneurship. This is discussed because it seems like social entrepreneurship comes closest to the entrepreneurship needed within NGOs. Paragraph four will discuss the relation between leadership and entrepreneurship. A comparison between leaders and entrepreneurs is made and it is discussed what kind of role leaders can play within an entrepreneurial organisation. Finally paragraph five will give an overview of theory which relates organisational culture to entrepreneurship. It will argue that entrepreneurship should be embedded in the organisational culture but parts of the culture can be in the way of becoming entrepreneurial.

### **5.2 Entrepreneurship**

Entrepreneurship is a widely debated phenomenon. Many theories have been written on the definition of entrepreneurship. In this chapter several definitions will be given and important issues related to entrepreneurship will be discussed.

#### **Definition of entrepreneurship**

Jean-Baptiste Say was one of the first scholars to describe entrepreneurship. He described the entrepreneur as: "One who shifts economic resources out of an area of lower and into an area of higher productivity and greater yield" (Martin & Osberg, 2007: 31). One of the most famous scholars on entrepreneurship is Joseph Schumpeter. His definition is still widely used and built upon. "Schumpeter identified in the entrepreneur the force required to drive economic progress, if absent economies would become static, structurally immobilized, and subject to decay. Enter the Unternehmer, Schumpeter's entrepreneurial spirit, who identifies a commercial opportunity and organizes a venture to implement it. Successful entrepreneurship, he argues, sets off a chain reaction, encouraging other entrepreneurs to iterate upon and ultimately propagate the innovation to the point of "creative destruction", a state at which the new venture and all its related ventures effectively render existing products, services and business models obsolete" (Martin & Osberg, 2007: 31). Peter Drucker eventually said that: "the entrepreneur always searches for change, responds to it, and exploits it as an opportunity" (Martin & Osberg, 2007: 31; Dees 2001: 2). Based on these three theories Martin & Osberg (2007) give the following definition: "Entrepreneurs are believed to have an exceptional ability to see and seize upon new opportunities, the commitment and drive required to pursue them, and an unflinching willingness to bear the inherent risks. [...] We believe that



entrepreneurship describes the combination of a context in which an opportunity is situated, a set of personal characteristics required to identify and pursue this opportunity and the creation of a particular outcome” (31). This definition is used in this thesis.

### **The entrepreneur**

According to Martin & Osberg (2007) an entrepreneur has five characteristics.

1. “The entrepreneur is inspired to alter the unpleasant equilibrium. Sometimes entrepreneurs are so gripped by the opportunity to change things that they possess a burning desire to demolish the status quo.
2. The entrepreneur thinks creatively and develops a new solution that dramatically breaks with the existing one. The entrepreneur doesn’t try to optimize the current system with minor adjustments, but instead finds a wholly new way of approaching the problem.
3. Once inspired by the opportunity and in possession of a creative solution, the entrepreneur takes direct action. Rather than waiting for someone else to intervene or trying to convince somebody else to solve the problem, the entrepreneur takes direct action by creating a new product or service and the venture to advance it.
4. Entrepreneurs demonstrate courage throughout the process of innovation, bearing the burden of risk and staring failure squarely if not repeatedly in the face. This often requires entrepreneurs to take big risks and do things that others think are unwise or even undoable.
5. Finally, entrepreneurs possess the fortitude to drive their creative solutions through to fruition and market adoption. No entrepreneurial venture proceeds without setbacks or unexpected turns, and the entrepreneur needs to be able to find creative ways around the barriers and challenges that arise.” (Martin & Osberg, 2007: 33)

According to Schumpeter (In: Dees, 2001) “entrepreneurs are the change agents in the economy. By serving new markets or creating new ways of doing things they move the economy forward.” (1) The following table shows the entrepreneurial profile as described by McClelland (2007) (In: Scott, 2007).

**The entrepreneurial profile**

<i>Entrepreneur's characteristic</i>	<i>What the entrepreneur believes</i>
1 Is tenacious and makes sacrifices	You must make sacrifices in your family life and standard of living to start a business.
2 Pursues achievements	You must have a strong desire to succeed even in the face of several failures.
3 Is directive	Have a clear vision of your goal and be able to explain it to others.
4 Assumes personal responsibility	You should seek situations where you can assume responsibility for success or failure.
5 Solves problems	Turn problems over until you get the best solution or result.
6 Appreciates novelty	Catch things that others miss.
7 Has an internal locus of control	Believe that your outcomes are a control matter of your efforts.
8 Tolerates ambiguity	Be productive and focused in the face of substantial uncertainty.
9 Takes calculated risks	Lower your risk by developing a thorough business plan.
10 Handles failure	Failure is temporary.

**Table 1**

When it comes to entrepreneurship it is important to notice that entrepreneurs have to take risks and that failure is always just around the corner. Martin & Osberg (2007) describe taking risks as one of the characteristics of an entrepreneur. Taking risks is based on the potential of the losses and the significance of these losses argue Yates and Stone (1992) (In: Petrakis, 2007). Forlani and Mullins (2000) say: “at the individual level, risk reflects the degree of uncertainty and potential loss associated with the outcomes which may follow from a given behaviour or set of behaviours.” (In: Petrakis, 2007: 279) There are three risk determinants according to MacCrimmon and Wehrung (1986). These determinants are: lack of time, lack of information and lack of control over alternative courses of action (In: Petrakis, 2007). Studies show that entrepreneurs are more likely to take risks than non-entrepreneurs (Macko & Tyszka, 2009; Petrakis, 2007). However, there is a difference in the type of risks they take. If the risk is one they cannot influence, like a lottery, they will not take risks easier than non-entrepreneurs. But if the risk is something they can influence because of their personal abilities and skills they will probably take it easier. Self confidence is an important factor in making a risk analysis (Macko & Tyszka, 2009).

One of the most important characteristics of an entrepreneur is a very strong and internal drive to do or create something. Entrepreneurs need a ‘spark’, point one of the characteristics described by Martin & Osberg (2007). This drive has to be so strong that the person who has this motive needs to take action or ignite with this spark. The spark will get entrepreneurs through the difficult first phase in which risks have to be taken and there are no rewards yet.

An important goal for entrepreneurs is a reward for their achievement. Cuervo (2005) argues that entrepreneurs should keep the benefits because they are the one overcoming obstacles, taking risks, introducing improvements and generating inventions. According to many scholars the goal of being entrepreneurial is gaining profit out of their entrepreneurial ideas for their own good. Though Drucker argues that it is a wrong picture of entrepreneurship in which entrepreneurs are only seen as

profit makers (In: Scott, 2007). Benz (2009) argues that entrepreneurship is a non-profit-seeking activity and entrepreneurs are not only searching for profit benefits. According to Benz, entrepreneurs are investing so much money and time that it takes long before an entrepreneurial activity starts paying off. Therefore entrepreneurs find other rewards more satisfying like being your own boss and the possibility to use your own skills and abilities (Benz, 2009). There are three ways in which entrepreneurs can be stimulated to look for opportunities. These are the following: "1. Align the way in which people are rewarded for their jobs with innovation. 2. Formulate innovative targets. 3. Allow diversity and more options within the ventures" (Van der Aa & Elfring, 2003: 172). Van der Aa & Elfring (2003) also distinguish four policy measures that can assist the venture process. At first the champions of the organisation should be known and their role should be approved. The second measure is to formulate milestones and actually act to these milestones. Thirdly, there should be a correct organisational structure for the venture processes and finally there should be a policy on what to do with failed ventures (Van der Aa & Elfring, 2003).

### **Entrepreneurship within organisations**

Many entrepreneurial ideas and enterprises come from individuals and even the literature on entrepreneurship focuses on this level. However, it can be argued like Comeche and Loras (2010) that to remain a competitive organisation collective cooperation needs to be promoted within organisations. "In the global, modern business world, with a view to achieving success, firms can often benefit from encouraging the talent and creativity of their employees, not the individual innovator. Internal cooperation does not refer to a chosen few but to the entire collective, to activity based on teamwork and to the result of joint effort" (Comeche & Loras, 2010: 24). But collective entrepreneurship comes from individuals willing to 'work to the limit of their possibilities'. It cannot arise out of contracts (Comeche & Loras, 2010: 29). Entrepreneurial organisations therefore need champions. Champions can be defined as: "those with an entrepreneurial spirit and actively and enthusiastically promote the progress of an innovation, often risking their position and prestige to ensure the innovation's success (Achilladelis, Jervis & Robertson, 1971; Schon, 1963)" (Cogliser & Brigham, 2004: 779).

Organisations consist of a mix of people. This mixed group is helpful for organisations because people can support each other and help to get the best results out of individuals. Comeche & Loras (2010) underline this: "Collective entrepreneurship is a venture based on the efforts of the team by turning to the talent and creativity of each one of its members (26). Having a mix implies that every organisation has entrepreneurs and 'bureaucrats'; people who like to have predictable structures and processes. Scott (2007) made a distinction between bureaucrats and entrepreneurs, see the following table:

**Differentiating entrepreneurial behaviour from bureaucratic behaviour**

<i>Dimension of behaviour</i>	<i>Entrepreneurs tend to ...</i>	<i>Bureaucrats tend to ...</i>
Creating value-added strategies	<ul style="list-style-type: none"> <li>• Spot opportunities</li> <li>• Radically change the firm</li> <li>• Exhibit self-confidence</li> <li>• Believe in firm’s capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Control the flow of resources</li> <li>• Make incremental changes in methods</li> <li>• Efficiently use the firm’s current resources</li> </ul>
Taking decisions	<ul style="list-style-type: none"> <li>• External product and process opportunities are closely linked to the personal value that change is valuable and meaningful</li> <li>• Flat structures best keep the firm flexible and fluid (cross-training is a must)</li> </ul>	<ul style="list-style-type: none"> <li>• Separate personal beliefs about external opportunities and change (change is not always good)</li> <li>• Checks and balances are more important than rapid decision-making</li> </ul>
Tackling problems in the firm	<ul style="list-style-type: none"> <li>• Minimise risk by leasing or renting facilities and equipment</li> <li>• Always be prepared to add capacity</li> </ul>	<ul style="list-style-type: none"> <li>• Own equipment and facilities and add capacity only when capital costs are manageable</li> </ul>
Using incentives	<ul style="list-style-type: none"> <li>• Keep salaries low and use options to retain talented employees</li> <li>• Use bonuses at individual and team levels</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and maintain merit-based reward system</li> <li>• Periodic salary surveys to ensure competitive pay</li> </ul>

**Table 2**

Scholars like Seborá and Theerapatvong (2009) argue that within large organisations, entrepreneurship gets more and more difficult as the organisation ‘ages’. This has to do with the fact that organisations mostly start small, are flexible and are very capable of changing along with the environment. The bigger an organisation gets the more rules and ways of working get institutionalised and the less flexible an organisation becomes. This makes it harder for them to continuously change and grasp opportunities (Seborá & Theerapatvong, 2009). Scott (2007) argues that even large organisations can stay entrepreneurial as long as they create entrepreneurial positions. He argues that there are four steps that have to be taken. An organisation needs:

1. “An idea champion; a risk-taking employee who generates an idea and promotes it throughout the firm. The most valuable and successful idea champions are those who possess expertise and referent power. The firm takes them seriously and benefits from their creativity. Any firm with a reputation for making significant product breakthroughs (think iPods and iPhones) must institutionalise the role of *idea champion*.”
2. A sponsor; to protect the idea champion while he nurtures the new concept and applies organisational resources to the increasingly disruptive and expensive development of the idea. The sponsor, who need not be the idea champion’s boss, lends his positional power (and perhaps his reputation) to the idea, project, process, service or product in question. Firms having the best innovation track records consistently convert former or current idea champions into effective sponsors. Keeping both idea champions and sponsors in the firm is essential and you do it by giving these individuals lots of room to create and significant rewards when they do!

3. A godfather; to handle the political obstacles surrounding the commercialisation of the product or service. The godfather need not be a C-class executive, but he probably is fairly high in the chain of command. He has the authority to say: 'We're going to develop this concept'. The godfather makes resources available, gets people working together and builds coalitions which help convert non-believers. It should be no surprise to learn that the best godfathers were once idea champions and sponsors themselves.
4. A greenhouse; the special roles noted are not sufficient to sustain entrepreneurship and innovation in large firms. They must have horizontal coordination mechanisms which seal off innovation teams from outside interference. These semi-isolated units are *greenhouses* and they are physically removed from the rest of the firm. They often exhibit unique characteristics which reflect the work habits of the employees." (7/28)

When an organisation fosters these positions and creates these conditions it will become an entrepreneurial organisation according to the authors. An organisation needs to be structured differently when it wants to become entrepreneurial. A network approach within an organisation can be used to create new insights and stimulate openness. Networks can create and use opportunities for entrepreneurs (Van der Aa & Elfring, 2003).

Characteristics of an entrepreneurial organisation are; innovation, risk-taking and proactiveness (Sebora & Theerapatvong, 2009). Sebora & Theerapatvong (2009) see innovation as an organisational commitment to invent, engage and support new ideas that possibly result in new products or services. Organisations are innovating as a response to their environment. Risk-taking can be seen as "the degree to which managers are willing to make large and risky resource commitments i.e., those which have a reasonable chance of costly failure" (Miller and Friesen, 1982 In: Sebora & Theerapatvong, 2009: 332). Proactiveness is defined as anticipating on future changes ahead of the competition (Sebora & Theerapatvong, 2009).

NGOs need to become more entrepreneurial because of the changing context in which they work (Davis, 2002; Sebora & Theerapatvong, 2009). Becoming more entrepreneurial has consequences and raises ethical questions for NGOs. People working at an NGO mostly work there because of their belief that they can create a better world (Vredeveld, 2010). By having to find new ways of financing their organisations they feel that this is not matching or even contradicting this belief. On the other hand, it is also found that the professionals working at NGOs lack the business skills to effectively create opportunities for other ways of financing (Davis, 2002).

### **5.3 Social Entrepreneurship**

#### **Social entrepreneurship vs. entrepreneurship**

In the literature a distinction is being made between entrepreneurship and social entrepreneurship. It is argued that social entrepreneurship has a different focus and different goal than 'business' entrepreneurship. Drayton (In: Davis, 2002) says the following: "Social entrepreneurs have the same core temperament as their industry-creating, business entrepreneur peers but instead use their talents to solve social problems on a society-wide-scale. [...] Both types of entrepreneur recognize when a part of society is stuck and provide new ways to get it unstuck. Each type of entrepreneur envisages a systemic change, identifies the jujitsu points that will allow him or her to tip the whole society onto this new path, and then persists and persists until the job is done." (6)

The most important difference between entrepreneurs and social entrepreneurs is that social entrepreneurs are not entrepreneurial for their own financial benefit but for the benefits of others. “The social entrepreneur neither participates nor organises to create substantial financial profit for his or her investors [...] or for himself or herself. Instead, the social entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or to society at large. [...] the social entrepreneur’s value proposition targets an underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own” (Martin & Osberg, 2007: 34/35).

### **Definition of Social Entrepreneurship**

The definition given by Martin & Osberg (2007) is the following: “We define social entrepreneurship as having the following three components: (1) identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own; (2) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state’s hegemony; and (3) forging a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large”(35).

“The social entrepreneur should be understood as someone who targets an unfortunate but stable equilibrium that causes the neglect, marginalization or suffering of a segment of humanity; who brings to bear on this situation his or her inspiration, direct action, creativity, courage and fortitude; and who aims for and ultimately affects the establishment of a new stable equilibrium that secures permanent benefit for the targeted group and society at large” (Martin & Osberg, 2007: 39).

Dees (2001) says: “Social entrepreneurs play the role of change agents in the social sector by:

- Adopting a mission to create and sustain social value (not just private value),
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaption and learning,
- Acting boldly without being limited by resources currently in hand, and
- Exhibiting heightened accountability to the constituencies served and for the outcomes created” (4).

Davis (2002) describes social entrepreneurs like this: “[...] there are five essential ingredients for a social entrepreneur; a powerful, new, system change idea; creativity; potential for widespread impact; entrepreneurial quality and strong ethical fibre. In his view the entrepreneur exists to make his or her vision society’s new pattern.” (Davis, 2002: 6)

### **Background of social entrepreneurship**

One of the reasons why social entrepreneurship is focussed on society is, according to Kievit, Van Dijk and Spruyt (2008), because these entrepreneurs are focussed on general welfare. They argue that it is about creating value for people or issues that cannot be part of a market like value system (Kievit et al., 2008).

Within social entrepreneurship a distinction can be made in levels of rewarding or incentives. Kievit et al. (2008) argue that social venture entrepreneurs are devoted to find solutions for the problems in society. They find not only rewards in financial values but also in gaining social profit. A social entrepreneur can get 'personal' rewards like social recognition or financial rewards. At another level the social entrepreneur gets a 'moral' reward through creating better social or economic conditions for other individuals or through contributing to social change in society.

## **5.4 Leadership**

Leaders are everywhere, for instance in schools, countries, businesses and organisations. Most people want to be led by someone; someone they can trust and who will decide which way they are going. Some people want to be that leader, the person who can decide which way they are going. Leaders are necessary, especially in organisations. This chapter will therefore discuss leadership and focus on the relationship between leadership and entrepreneurship.

### **Leadership and management**

The difference between leaders and managers is a theoretical one and at ON both terms of manager and leader are used. They do not define leaders differently from managers within the CMT. On top of that the difference is not important for this research since there will be searched for characteristics of leaders of an entrepreneurial organisation and the theory nor difference will influence the way the respondents define the characteristics they find necessary. I believe there is a difference between leadership and management but during the research and in this thesis both management and leadership will thus be seen as leadership.

"Leaders do the right things, managers do the things right" (Krantz & Gilmore, 1990), is one of the most famous statements about leadership and management. It is said that leaders are the people in organisations who have a vision. They give direction to where the organisation is going, while managers are the people who give meaning to this vision and steer the employees in the right direction. "[...] leadership refers to the articulation of mission, direction setting, vision, and strategic thinking; management becomes the administrative functions of achieving the goals, administering policies and procedures, and monitoring and controlling" (Krantz & Gilmore, 1990: 6). The definition of management which will be used is the following: "Management is not just something one does, but is more crucially, who one is and how we relate to others" (Cunliffe, 2009: 11).

### **Leadership in combination with entrepreneurship**

The link between leadership and entrepreneurship is not (yet) researched often and not much literature and theory has been written on it. It is therefore difficult to give a broad theoretical overview. What has been written about leadership and entrepreneurship is the comparison of leaders and entrepreneurs. However, Gupta, MacMillan and Surie (2004) undertook research on entrepreneurial leadership. They defined entrepreneurial leadership as "leadership that creates visionary scenarios that are used to assemble and mobilize a 'supporting cast' of participants who become committed by the vision to the discovery and exploitation of strategic value creation" (242). Entrepreneurial leadership therefore has three main foci: "idea generation, idea structuring and idea promotion" (Cogliser & Brigham, 2004: 779). Gupta et al. (2004) give five characteristics of an entrepreneurial leader that are necessary if the leader wants to "mobilise the capacity to meet the entrepreneurial challenge" (246) These characteristics are: "1. Extract exceptional commitment and effort from organisational stakeholders, 2. Convince them that they can accomplish goals, 3.

Articulate a compelling organisational vision, 4. Promise their effort will lead to extraordinary outcomes, and 5. Persevere in the face of environmental change” (Gupta et al., 2004: 246). They also discuss two entangled enactment challenges, based on these ideas of leadership for entrepreneurial leadership; cast enactment, “creating a cast of characters – people endowed with the appropriate resources needed to execute the transformation” (Gupta et al., 2004: 247) and scenario enactment, “envisaging and creating a scenario of possible opportunities that can be seized to revolutionize the current transaction set, given resource constraints” (246-247). In addition they also define five entrepreneurial leadership roles that can be associated with cast and scenario enactment. An overview on these roles can be found in the following table (Gupta et al., 2004: 250).

Table 1  
Measures

Dimension	Roles	Attributes	Explanation
Scenario enactment	Framing the challenge (specifying highly challenging but realistic outcomes for the cast of actors to accomplish)	Performance oriented Ambitious Informed	Sets high standards of performance Sets high goals, works hard Knowledgeable, aware of information
Scenario enactment	Absorbing uncertainty (taking the burden of responsibility for the future)	Has extra insight Visionary Foresight Confidence builder	Intuitive Has a vision and imagination of the future Anticipates possible future events Instills others with confidence by showing confidence in them
Scenario enactment	Path clearing (negotiating opposition and clearing the path for scenario enactment)	Diplomatic Effective bargainer Convincing Encouraging	Skilled at interpersonal relations, tactful Is able to negotiate effectively, able to make transactions with others on favorable terms Unusual ability to persuade others of his/her viewpoint Gives courage, confidence, or hope through reassuring and advising
Cast enactment	Building commitment (building an inspired common purpose)	Inspirational Enthusiastic Team builder Improvement-oriented	Inspires emotions, beliefs, values and behaviors of others, inspires others to be motivated to work hard Demonstrates and imparts strong positive emotions for work Able to induce group members to work together Seeks continuous performance improvement
Cast enactment	Specifying limits (building a common understanding and agreement of what can and cannot be done)	Integrator Intellectually stimulating Positive Decisive	Integrates people or things into cohesive, working whole Encourages others to use their mind—challenges beliefs, stereotypes, and attitudes of others Generally optimistic and confident Makes decisions firmly and quickly

**Table 3**

Cogliser and Brigham (2004) did literature research on the similarities between leaders and entrepreneurs and defined four fields in which leaders and entrepreneurs act; vision, influence, creativity and planning.

Cogliser & Brigham (2004) argue that the role of vision is highly important in entrepreneurship. Vision is needed for the entrepreneurs to strive for their goal and their followers to convince them about the idea. Both entrepreneurs and leaders need to influence others for a common goal. “The



influence process occurs naturally within social systems, whereby leaders influence the choice of objectives and strategies to pursue, the motivation of organisational members to achieve those objectives, the learning and sharing of knowledge among followers, and the enlistment of support and cooperation from external constituencies (Yukl, 2002). In an entrepreneurial setting, not only does the entrepreneur need to recognize opportunities, but he or she needs to be able to marshal the resources necessary to reach the potential of that opportunity” (Cogliser & Brigham, 2004: 778). Entrepreneurs are seen as creative. Creativity is important to create ventures and have success. The last field is planning. Within leadership planning has always been an important component. But also entrepreneurs need to plan carefully as well. “Clearly, entrepreneurs have a strong need for careful planning in addition to the avoidance of biases identified in the cognitive phase of entrepreneurship research” (Cogliser & Brigham, 2004: 780).

Sebora and Theerapatvong (2009) also argue that leadership is important in entrepreneurship: “Upper-level managers have multiple and critical roles in CE (corporate entrepreneurship) activity. These managers are responsible for the articulation of an entrepreneurial strategic vision and instigating the emergence of a pro-entrepreneurship organisational architecture” (333). Other scholars, like Petrakis (2007), did not write about leadership in relation to entrepreneurship specific but they argue that leaders are supposed to set an example, in for example risk-taking, and facilitate and stimulate entrepreneurship.

When studying leadership not only leaders are important but, as Jackson & Perry (2008) and Zaleznik (1993) argue, followers are important as well. Zaleznik (1993) says: “Leadership is based on a bond between leaders and followers which bounds them to the same moral, intellectual and emotional involvement” (102). Leadership is based on the behaviour of the followers which makes it important for the leaders to also act in name of the followers (Zaleznik, 1993). Vecchio (2003) argues that followership has been a neglected topic in research on entrepreneurship. He says that followers are highly important when it comes to entrepreneurship. Followers and leaders create relations and certain ways of working in which leaders offer inducements as salary and followers offer effort and loyalty. There are two ways in which leaders can support their followers. These are: charismatic and messianic. “Charismatic approval derives from the followers’ feelings of being rewarded for who they are rather than what they have achieved, while messianic approval derives from feelings of being approved for actual contributions and achievements” (Vecchio, 2003: 316).

According to Jackson & Perry (2008) you may not find leaders only in the top of an organization or in leadership positions but they can be anywhere in the organization. The definition of (transformational) leadership they use is: “[...] the leader as someone who defines organizational reality through the articulation of a vision, and the generation of strategies to realize that vision” (Jackson & Perry, 2008: 28). This can be both at informal and formal levels. It is important to keep this in mind because many entrepreneurs are not formal leaders of an organisation (Cogliser & Brigham, 2004).

### **Leadership in combination with change**

Leadership and changes are intertwined. In the different approaches of organisational change the role which leaders play is often discussed. It depends on the approach how organisational change is seen. “Thus, the cognitive school draws attention to the importance of transforming the worldview

of organizational members, starting with top management, to achieve profound change. According to the cultural approach, fundamental change involves a deliberate attempt by management to change the basic taken-for-granted assumptions and values that guide collective action. Even authors of the political school, who adopt a managerial point of view, regard managers as capable of deliberately transforming an organization. However, because they consider that organisations are pluralist entities, they conceive the change process leading to radical change as piecemeal and incremental” (Demers, 2007: 45). When culture is seen as a root metaphor it is argued that culture cannot be changed or managed by leaders. De Man (2009) argues that this is not absolutely true. It will be harder for managers to change the culture and they will have less influence on it, but it is not impossible. When leaders are seen as someone who creates the organisation in relation to others, as Cunliffe (2009) does, they are part of the change process and dynamics (De Man, 2009). He argues that managers should be aware of the polyvocality in organisations during change. “Leadership means being creative. It is shown in ideas that force the structure to change, a change that is permanent or at least lasts until the end. Leaders are not being stopped by a process; instead they influence it by trying to create creative programs, ideas and actions.” (Zaleznik, 1993: 102). This definition also shows the link between entrepreneurship and leadership.

### **Managing professionals**

When an organisation exists of professionals it has a different exposure (Gastelaars, 2006). It also makes a difference for the leaders of an organisation. It can be easier to manage because professionals are able to do their job and they have a lot of knowledge. But it can also be more difficult because they want to be involved and the position of the leader is different because of this professionalism. (Wanrooij, 2001). According to Wanrooij (2001) leaders have to shift continuously between different positions and relations with the professionals. These difficulties are:

- ❖ **Autonomy vs. Guidance:** professionals need space and time to do their job. Being able to do their job without much guidance and control works motivating for most professionals but because they are part of a larger organisation processes, systems and structures (guidance) are needed as well. In addition professionals are mostly perfectionists and they want to deliver a perfect job but this sometimes conflicts with efficiency and ‘good is good enough’. Thus a leader needs to give guidance on autonomy.
- ❖ **Solo vs. Cooperation:** professionals can be very stubborn and focussed on their own ideas and believes. They rather do their things alone than cooperate with colleagues. Leaders need to manage these individuals and the relations and cooperation between the individuals.
- ❖ **Identification with branch vs. Identification with organisation:** professionals identify themselves with the branch they work in because of their (educational) background. They are not bound to an organisation but to the work they do. In this case the leader needs to find a way to make the organisation culture matching the culture in the branch.
- ❖ **Occupation orientation vs. Market orientation:** professionals are highly committed to their job. They find their job more important than the market they operate in and therefore sometimes lose their commercial insight. The manager needs to find a balance between both the commitment to the job and what the market asks.
- ❖ **Engagement client vs. Engagement organisation:** professionals are mostly very much involved with their clients, (in case of NGOs their partners). Sometimes these clients get more important than the organisation. The challenge for the manager is to find a way to combine engagement to both the clients and the organisation.

- ❖ Personal power vs. Formal power: professionals do not like to be managed, they rather manage themselves. The manager needs to earn power by being a good example and establishing good relationships. The manager therefore needs to find a balance between earning power and authority and just taking it.
- ❖ Colleague vs. Manager: this is a big challenge for the manager because most of the time the manager used to be one of the professionals. Because they are not 'one of the guys' anymore they have to change their behaviour and they have to be aware of the fact that the way their colleagues used to behave around them is different as well. This could lead to tensions. (Wanrooij, 2001)

It is important to be aware of these challenges because leaders are crucial during change processes. It can be assumed that change processes are different within organisations that have professionals because of these challenges.

In this thesis there is an assumption that leadership and entrepreneurship are highly intertwined and that leadership influences entrepreneurship. There are different levels at which people can be leaders; there is a formal and an informal level. Formal leaders are hierarchical leaders but informal leaders can be everywhere in the organisation. (Informal) Leaders are important, because of their spark and internal drive. They need followers for their entrepreneurial ideas. I therefore argue that it is important to have a follower centred perspective on leadership in an entrepreneurial culture. Everybody can be a leader as long as they have others 'following' them. When people have created ventures they need a vision to start the project. They will then be(come) the 'leaders' of the project. The followers have to believe in the ventures as well and they maybe have to invest in them in one way or another. When a leader of a venture has a strong group of followers it might be easier for him/her to be entrepreneurial and successful. The role of leaders within entrepreneurship is very important because they act as examples of entrepreneurship and they are the ones facilitating and stimulating entrepreneurship. Managing professionals causes many challenges for the leaders of a professional organisation. They have to find a way in which they can overcome the different dilemmas. Leaders also have to be aware of their position when the organisation is changing. They have to set an example and create a sense of urgency for this change. This is also needed if an organisation wants to change into an entrepreneurial organisation.

## 5.5 Organisational culture

Organisational culture is subject to a lot of research and yet there is still much to explore. The opinions on culture are quite diverse because the way it is seen or researched depends on the perspective of the researcher. Each organisation has its own organisational culture.

### Definition of culture

The definition of –organisational- culture that will be used is the following: "Culture is a loosely structured and incompletely shared system that emerges dynamically as cultural members experience each other, events, and the organisation's contextual features" (Anonymous reviewer, 1987 in Martin, 2002: 58). But I would like to add another aspect of culture as well. For me culture does not only exist from ways of working and cooperation but also from superficial and material objects like a building and a desk and cultural forms. According to Martin (2002) cultural forms consist of stories, rituals, jargon, humour and physical arrangements.

Culture in that sense has both functionalist and interpretative elements. The organisational culture is created in relation and a shared system, the interpretative view, but also has contextual features, cultural forms and superficial and material objects, the functionalist view.

### **Culture and entrepreneurship**

It was found that culture and entrepreneurship are intertwined. There is not much literature written about culture and entrepreneurship but it can be assumed that culture, as it influences and is influenced by interactions in an organisation, also influences entrepreneurship or becoming entrepreneurial as part of a particular organisational culture.

To create an entrepreneurial organisational culture leadership is needed. Sebor and Theerapatvong (2009) argue that the management is a collective facilitator for entrepreneurship and “entrepreneurial activities pursued at lower levels in the organisational culture” (337). They also argue that “the ability to consistently and systematically create a stream of incremental and radical innovations is wholly dependent on an appropriate creative culture replete with reward systems and legitimizing processes that encourage the entrepreneurial spirit, a process called ‘strategic entrepreneurship’ (Brazeal and Herbert 1999; Hitt et al. 2001)” (Sebor and Theerapatvong, 2009: 337).

Dimitratos and Plakoyiannaki (2003) argue that entrepreneurship should be embedded in the organisational culture. They argue: “that an international entrepreneurial culture is that organisational culture which facilitates and accommodates the entrepreneurial activities of the firm in the international marketplace” (Dimitratos and Plakoyiannaki, 2003: 193). They made a distinction between six different dimensions of an entrepreneurial culture:

- ❖ international market orientation: the behaviour of the organisation to create superior value for its customers;
- ❖ international learning orientation: being able to learn as an organisation and use this as an advantage on the market;
- ❖ international innovation propensity: about the ability of the organisation to create new and innovative ideas, products or processes;
- ❖ international risk attitude: the extent to which the organisation is willing to take risks;
- ❖ international networking orientation: the ability of the organisation to create and work with other organisations or alliances;
- ❖ international motivation: the process of initiating, directing and energising the behaviour of the staff to find ventures in the market (Dimitratos and Plakoyiannaki, 2003).

The main assumption of this thesis lies within the organisational culture. As Jerr Boschee (2006) argues, the most important obstacle for becoming an entrepreneurial organisation is organisational culture. “Entrepreneurs have higher tolerance for risk, a greater appreciation of margins, an eagerness to compete. Traditional nonprofits distrust the capital markets, prefer collaboration to competition, and underestimate the productive capabilities of their disadvantaged employees” (Boschee, 2006: 1). Many NGOs have a culture based on MFS (§1.2) because the government has been the largest financer for a long time. All processes, systems and structures, the way staff work together even the way they think, their mindset, is based on this way of working. This has a very big impact on the organisational culture of NGOs like ON. According to Boschee there are five changes

NGOs have to make in their culture. “1. Be willing to take risks. 2. Make tough choices about staff members. 3. Relinquish control. 4. Emphasize market pull. 5. Price more aggressively.” (Boschee, 2001).

If NGOs will not change their culture it will become difficult for them to become entrepreneurial and they will probably never even become entrepreneurial. The danger for them lies in the fact that if they do not change they might not survive due to the changing circumstances in which they operate. Although culture is not seen as an instrument but as a creation in relation with others, and can therefore not be changed easily, the elements of the organisational culture that are an obstacle to becoming entrepreneurial, can be changed.

To change the organisational culture, it is, according to Heracleous (2001), important to start with the behaviour of the employees. Heracleous (2001) argues that organisational cultures are inertial and resistant to change. Changing the organisational culture may fail due to internal coherence and self-legitimacy of cultural elements. To prevent organisations from this failure a start to change the culture must be made in the behaviour of the staff (Heracleous, 2001) or the values (De Man, 2009). Values are also created in interaction but they can be adjusted by defining new values together. The way people act, interpret and interact, influences the organisational culture and is influenced by the organisation culture. If a change needs to be made from not being entrepreneurial to being entrepreneurial, a change in the mindset of staff needs to be made as well.

## 5.6 Summary

Entrepreneurship is mostly described at individual level but it can be seen at collective and organisational level as well. Entrepreneurship is seen as “a context in which an opportunity is situated, a set of personal characteristics required to identify and pursue this opportunity and the creation of a particular outcome” (Martin & Osberg, 2007: 33). It is argued by many scholars that entrepreneurs have certain characteristics. There are several issues important for entrepreneurship at individual level, like risk-taking and rewarding. An entrepreneurial organisation has three characteristics; innovation, risk-taking and proactiveness (Sebora & Theerapatvong, 2009). Scholars make a distinction between entrepreneurship and social entrepreneurship in which the outcome of social entrepreneurship is aimed at establishing better living conditions and changes in power relations for marginalised groups.

When becoming an entrepreneurial organisation leadership plays an important role. They are the examples in risk-taking, they can facilitate and stimulate entrepreneurship by creating and influencing the organisational culture. The leaders can decide on the direction of the organisation and the importance of entrepreneurship. Four themes are important for both leaders and entrepreneurs. These themes are: vision, influence, creativity and planning (Cogliser & Brigham, 2004). Entrepreneurial leadership can be described as creating visionary scenarios to get a supporting team who are committed through the vision to create the strategic value (Cogliser & Brigham, 2004).

Entrepreneurship and leadership are part of the organisational culture. Organisational culture is being created in interaction between people and is therefore always perceived and interpreted differently by individuals. Because of this creation through interaction it is difficult to change an organisational culture but it is argued that it is not impossible (De Man, 2009). In order to change a

culture, the behaviour of the staff (Heracleous, 2001) and the values of the organisation (De Man, 2009) need to change. Entrepreneurship needs to be embedded in the organisational culture if an organisation wants to be entrepreneurial (Dimitratos & Plakoyiannaki, 2003). It is argued that the specific culture of NGOs can be an obstacle in becoming an entrepreneurial organisation (Bosschee, 2001).

## 6 What exactly is entrepreneurship at Oxfam Novib?

### 6.1 Introduction

This chapter, and the following two, present the analysis of the collected data linked to the literature. In this chapter a distinction is made between how the respondents currently perceive entrepreneurship within ON and how they would like to see it in the future. First of all an overview is presented of the definition of entrepreneurship according to the respondents. This definition is compared with the definitions used in the theoretical framework (chapter 5) and the definition given by ON in its documents. The third paragraph shows the different levels of entrepreneurship. Next a description of entrepreneurship in the current culture is given. In the last paragraph it is discussed how the respondents would like to see entrepreneurship in the future of their organisation.

### 6.2 The definition of entrepreneurship

This research started by finding how staff interprets entrepreneurship. *“Entrepreneurship is adjusting to a changing context and keeps on defining your role in a context which keeps changing.”* (12) The most common words used by the respondents to define entrepreneurship are the following: seeing, creating and taking opportunities, being pro-active, taking action, persistence, looking further (new partners, projects, working programmatically, etc.), working more efficiently and effectively, being fast and flexible as an organisation (in a changing context), having the right rewarding system, being creative, innovating and looking for renewal, defining the added value, having ‘space’ (time, energy, contacts), taking risks, going outside, coming out of your comfort zone, cooperation, being able to call in people at the right moment, networking, trust, derived from mission, having frameworks and a clear focus and last but not least having an internal motivation, a ‘spark’. *“[...] the spark needs to be present in someone. The spark is only present if this person is motivated and follows his idealism.”* (4) All these aspects are needed on each of the by the respondents distinguished levels; individual, strategic, policy, director, cultural. *“Innovation is not only a matter of ideas but the policy framework also has to be in place.”* (3) Examples of entrepreneurship according to respondents are; programmatic working, working with different partners, and alliances and creating different projects. As a result of these ventures funds could be raised.

Before the learning day on entrepreneurship in June 2010, the human resources department created a definition of entrepreneurship within ON:

#### **“Entrepreneurship at Oxfam Novib**

Entrepreneurship is part of the new vision of Oxfam Novib. It's also the theme of the Learning Day on the 10th of June. We think it will be interesting to link entrepreneurship to the bureausessions you are organizing. What does entrepreneurship mean for Oxfam? How entrepreneurial are we? And what is absolutely *not* entrepreneurial about what we're doing at the moment?

The earnings for Oxfam had been pretty stable for years. The info below will give you an idea of what we mean by Entrepreneurship. Hopefully, it will help you to organize the bureausession.

#### **Entrepreneurship at Oxfam Novib =**

- A way to obtain better results.

- **Innovation** = add value to your organisation by creating new business. Start by creating and implementing something new that creates value for the organisation by creating opportunities and creating initiatives.
- **Knowledge:** gathering, developing and sharing. To serve your 'customers' you have to know what's going on in the field.
- **Creativity** = think and do something different. Get involved in something new. We are working worldwide, so join in, become involved and spot the opportunities
- **Network thinking** = be aware of the capacities of the people surrounding you. Dare to approach your colleagues in and outside the organisation, dare to ask a question.
- **Collaborate** with people in- and outside the organisation.
- Clearly prove your **added value** rather than talking about it. Be an indispensable part of the organisation. Make sure the things you do are an added value. If not, don't do them and communicate that to your manager.
- **Support** your own project/idea for a 100%. If you were an investor, would you invest in your own project?
- Think ahead: know the **risks and problems** of your projects and figure out **solutions** for them.
- Focus on **goals** and cost awareness. It should be clear what the costs and benefits of your project are. You should only spend money if you can accomplish your goals.
- **You're as strong as your weakest link:** So try to bring out the best in yourself and your colleagues.
- Take all initiatives above and don't wait for others to do it.
- Finally: **be fair** to yourself, your organization and everyone else. And remember: entrepreneurship is fun!" (Department HR, 2010)

An interesting observation is that none of the respondents were aware of the fact that there is a definition of entrepreneurship created by ON. Somehow this is either unknown or the definition is not supported by the respondents. However, the definition created by ON as well as the definition of Martin & Osberg (2007) §5.2, are similar to the definition of the respondents. I therefore argue that the overall vision on entrepreneurship is similar and broadly supported in literature as well as by the respondents. The most important issues within these definitions are; finding, creating and taking opportunities, being aware of the risks and taking action. To start with an entrepreneurial venture the personal motivation or spark is perceived by the respondents as the most important issue. *"ON is waiting for a call for proposal but they have to become pro-active. Develop a pro-active way. They have to identify niches in which they can operate. Being entrepreneurial is a way of defining niches in the markets. Donors need to be aware of our excellence. This takes money but that is not available. Money is needed to put into R&D, organisational studies etc. this is needed to define the market."* (3)

### 6.3 Entrepreneurial levels and characteristics

Entrepreneurship exists at organisational or collective level but also at individual level, which is mostly described by the literature (Comeche & Loras, 2010). The respondents argue a distinction should be made between different levels of entrepreneurship. When it comes to the individual level, entrepreneurship is seen by the respondents as having certain characteristics and abilities as a person. This is the only level they describe. They say entrepreneurs need the will to persevere, even after failure. They have to be willing to take risks. The respondents argue that entrepreneurs have to be flexible, positive and enthusiastic and they should be able to move around rules. For entrepreneurs it is found important by the respondents, that they can sell both their 'products' and the organisation, in ON's case. Besides that, integrity and carefulness should always be guaranteed



according to them. But, it is argued by the respondents that the most important things needed by entrepreneurs is the 'spark' and the ability to take direct action. *"Talents you need are open minded. You are curious. You are willing to actually cooperate. You don't think you are the only one with all solutions and wisdom. That you link things and are able to learn and give this back at a different level."* (17) Martin & Osberg (2007) and McClelland (2007), §5.2, give a description of the most important characteristics of an entrepreneur. These characteristics correspond to the characteristics the ON staff list for entrepreneurship. I argue that McClelland's (2007) list consists of necessary characteristics which cannot be found yet, everywhere at ON.

#### **6.4 Description of entrepreneurship within ON**

Within ON, I observed in the informal interviews, conversations and group sessions, entrepreneurship is somehow perceived as being connected to external fundraising. It is remarkable that from the 24 respondents only one respondent says that he agrees with this vision. All the other respondents, even the respondents of the board of directors, would rather define entrepreneurship as more than external fundraising. *"I mean I don't see entrepreneurship in terms of money only. Money is important but it is more in terms of knowledge."* (17) Some respondents say that the effect of entrepreneurship could be to raise more funds but that is not the only intention of becoming entrepreneurial. So, somehow the feeling has been created that entrepreneurship equals fundraising although all respondents except for one do not see it that way and even the definition created by the Human Resources department does not imply this. I found it not clear why entrepreneurship is perceived this way but according to one of the respondents it could have to do with the sense of urgency that is being created now. This sense of urgency comes from the fact that there are fewer funds available and therefore entrepreneurship is becoming even more important. Seeing it as external fundraising has a negative connotation and respondents do not want to perceive it this way. One of the first definitions created by Schumpeter was based on this economic dimension. But the definitions used by other scholars, based on his definition, do not have this assumption anymore.

There is a distinction in the way respondents see the presence of entrepreneurship within ON at the moment. Some respondents say that ON already has many entrepreneurs, some say it is partly present and some say that there is no entrepreneurship whatsoever. *"There are many people here who are smart and have good ideas and fantastic experiences and backgrounds which should lead to enough ingredients to have new ideas. So, the potential is here. I'm sure about that."* (13)

There are differences in how respondents look at contributing to the organisation with new ideas. Some feel that these ideas are very welcome and people are always willing to help. *"Our culture used to be that everything was possible. On the one hand that is nice if you want to be entrepreneurial because if you just find your way it will happen. On the other hand it makes it difficult to let it grow because a lot is being planted but there is not enough manure for it."* (16) Others feel like these ideas are being shot at right away and not even considered. *"It is scary to say something because here people are going to shoot at it immediately. But this has to do with the consensus culture because everybody knows best."* (1) *"Well, thinking out of the box is not something that is always appreciated. People look at it very critically and it is being shot easily."* (6)

*"Look, what makes entrepreneurship possible at ON is that not everything is closed with rules. I have the attitude in which grey areas are an opportunity. So if something is unclear you can complain"*

*about it and the board (of directors) needs to say what should happen, or you can say it is not clear, I'm going to make the most out of it.”* (2) Some respondents say that in the existing culture there are opportunities for entrepreneurship because ON has many grey areas which can be perceived as possibilities. You can either ignore them or complain about it, but you can also use them to do your own entrepreneurial activities, according to the respondents. *“Some people in this organisation hide behind: ‘it is not allowed’, behind systems and structures and rules and others just use the space and do these things extra.”* (20)

Two respondents who are leaders also believe that they are not triggered in the right way. The questions that are asked by the board of directors and by themselves are not the questions that trigger entrepreneurship. *“You don’t have an assessment. You should have more assessments like; how would you double your budget? You should assign more tasks to people. That will make them creative. Other departments also have more creativity in their jobs. They have a clear task. The task here is; how do you assign your money? It is important to do that correctly but if you say you want to double your budget, how would you do that, that is a more fun way to think.”* (2) *“The dominant culture is being fed by what you are accountable for and I think that we are asking staff for the wrong things. I think that our Balanced Score Cards and our monitoring systems, they won’t stimulate entrepreneurship. We ask people the wrong things.”* (20) This is being confirmed by a few other respondents as well. To create an entrepreneurial culture it is important to create an incentive system or something that triggers entrepreneurship, §5.2 and §6.5.

Almost all respondents argue that entrepreneurship should be present everywhere in the organisation. Everybody has to be entrepreneurial but the management and the board of directors are seen as examples. Thus, they are expected to show entrepreneurship. The board and the management also have to create pre-conditions in which people can be entrepreneurial. *“I think all the leaders should be. Everyone. Because, if they don’t push it, nobody will push it. If we, the lower level, we are the workers, have the idea it is not a priority, it will never happen. [...] I can be entrepreneurial but if I am and they are not, it will not succeed. But if they are and I am not, then it will happen. They are the most critical people I think.”* (23) This crucial role of the leaders is underlined in the literature, §5.4 & §5.5.

### **Stimulating**

Within the current organisational culture some respondents feel that entrepreneurship is stimulated one way or another. *“So I’ve got the feeling that it is still possible and stimulated. Especially that there is a whole department created for entrepreneurship I find extra stimulating. So the possibilities are there but the finances are the biggest problem.”* (12) What is stimulating in the current culture according to the respondents, are examples and success stories. Cogliser and Brigham (2004) argue that entrepreneurial ‘champions’ are needed. They argue that champions have great influence. Some respondents argue that ON needs to define some of its entrepreneurial champions and ‘use’ them to promote entrepreneurship and especially entrepreneurial ideas. Many other respondents say that entrepreneurship is currently not being stimulated at all.

Van der Aa and Elfring (2003) say the following: resource attraction is important in the first stage of the venture. To allow entrepreneurial ideas to start, it can be useful to build in different ways of approval. Direct managers of the entrepreneurs are most likely not to take the risk of a new idea. When these entrepreneurs can go to a different place or leader in the organisation to approve the

idea, it is more likely that the ideas will get follow-up. I argue that ON has thought about this by creating a department for special projects in which entrepreneurial ideas can find approval, see below.

To become an entrepreneurial organisation the board of directors decided to start a new, entrepreneurial department; the Special Projects Unit (SPU). Almost all respondents say that the intention of SPU is a good but the results are not there, yet. *"The project incubator, as they called it, I think that is a great idea but you have to give a better reward to it. [...] You have to create a better system. But I still am a fan of the idea of special projects."* (2) *"I believe it is very good what special projects is doing. [...] that the organisation is investing in innovation."* (4) Many respondents say that this department is supposed to be the entrepreneurial department but it is perceived as if it is not. *"I think that with special projects we originally intended to go in an interesting way with a programmatic approach. Combining different interventions. [...] My hope, and I believe the goal, was that with special projects, more of these kinds of programs would be developed but until now that is not happening."* (18) Some respondents argue that ON should keep the department but not confine entrepreneurship within this department. One of the critics on SPU by some respondents is that the special projects are forced to fit into a system. However, special projects are special and never fit into a system. An employee who was involved with a project to get external funding, said about his project: *"it doesn't fit into the standard idea of special projects."* According to some respondents SPU staff are not 'allowed' to have direct contact with the partners. This makes it more difficult for them to do the project. The communication always has to go through the responsible regional bureau. Finally, the respondents say that the idea of SPU is good and the fact that people can partly let go of their normal job and invest their time in the special project is helpful. But, this is just a part and therefore they do not have enough time to actually invest in the special project, they argue. I think SPU needs to become supportive instead of counter-productive when it comes to entrepreneurship.

### **Counter-productive**

During the first observations in the organisation I found that there are many elements in the organisational culture that are not supporting entrepreneurship. Between the respondents there was much consensus about the most important things that were not supporting and actually are counter-productive when it comes to entrepreneurship. *"Counter-productive is the 'meeting culture' and too much consultation and too many rules why plans die immediately."* (16) Things that are perceived as counter-productive are issues like work pressure and always being in a control-mode because of MFS. Entrepreneurship is perceived as extra and is therefore never a priority. *"Entrepreneurship is not a priority. So I cannot just spend weeks on something entrepreneurial."* (23) Some respondents also argue that because there is no or little reward for entrepreneurship and it therefore never becomes important. Staff are only entrepreneurial because they find it, for example, an interesting project and they therefore get 'moral' reward, but no 'personal' reward. This works counter-productive. Respondents also say that an unclear decision making process, always searching for consensus and staff wanting to feel ownership about everything is not helpful at all. These are part of the managers dilemmas described by Wanrooij (2001). The systems are also perceived by respondents as counter-productive, because entrepreneurial ventures never fit into the systems. This is shared both in the headquarters as well as the field offices but for the field offices it is even more difficult because the final mandates are in the headquarters. *"Within the culture of ON the procedures are the general and biggest obstacle. The headquarters needs the final quality and control check and that takes time but the field offices sometimes don't have time because the donors don't*

want to wait. *The general way of thinking needs to change. There should be a new mindset on entrepreneurship.*" (3) In the literature it is also stated that effective systems are necessary for entrepreneurship. "[...] the perception that organisational systems support innovation activity seems likely to be an essential factor for an individual's motivation to engage in such activities" (Sebora & Theerapatvong, 2009: 339) It was also argued by some respondents that ON is focussed internally and therefore working reactive instead of pro-active, which is necessary for entrepreneurship they argue. Another counter-productive issue, mostly found by respondents who have been entrepreneurial, is that there is little knowledge on the implementation phase. They argue that it probably is more difficult starting and implementing the project than creating a project and getting funds for it, because of this lack of knowledge and support by the organisation: *"When you actually are successful, that is where the problem starts."* (GS2) It is also discussed by a couple of respondents that ON is hierarchically a flat organisation but they still perceive many hierarchical levels. One respondent, an employee, says: *"We currently are a very flat organisation which assumes and which is being preached by the board and the managers. There is need and space for initiatives but what you see is that there are many people with initiatives in which finally the initiative doesn't get a chance because everything goes through the top of the pyramid, the board."* (8) When it comes to entrepreneurship this is something that is not helping and this causes tension. Staff feel like everything is being decided by the board of directors and the board says that they want the staff to think for themselves and stop asking for rules and frameworks. One of the respondents of the board of directors argues: *"There is the idea that it should be a rule, it should come from the top. But if we say you have got space, you can do it your own way, then they say, 'yes but the board', 'it is unclear what the board wants'. Well the board wants you to think on your own, that is what the board wants."* (17)

## **6.5 The future of entrepreneurship within Oxfam Novib**

When the respondents described the way they wanted to see entrepreneurship in the future they named several elements they found important, which can be related to the functionalist view like creating possibilities for risk-taking and an incentive and reward system. These issues are discussed in this paragraph.

I argue that the most important aspect in organisations, is human capital. It is useful to have different people in different teams in order to create a good mix of people who can support each other. *"Entrepreneurship asks for a mix of people with the corresponding mandates, responsibilities and budgets."* (1) *"Well, entrepreneurs, you need to have people to maintain the rules, look after the money, be serious and slow you down. [...] An entrepreneur builds an organisation around him and doesn't want to do everything alone."* (2) This group of people is also important for collective entrepreneurship argue Comeche and Loras (2010). The board of directors found collective entrepreneurship important within ON. ON not only wants to have entrepreneurial individuals but it is searching for collective entrepreneurship, existing of different types of people. *"In this way, entrepreneurship is not only the domain of the founding member of the organisation or its managing directors (Reich, 1987) but a capacity that is spread throughout the collective, albeit within a team or organisation, that experiments with and develops new systems for capturing and building knowledge and accumulated experience via its members"* (Comeche & Loras, 2010: 26). This collective entrepreneurship is needed for both the group and the individuals to innovate in a creative way (Comeche & Loras, 2010). Scott (2007) made a comparison between bureaucrats and entrepreneurs. After observing the organisation and the staff I found that many 'bureaucrats' are working at ON.

Staff are focussed on control and can therefore be resistant to change and not able to move rapidly. They know the organisation very well and can therefore make efficiently use of the resources of ON. This probably has to do with the MFS mindset. Some of these 'bureaucrats' do have entrepreneurial characteristics and I strongly think that they can become the entrepreneurs within the organisation.

All respondents say that taking risks is an important part of entrepreneurship. If you want to be entrepreneurial you should take risks and be able to take risks and fail. Remarkable is that almost all respondents say that these risks should be looked at carefully and that all risks should be taken into account when decisions are being made. *"I believe that is another aspect of entrepreneurship. Once in a while you have to say consciously, we do not have the overall picture yet but we will go through because we see the chances and we know we will have an argued risk to fail."* (16) Within the literature it is argued that taking risks is part of the entrepreneurial culture. Within ON this means releasing (some) of the control-mode and adapting a risk-taking culture. Some respondents say that in the current culture failing is allowed, others say that it is not accepted to fail. *"If you are entrepreneurial you take risks and things fail. And there is nothing wrong with that but you have to think about it upfront, this is going to work or it isn't. At least you have learned something from it. And that is a culture you should cherish; you are allowed to make mistakes and take risks, but you have to be clear about it."* (2) If you want to be entrepreneurial, the respondents argue, a culture is needed in which failure is allowed and lessons are being learned from failures. Even one of the directors says this is important: *"That is the most important thing, you need to create an environment in which creativity pays and where people dare to fail. Thus, if you make a mistake it doesn't mean you are out, but you are allowed to make mistakes so new initiatives can be developed. Thus, that environment. A safe environment in which people take risks is very important."* (17)

Remarkably is that taking risks is a very important subject for the respondents while the literature is not extremely focussed on these risks. Scholars argue that entrepreneurship comes with risks (Martin & Osberg, 2007; Dees, 2001) and that it is likely that entrepreneurs are more willing to take risks (Petraakis, 2007; Macko & Tsyzka, 2009). They also argue that it takes courage of the entrepreneurs to start ventures because of the possible risks and possibility to fail. I think it could be that taking well considered risks is important for ON because of their background and the 'old' mindset in which everything had to be reported to the Dutch government. ON is working with public money instead of, like most entrepreneurs, profit or money gained by their own company. It is important for ON to find a balance between being entrepreneurial with the received subsidies and using the subsidies for existing projects, partners or programs. However, within ON it is argued that donors accept failure of entrepreneurial ventures as long as ON communicates about it. Donors ask for open communication. I found that ON is in a constant struggle in which it has to act and decide quickly because opportunities arise and are gone quickly and making a well considered risk analysis. It is likely it will only take risks if it can influence the outcome of the risks based on the knowledge, skills and capabilities of its staff (Macko & Tsyzka, 2009).

Almost all respondents say that it is important for entrepreneurship to have a 'reward system' for being entrepreneurial. *"I believe that if people feel rewarded for what they do on each level or whatever team they are in, that will create the motivation to take that extra step."* (4) This is underlined by the literature, §5.2. The respondents argue that there is no such system integrated in the current organisational culture. Staff are mostly rewarded informally with compliments, but this almost never happens organisation wide or in a formal way, according to most respondents. *"I got a*

*cake for my success and I came across one of the directors in the hallway and she said; well done with the project. That was it.*" (GS2) Respondents argue that successes are almost never celebrated. *"Well, I don't think our culture outshines in entrepreneurship. In the traditional ON culture you are not being accounted for entrepreneurship."* (16) *"Being accounted for countable measures doesn't ask being creative of us. It doesn't reward us for being innovative."* (8) Being a not for profit entrepreneur assumes that there are two ways in which you can be rewarded: by receiving personal or moral rewards, §5.3. I argue that it could be possible that entrepreneurs within ON feel rewarded for the fact that they changed something in a personal life or in a society on top of their 'personal' reward. Rewarding entrepreneurial staff members is an important job for leaders of an entrepreneurial organisation according to the respondents and scholars. If staff need to be challenged to be(come) entrepreneurial a reward should be used. *"Therefore, the reward system has a tremendous impact on entrepreneurial activity, both because it imminently increases such activity and it discourages innovation activity by rewarding other behaviour. Further [...] individual efforts require that the individual must believe that goal accomplishment will lead to a reward"* (Sebora & Theerapatvong, 2009: 339). Vecchio (2003) argues that entrepreneurs are task motivated which means that they are motivated by intrinsic rewards. These rewards can for example be an intrinsic desire to achieve, be innovative and have control over certain outcomes to reduce risks (Vecchio, 2003).

A few respondents see a role for the human resources department when it comes to entrepreneurship. They feel like human resources should do something with entrepreneurship in the recruitment of new employees. They say that Human Resources has to act now, since many new people are going to be recruited in the field offices. *"When the managing affiliate selects the country director it is useful to have part of the job description dig deeper into entrepreneurship. This should not be on the 25<sup>th</sup> place but in the top of the description."* (3) *"I believe it is good to hire new entrepreneurial staff. I think it will help in certain key positions in the organisation, it doesn't mean the middle management, but that you change or create certain functions were new staff who are very entrepreneurial can be. Some kind of pusher in the organisation."* (16) But, when I looked at the vacancies on the intranet entrepreneurship was not one of the requirements.

Respondents also argue that they would like to learn from companies that are entrepreneurial, *"We need to learn from organisations, like Google, that already are entrepreneurial."* (3)

I had one remarkable last observation on entrepreneurship within ON. Entrepreneurship can be seen as taking action by yourself. The slogan of ON is: 'ambassadors of do-it-yourself'. This observation can be found in the category, 'practice what you preach'. ON wants its partners to become independent and to act and handle by themselves but somehow ON and its staff is still depending on others, like MFS, not being able to act by itself as well, even though their slogan is based on this principle.

## 7 What do leaders do?

### 7.1 Introduction

During the interviews it became clear that entrepreneurship and leadership are entangled. Many respondents say that leadership is important for entrepreneurship. There are many leaders within ON: four board of director members and over ten middle managers. This chapter gives an overview on how the respondents would like to see their future leaders if they are an entrepreneurial organisation. These are all capabilities that can be related to the functionalist view because they can be influenced like stimulating and facilitating entrepreneurship.

### 7.2 The capabilities of the -future- entrepreneurial leader

Almost all respondents said that the leaders of the organisation need to be entrepreneurial and support entrepreneurship. The discussed literature underlines this as well. For example Cogliser and Brigham (2004) argue that leaders and entrepreneurs look like each other. Gupta et al. (2004) created a definition for entrepreneurial leadership (§5.5). They also created five roles for entrepreneurial leadership. Based on the analysis I argue that these roles are not present in the current organisation. I do think these roles are important when it comes to entrepreneurial leadership and ON therefore has to create these roles.

Respondents argue that in the current culture not all leaders are entrepreneurial or are supporting entrepreneurship. A few respondents say that the board is micro managing everything that is happening in the organisation. They argue that the board should be busy with the overview and the direction ON is going instead of being busy with the 'normal' issues. *"Now I pretend like the board is interfering in everything and that is not true, but sometimes I see things passing there that give me the feeling; you have 300 professionals working here and they know what they are doing. If you will not interfere all the time that can be brought to great heights."* (14)

*"I think the board (of directors) or management has a very important task. They can make it or break it. People will pass by with ideas. Are you open for it, will you stimulate it or not? I believe the middle management (leaders) is very important for that. That they will search for ways to get money and means. I mean they have to encourage people from their passion and vision."* (2) According to almost all respondents leadership is necessary when it comes to being entrepreneurial. They say that the 'leaders' of the organisation need to stimulate the staff to be entrepreneurial, as described in §6.4. *"The board (of directors) should continue now to stimulate that there will be money or places available for new initiatives."* (17) *"The board and regional managers should give guidance and also reward and positively appreciate that their staff is entrepreneurial."* (12) According to all respondents the leaders need to set an example of entrepreneurship and their main role is to facilitate the possibility to be and act entrepreneurial. As long as they will or cannot facilitate entrepreneurship it will never be a priority and it will always be seen as something on top off their regular duties, argue the respondents. This is argued by scholars like Cogliser and Brigham (2004) and Seborá and Theerapatvong (2009) as well. They state that managers can make or break entrepreneurship within an organisation because they are the ones who have to start to create an entrepreneurial culture and facilitate and stimulate entrepreneurship. Leaders set the example and therefore have to be entrepreneurial themselves and display model risk-taking behaviour (Dimitratos & Plakoyiannaki, 2003). *"Firms competing in global markets will require managers who continuously generate new*

ideas, are willing to take risks, and are proactive in bringing innovations to the market” (Sebora & Theerapatvong, 2009: 335).

According to many respondents leadership for entrepreneurial ventures can be found everywhere in the organisation. They argue that there are both formal and informal entrepreneurial leaders. *“The employees, it has to be with them, especially with them. The management just needs to facilitate. The biggest part is with Achmed, Jan and Fatima who are busy, all over the world, searching for opportunities and working in a structure which leads them in a certain direction so they can grasp the opportunity.”* (21) They argue there is a difference between informal and formal leaders because in some cases they have the formal power to act and in other cases the leader is informal and therefore needs to convince others to act. This is why eventually the leaders need to behave entrepreneurial. *“It starts at the board (of directors). They have to set an example. That is the most important club. If they don’t set an example then the middle management will never do it and that leaks into the organisation. And I believe in informal leadership. Every team has its people that stand up and pull the team.”* (14) Sebora & Theerapatvong (2009) argue: “Dynamic executive leadership may prove to be a crucial factor to energize the organisational context with opportunity-seeking values and cultural norms, since innovations created by lower level employees reside within the existing strategic context of organisations and the operating environment as defined by the top management team (Herbert and Brazeal 1999; Simsek et al. 2005). Top management is capable of defining, modifying or dramatically altering the strategic context of the company, all of which have strong implications for success and survival” (337-338).



## 8 Oxfam Novib's culture

### 8.1 Introduction

This chapter presents an overview on how the respondents perceive the organisational culture of ON in relation to entrepreneurship. The description of the culture will show which aspects within the organisational culture are stimulating entrepreneurship and which are counter-productive to being an entrepreneurial organisation. It also argues that in the culture there are elements based on both the functionalist and interpretative approaches. The second paragraph gives a description, given by the respondents, of the current culture. The third paragraph will present the view of the respondents on the future culture of ON and how entrepreneurship needs to be embedded in the culture.

### 8.2 Description of ON's culture

#### Staff

The respondents argue that the organisational culture is informal, idealistic and consensual. They say ON staff are professionals who act individually and have strong opinions that are being shaped in mutual discussions. I argue that these aspects of the organisational culture can partly be seen as the result of a continuous interaction between staff members. As such, they concur with the interpretative view on organisational culture. Since these elements are created in interaction they are therefore more difficult to change.

The organisational culture is described by respondents as very informal. Staff of ON communicate very personally and they are not only colleagues but also friends. The culture is therefore seen as very 'sweet' and loving but, according to a few respondents, could be a bit more businesslike. *"That cannot be found in this culture, such a way of seeing things more businesslike."* (21)

The culture is also described by respondents as highly idealistic. The staff of ON is idealistic about their work and the work and mission of ON. *"So I would say the first thing is a very strong ideology. [...] Or at least a very strong belief in what we are doing. This is mostly the case for the headquarters culture."* (22) According to the respondents this idealism leads to a very high involvement of the employees in their jobs and the mission statement of the organisation. Vredeveld (2010) shows that this is the case for other NGOs as well.

It is perceived by almost all respondents that the people working at ON are highly educated and almost all professionals. *"We are a flat organisation and people are highly educated and they know extremely well what they are talking about. I could have a beer with everybody because they are all interesting people but it makes it more difficult to cooperate."* (4) According to some respondents this makes it a very interesting organisation to work in but it also causes some difficulties. The respondents state that staff are very motivated and have a sense of responsibility. That is why they want to be involved in all decision making processes. They find their own opinions very important and somehow do not 'trust' each other. One respondent says: *"There is no culture of professionalism in the way that people trust in each other's capabilities."* (7) It is also said that it can be difficult to work together because of this professionalism. *"They are people who know exactly what they want when it comes to cooperation."* (4) Again a comparison can be made with the managing challenges like autonomy vs. guidance and solo vs. cooperation, described by Wanrooij (2001).

All respondents say that the culture of ON is very consensual. *"I think there is a lot of consultation. It is needless consultation because everybody needs to be on the same page. I think that is useless."* (10) The respondents argue that everybody wants to feel ownership about the decisions that are being made and staff want to be involved and have a say in everything. They say this makes it difficult for the decision making process and it also leads to inflexibility which slows down processes. One respondent says: *"I think that consensus is good but I believe it tipped the scale here."* (14) This involvement and cooperation can be connected to the challenges described by Wanrooij (2001) as he describes the involvement as a characteristic of professionals that requires specific attention of the leaders.

### **The organisation**

Within the organisation respondents argue that ON is focused on control, is bureaucratic and is hierarchical. They also say ON has many subcultures and is a closed organisation. They argue that they have a high work pressure not allowing entrepreneurship; that ON lacks prioritisation; and that making mistakes and failing is only partly allowed. I argue that these cultural elements can be divided into functionalist and interpretative elements. The leaders of the organisation and the CMT argue that the control mode, subcultures, closed organisation, work pressure, prioritising and making mistakes can be changed. It can therefore be seen as functionalist elements. The way respondents perceive the organisation as bureaucratic and hierarchical can be seen as interpretative elements which are more difficult to change.

ON is a relatively large organisation in which around 350 people are working. Scholars argue that larger organisations have more difficulty in becoming entrepreneurial. However, Scott (2007) argues that a large organisation needs four positions to stay entrepreneurial. These are; an idea champion, a sponsor, a godfather and a greenhouse. During the research period I found that none of these four positions are developed within ON, except maybe at informal level. The respondents also argue that they would like to see these positions recognised. They argue that these positions are important when being an entrepreneurial organisation.

ON's organisational culture is based on control mechanisms because of ON's history and the ways it received its funds. *"I think this is the mind-set of many people. Many people, as I described in the beginning, come from a history in which it could only be done this way or that way and everything that goes differently or outside these ways was not allowed. This is the control-mode we have pushed ourselves into."* (5) It is therefore perceived by many respondents that the culture of ON is very focused on control. *"We are trapped in a culture that is totally focussed on structures, systems and processes. But at the same time, inside this culture there is still space for your own ideas, flexibility or entrepreneurship. But that is something the organisation is not monitoring. In our monitoring system we are very focused on working systematically and reporting and structures while people do many other things as well, the nice things I will call them, and nobody asks for them so they are hardly seen."* (20) This control can get in the way of entrepreneurship because flexibility is needed, argue the respondents.

According to the respondents the need for accountability of the organisation leads to bureaucracy. They argue that the mandates therefore mostly are at the board of directors. Although ON is a flat organisation it is perceived as a hierarchical organisation. A couple of respondents believe this has to

do with an unclear decision making process and a big gap between the different hierarchical levels. *"A description you must have heard more often is that we are a flat organisation but hierarchical. If you look at how fast decisions are being made it means that at every single level everybody needs to say something about it. And even when the decision is made it is not logical that everybody just accepts the decision."* (6) Almost all respondents argue that the decision making processes are very unclear and slow. *"What can also be found is that decisions are being made and you can think that is a correct decision or not, but that decision has been made. But it is always being discussed."* (14)

Many respondents say that one of the biggest issues in the organisational culture is the fact that there are many subcultures. *"It is a culture in which there are many subcultures. The campaigns department has a different culture than our core business department, the international department. This has been a problem for ever."* (6) ON is divided into different departments and all these departments function and handle on their own. There is not much communication or cooperation between the different departments according to many respondents. Almost all respondents would like to see this differently. *"You will find that we are all working with our own focus and our own interests. This has to do with the fact that that is what we are accounted for."* (7) *"The way we work keeps us in this island thinking mechanism."* (12) The organisation decided to create a new structure, a matrix structure, with a new department that has to unite and be a bridge between the different departments (Source: Change Management Team). *"We have got a matrix structure. On one side of the matrix there are the people and the means, there are the regional bureaus, the lobby bureau, team action and that kind of things. The other side of the matrix is managing the content of the work. Both should be managed equally strong but often there is a power struggle about who is the boss. Is it the content of the programs, the R&D department or are it the people in the regional offices. Well, we should get rid of that. It should become a creative tension between these two sides of the matrix."* (20)

Some respondents say that ON is a closed organisation. *"We are very busy with ourselves and our partners. So we need to open the windows and go outside."* (17) It is important for ON to 'go outside', but at the moment it is looking inwards only. *"I believe this is the moment to go outside and open your windows. We should open up for other things, new things, choosing for a new way of doing things instead of trying to keep what we had and fit it into the new structure."* (13) The reason why this happens according to some respondents is because of the changes going on in ON. The respondents say the changes take a lot of people's attention and therefore keeps them internally focussed. According to them, as a result, staff work reactively instead of trying to be pro-active in for instance searching for opportunities. Scholars argue that pro-activity is one of the most important issues for becoming an entrepreneurial organisation (Sebora & Theerapatvong, 2009). A few respondents also find that ON is closed towards critics and the outside world. *"You know what I found really strange? That even though 56% of the Dutch people are having doubts about international cooperation you still keep your doors closed and stay the way you are."* (7) Dimitratos and Plakoyiannaki (2003) argue that open cultures "are more likely to pursue social links between and across the hierarchical levels of the organisation, and outside of it" (202). I think this is useful for entrepreneurial organisations and especially ON, because the board wants to become a network organisation.

All respondents say they feel a lot of pressure in their work. They have to do heaps of work and feel like they have no free time or space to be entrepreneurial. Being entrepreneurial is seen as an additional activity on top of their regular duties. *"The call for change is loud and still I see that, this also has to do with the fact that the staff is decreasing, so there are less people to do the same amount of work. So it is not the case that these people get more time to work in the new way. No, they still have this heavy portfolio they are dealing with."* (15) According to a couple of respondents this has to do with the fact that the staff are professionals and want to be involved in everything. *"This has to do with letting go, trust and delegating. That is something many people here won't do because they always think they know everything better than their neighbour. Well, then indeed you are very busy."* (14) Respondent also argue that they are very motivated to do their job right because they support ON's mission. This is the challenge of autonomy vs. guidance described by Wanrooij (2001). *"And there is pressure. Everybody has the extreme feeling of being very busy. Everybody also feels that they are even busier than the other bureaus. [...] But that also has to do with the devotion. People just want to help."* (21)

Some respondents say that ON staff are still working with their old mindset. *"So lots of energy, at least at the international department is still aimed at MFS and this is also being called the primary process. Still, although it is not even right. [...] The culture is still not different. The old ways of working still are the most important."* (15) I observed that the MFS money is still leading for the ways of working at ON. As a result the processes and systems are still aimed at and very specific for the government as largest donor. The respondents underline this and argue that this makes entrepreneurship being perceived as 'extra' instead of one of the core ways of working. *"That is something which is not right in the essence of our culture; what we do with the MFS money is what we do and all the other things are additional. That is not correct. Our work is, and it will become more important, not only MFS money. There are more things to do and they have to become part of your job."* (17) The new mindset should be that the government is seen as one of the donors, and not all processes, procedures and systems should be aimed only at this donor.

There are two visions on taking risks and making mistakes described by respondents. *"You have to accept that in 60% of the cases it may not work. Because not every good idea will work. I have got the feeling that we are not ready to accept that."* (4) Some of the respondents argue that there is no culture in which making mistakes is allowed. They say this comes from the fact that people are perfectionists and very ambitious so they will not allow themselves to make mistakes and good is never good enough. But it also has to do with the fact that ON is one of the largest NGOs of The Netherlands and it is being watched very closely by the outside world according to some respondents. *"You are not allowed to fail. Failures are not being discussed or put away quickly."* (8) *"Thus everything that happens internally is aimed at guaranteed success, and this is right because the public expects us to do it. But guaranteed success is at right angles to entrepreneurship because entrepreneurship means taking risks and jumping into the deep."* (7) Other respondents say that making mistakes is allowed as long as you communicate clearly what you have been doing and why this failure happened. *"Are we allowed to make mistakes? I think so. As long as you show what you are doing. [...] You won't get fired immediately; your head won't get chopped off. Your head will get chopped off if you are hiding your failure."* (15) Scholars like Dimitratos and Plakoyiannaki (2003) argue that taking risks is part of being an entrepreneurial organisation and therefore a culture in which taking risks is allowed should be created.

One of the mostly mentioned issues by almost all respondents is ON's lack of making choices and prioritising. *"I think the problem at ON is the fact that we don't know how to prioritise. We do everything and we want to be involved in everything. We want to keep all the options open."* (16) According to almost all respondents it is very important to prioritise because this can improve the added value of ON. It is also argued by the respondents in the field offices that it is useful in the field offices to know what ON's priorities are because of the involvement with other Oxfams, donors and partners. As one of the respondents of the field offices says: *"yes it is important because you need in such processes or in such a context you need to know clearly or more clearly who you are and what you are doing and what you are not doing, and what you are aiming at and what you are maybe not aiming at, etc. So I think we are too weak."* (22) Because of the changes within ON a discussion has started on the added value of ON. Most respondents argue that if ON is going to play a different role and to receive more funds it should also be clear for the donor what the added value is. At the coffee machine: *"I have a problem, I am losing our donor because I don't know what our added value is."* *"So it is not the fact that you decide about your added value and be entrepreneurial with that but a part of your entrepreneurship is defining your added value over and over again. Because this added value changes together with the context, in a different context your added value will be different."* (4) Bosschee (2001) also argues that focus is important in becoming entrepreneurial. Many non-profit organisations have difficulty with focussing because they want to do too many things for too many people and therefore cannot give the attention to the clients they need and deserve. This is, as Drucker calls it; organised abandonment (Bosschee, 2001).

ON consists of the headquarters and seven field offices. From September 2011 onwards, ON will decentralise into different field offices. Respondents argue that there is a tension between the headquarters and the already existing field offices. *"I feel that there are two different attitudes. One of them is, we are the headquarters and we make the decisions. You can either agree with it or not, and I don't. The field offices are companies in their own right. They know better what it looks like in the field."* (6) According to some of the respondents in the headquarters, the headquarters has an arrogant attitude towards the field offices. One of the respondents from the field office in Niger describes the culture and differences as being in between much elements; headquarters, OI, Niger, other Oxfams and their own field office culture. *"And for me the organisational culture is a mix of all those organisations we are somehow part of because we are not ON head quarters, we are not OGB, we are not OI, we are not fully from Niger, we are not fully local so it is a kind of mix. [...] Sometimes I know the image that they try to give more than the 'real', you know. Because we are based at the field office so we are not experiencing this culture, which I think is much stronger at headquarters than it is in the field offices."* (22)

## **DNA**

ON policy texts show that in ON a discussion has been going on about its culture and its added value in OI and in the sector. As a result from this discussion on culture, part of the culture within ON was captured in the concept 'ON DNA' (De Novib Aanpak). Important to understand is that the DNA is just perceived as part of the ON culture according to the respondents. The DNA stands for the approach and ways of working towards partners but not the way staff interact with each other. It can therefore be seen as an expression of the culture and not as the organisational culture itself say the respondents. The DNA became one of the core values of ON because the board of directors found it important, and is still found in framework letters and policy papers. The ON DNA consists of five

cultural characteristics. These five aspects are: 1) Partnership Approach: “2) politically engaged: being an international actor itself in combination with strategic development financing, 3) partners/ (Southern) civil society organisations as 4) autonomous actors: the development interactions stay with local civil society actors, 5) the Right Based Approach.” (Zwart, 2010)

A few respondents argue that the ON DNA is considered to be part of the added value and is therefore found important. I observed that in some papers the DNA is given emphasis as an important value and something that is still going to be important when ON is decentralised and the SMS is applied. On the other hand I observed there is a discussion going on about the ON DNA. Some staff see it as the wrong approach of the culture they would like to keep. They argue DNA is unchangeable and it is not possible for ON to be unchangeable in its changing context. ON needs to change and be flexible and therefore cannot stand still. Others say DNA is the wrong word because it has a connotation of being inflexible and unchangeable, but still found DNA an expression of ON's added value and something they should be proud of, aware of and take with them into the field and the SMS. Thus according to them, if it would be captured in different wording and the essence would be the same, the 'problem' would be solved.

*“We have a culture, the whole partner story which you hear from different sides, that is an ON culture thing. Because I work with other Oxfams regularly, we are the only ones with such a partner approach. It sometimes feels like a religion, like the partners are holy. So this is a clear part of our culture and the way we see things. I believe this partner approach is crucial.”* (8) Almost all respondents are criticising the DNA. Some respondents argue that working together with partners is one of the added values of ON but that the way they work together should change. Respondents say they should be able to address the partner on what they are doing and the achieved results. They feel that the autonomy of the partner is not a good part of the DNA. *“With partners, I think that the culture is we give them too much freedom. [...] It feels like an excuse you know. [...] But you cannot, I mean, if you say this, they (other staff) will say no, this is ON DNA.”* (23) *“I recognize the clichés, that we are very partner oriented. That we believe it is very important that partners do their own job but I also think it is a bit worn out. We don't exactly know what we are doing and why we can only do it this way.”* (16)

### **The building**

Staff have a different view on the building of ON. Some say that the building is not right for being entrepreneurial. *“I believe that with the furnishing of the building many things can be won. It looks like a bank in the seventies. You are not being provoked to think out of the box.”* (7) *“When you look at the building it doesn't look suitable for being entrepreneurial. [...] We should look at the building now, where can I sit? In a dull room. You should create spaces where people can sit down quickly for a meeting, a conversation, a discussion.”* (15) Other respondents say that being entrepreneurial has nothing to do with the office building. *“To be honest I think that that is just an excuse. It is a beautiful building we work in. I have never worked in such a beautiful building before. And yes, the building is old and has its shortcomings but I don't think being creative has to do with that.”* (14)

### **Concluding**

One respondent describes the culture in the following way: *“It is a very devoted culture but a bit paranoia as well. It is a split culture with on the one hand there is a need for innovation and taking your own initiatives and running your own shop but at the same time there is an extreme need for*

*rules, regulations and frameworks on what is allowed and what is not allowed. So there is a tendency towards hierarchy and bureaucracy.” (21) I think this description gives a good summary of how the respondents see the culture. The culture is very two-sided and it depends on whom you are talking to and at which occasion what side will be shown.*

### **8.3 The future culture of ON in combination with entrepreneurship**

All respondents draw a different picture of the future organisational culture. However, there are still some similarities which will be discussed in this paragraph together with the most remarkable differences. The future culture needs some changes which will help to create a better and more fertile culture for entrepreneurship according to the respondents. All respondents, some add some conditions, are equally sure that in the near future entrepreneurship is something that is very important for ON.

According to the respondents as described above, a change in the culture and especially the mindsets of the staff is needed when it comes to being entrepreneurial and being able to stay important in a changing context.

Some respondents ask for more investment in the organisation and its staff, combined with a more businesslike vision. *“It wouldn't hurt to look a bit more corporate like at themselves.” (3) They argue that this investment could help becoming more entrepreneurial and efficient. “The combination of staff and money should be different. [...] We should invest a bit more in ourselves and a bit less in our partners so our working pressure will get less. [...] I believe we invest too little in our own staff.” (2)*

As discussed in chapter six as well, respondents argue that ON should create a culture in which making mistakes is allowed and risks can be taken. *“We should get rid of the culture in which failure is a shame. The people who show the behaviour you would like to see should receive an extra reward and be paid extra attention to. You should ask them to behave this way more often.” (7)*

One aspect of which almost all respondents say that is necessary for the future is confidence and trust. The staff needs to trust each other. When trust is embedded in ON and staff feel like they can build on their colleagues the culture will become better for entrepreneurship according to the respondents. *“Confidence, to be honest, that is just what it is. Trust that you have around 270 very professional people working for ON.” (8)*

Another important aspect of the organisational culture that is needed, argued by the respondents, is cooperation between different departments, the field offices and partners. *“I think that it would be great if these strong divisions in departments, these silo's, would cooperate much more. If we would do projects together, go for it and stop thinking in your own department interests.” (8) The board already tried to overcome this obstacle by creating the (already discussed) matrix structure. Some respondents argue that this cooperation is needed in order to become entrepreneurial. “You should have more linking and learning. Try to work together in fields where it is possible to work together.” (12)*

Because of the decentralisation of ON, field offices are becoming important (Source: Change Management Team). Therefore I argue that the rise of the field offices and staff leaving the

headquarters influences the way the respondents perceive the future culture. The field offices will become the most important part of ON since they will have the 'primary process'. This means that the cooperation between the headquarters in The Hague and the field offices will change and becomes important. Some respondents say that it will be difficult to work together over a long distance. *"I foresee that there comes a necessity that because of the amount of field offices the decision making processes and communication have to be organised in a different way."* (12) The headquarters needs to define its role and its relation with the field offices carefully, say many respondents. It is important that this is clear as all respondents of the already existing field offices say in the interviews. If these roles are not well defined cooperation will become very hard they say. *"What I find very good of most of the field offices is that they achieved a lot even with the little mandate they have. I think they sometimes just thought, ok, we will see what happens, we are not going to wait for the headquarters."* *"Our ways of working, procedures and systems are organised in a way in which headquarters are responsible. This has to change definitely."* (17) *"What will be difficult for the field offices is to get support of the headquarters because there will be bureaucracy, pressure, systems or no money."* (13)

Another big change in the field is the SMS process. These processes influence ON and the field offices as well argue a few respondents. Cooperation and adjustment between the different Oxfams will also become important. *"I think that we should and will learn that if you are in the field the OI story will be way more important than the ON story. If you are there, within a week you will forget about ON and be in OI. Everything that is in there, it is daring, there is lots of coordination and meetings and lots of tension. Because everybody is, it is like a scary situation because you have to do things together and give up a piece of your own identity and that isn't easy."* (4) One last difficulty or opportunity according to many respondents might be that the field offices will be filled with new staff who might not know the ON culture. This could make things easier or more difficult. Because they do not have the burden of the 'old' culture and mindset but they also do not know the organisation that well to see all grey areas and know all the systems and procedures to act in an entrepreneurial way. They argue that this might become a challenge in the near future. I argue that both the decentralisation and the SMS process are influencing the organisational culture but it is influenced by the organisational culture as well. The CMT argues that the decentralisation provides more entrepreneurship within the organisation. If ON is in the field they are closer to the partners and the donors and that will, according to them, create more opportunities. They also say that the SMS creates an additional benefit. The Oxfams will learn from each other by sharing knowledge and networks. That also creates more opportunities and more entrepreneurship.

When it comes to the changes ON is going through the added value (as it is called by the respondents) or unique selling point (USP), as I perceive it, is a well discussed subject. Many respondents started wondering what the added value of ON actually is. This has already been discussed in paragraph two. The respondents like to see the future culture with a clear and well defined role and added value. According to some respondents without this added value ON might lose its position in the field of international cooperation. *"I will tell you, not a donor in the world can tell the particular niche of ON."* (3) *"What I would like to see is that we will position ourselves better on certain fields, how difficult that might be. We should build quality and have a long term vision and based on that we can expose ourselves more powerfully and maybe even attract funds."* (18) Because ON is so broadly based the added value is unclear, say many respondents. So when it comes to



defining the added value it is necessary to make choices, according to them. These choices should define the niches in which ON is willing to work. *"We should make decisions, that is going to be difficult but we have to. The program development is a good development. Instead of working with individual partners you look at programs and reduce the amount of programs and show the programs you still have. This will become stronger content wise and will show the added value of ON clearer."* (18)

Another much discussed subject is continuously learning as an organisation. Almost all respondents say that it is important to learn as an organisation and evaluate failures and successes. They also say that this is something that almost never happens organisation wide. *"I think something that we are not good at, at the moment, is if we try something new we don't evaluate enough and don't do enough with the lessons learned."* (13) Some respondents say that evaluations are mostly done in departments or on personal basis. *"This knowledge is being shared informally and not formally so not everybody knows."* (20) *"I believe it is very important if we keep searching for renewal. That we keep searching for how can we do this better and where does it go wrong? I think that is about true learning. Evaluating your own work and behaviour and I believe that is the problem. Even that is institutionalised within ON. [...] When a project is finished there is an evaluation and that is like, well it is ok. So the real experiences and problems never even see the light."* (8) Many scholars argue that learning is important as an organisation and some scholars even see it as a crucial factor in having an entrepreneurial culture. If learning is not embedded in the culture the organisational will not succeed in the market (Dimitratos & Plakoyiannaki, 2003).

Some respondents also described some changes within the building of ON. When they want to communicate with the field offices they need high tech communication means which will make it easier to communicate. During the group sessions the respondents started dreaming about a building in which all this equipment would be available and pictures of all ON staff in the world would be hanging in the hall. Decentralisation has a great impact on the headquarters and the building, according to the respondents, needs to be adapted.

Thus, within the existing culture and ways of working in ON, entrepreneurship is seen as 'on top of' the daily work. *"I have an afternoon left, let me find some external funding."* (GS2) I think this mindset has to change if ON wants to become an entrepreneurial organisation. Entrepreneurship should then become the core or the essence of the work according to the respondents.

## **8.4 Summary**

According to the respondents the culture is based on idealism and is very consensual. The staff working at ON are highly educated and professionals. I think this leads to challenges for the leaders Wanrooij (2001) but together with the control mode, also creates a non supportive culture towards entrepreneurship. The respondents argue that the decision making processes are very unclear. Some respondents feel like ON is working in an old mindset in which MFS plays the most important role. According to them this stands in the way of becoming entrepreneurial. They also argue that ON needs to prioritise and have a clear focus on the market and the niches ON wants to work in. Only if this is clear the added value (or USP) can be partly defined, they say. The other part can be defined through entrepreneurial ventures. Based on the analysis I argue that staff have to create a culture and values in which entrepreneurship is embedded, by being innovative, take risks and being

proactive (Sebora & Theerapatvong, 2009). Failure has to be allowed and staff can take risks. There should be more incentives and a reward system. Leadership plays an important role in this change and the final entrepreneurial organisation. Entrepreneurship has to become a core task instead of an additional duty. I argue that the mindset and thus behaviour and values of the staff have to change if ON wants to become entrepreneurial.

## 9 Conclusion and discussion

### 9.1 Introduction

In chapters six, seven and eight the three different topics entrepreneurship, leadership and organisational culture were analysed. The analysis provides an overview of the perception of the respondents regarding these concepts. In this chapter the research question will be answered in paragraph two. The third paragraph will suggest possible topics for further research and contains a discussion.

### 9.2 Is the spark found?

As a result of the changing environment of the Dutch international development cooperation sector and the strategic choices made by OI, ON is changing. ON wants to survive in a changing environment in which many stable factors have become unstable and unpredictable and in a context in which the future is insecure. The board of directors decided that entrepreneurship has to become the main factor to survive. Thus, ON has to become an entrepreneurial organisation. Based on the changing context and the changing organisation the following research question is answered in this paragraph: *“How is entrepreneurship interpreted by staff of Oxfam Novib and how do they interpret the role of leadership in establishing entrepreneurship within the organisation?”*

#### Entrepreneurship

Entrepreneurship can be found at individual level as well as at collective or organisational level.

At individual level, entrepreneurship within ON is perceived by the respondents as an important factor for the survival of the organisation. Entrepreneurship is seen as seeing, creating and taking opportunities in innovative ways, by thinking out of the box, cooperating and networking. According to the respondents the organisation needs to be quick and flexible and have a reward or incentive system for entrepreneurship. They argue that, in order to be entrepreneurial, the added value, or USP, should be defined. Therefore ON needs a clear focus and identify niches, argue the respondents. But the added value is also defined by entrepreneurial ideas because these show the niches in the market. The respondents say that entrepreneurial ideas should be based on the mission and have to fit in the framework of the organisation. According to the respondents entrepreneurship is instigated by a spark or internal motivation of the entrepreneur. This spark is perceived by the respondents as essential for entrepreneurs. They argue that without the spark no entrepreneurial venture will ever start. Thus, entrepreneurship is necessary if ON wants to survive.

According to the literature (Martin & Osberg, 2007; Dees, 2001) and the respondents, entrepreneurs have specific characteristics. The respondents name characteristics like; not giving up, be willing to fail and having a spark. One of the most important characteristics of the entrepreneur, described by both literature and respondents is risk-taking. Literature indicates that only in a few situations entrepreneurs are more likely to take risks than non-entrepreneurs (Petrakis, 2007; Macko & Tyszka, 2009). Entrepreneurs are willing to take risks if they can influence the outcome of the risk through their own abilities and skills (Macko & Tyszka, 2009). Respondents argue that taking risks is difficult within ON. I assume this stems from the control and MFS subsidy mind-set of the staff. Respondents differ of opinion on having a culture in which failure is allowed. Some argue that failure is allowed as long as there is communication about it, others argue that failure is not allowed. All respondents say that a culture in which failure is allowed and risks can be taken is necessary. After observing ON, I

would say there are many 'bureaucrats', people who focus on control and existing ways of working, working at ON. However, I found during my research that there are entrepreneurs. However, although there are entrepreneurs within ON, this does not mean that ON is an entrepreneurial organisation.

The board of directors of ON argue that ON needs to become an entrepreneurial organisation. However, entrepreneurship can currently only be found at individual level according to the respondents. The literature also focuses mostly on the individual level (Comeche & Loras, 2010). However, Comeche and Loras (2010) argue that collective entrepreneurship is needed in order to remain a competitive organisation. To become an entrepreneurial organisation Sebora & Theerapatvong (2009) argue that innovation, risk-taking and proactiveness are necessary. According to the respondents risk-taking and proactiveness are hardly present in the current organisation. They argue that ON, because of the changes, is focussed internally and therefore acting reactively. Risk-taking, as described above, is also perceived difficult within the organisation. However, some respondents argue that innovation is present in the organisation. It does not always blossom, but according to them, it can be found everywhere in the organisation. I observed that innovation does exist in the organisation but it is restricted by boundaries and 'bureaucratic' staff. I think it is therefore difficult for 'innovations' to find its way and become embedded in the organisation. I argue that collective entrepreneurship is needed within ON, if ON wants to become entrepreneurial. I observed that there are several individual entrepreneurial ideas, which sometimes are supported by the organisation, but I think that as soon as these people stop being entrepreneurial the entrepreneurship within ON will fade away. I also argue that these entrepreneurs can help ON in becoming entrepreneurial by being examples, helping other entrepreneurs and sharing the lessons learned. Thus, the three essential elements for becoming an entrepreneurial organisation are not found in the current organisation.

The respondents argue that certain elements are necessary for being entrepreneurial. One of these, risk-taking and failure, is already discussed. Another important element, according to the respondents, is having an incentive or reward system. According to the respondents entrepreneurship is not rewarded within the current organisation. They argue that therefore entrepreneurship never becomes a priority because it has to be done in their spare time without a reward. Scholars, like Cuervo (2005) argue that rewards are important for entrepreneurs because they are the ones overcoming the obstacles and taking the risks. Thus, a reward system can be used by the leaders as an instrument to change the behaviour of the staff and become entrepreneurial.

Based on the conclusions above, I argue that the theoretical division between the functionalistic and interpretative view on organisational culture is not present in this thesis. I found during the research that parts of the organisational culture can be changed by leaders. Therefore, the division between having a culture or being a culture is not a pure and final division. It is a theoretical division but turns out to be more nuanced and difficult to use in practice.

As discussed in the theoretical framework, a distinction between two types of entrepreneurship is made. Scholars argue there is entrepreneurship and social entrepreneurship. The goal of social entrepreneurship is to create and establish social equality within society. This can be related to the goal of many NGOs, like ON. If social entrepreneurship is described this way, it can be argued that ON

already is a social entrepreneur because of its goals to create a better world. However, during the research I found that this is not the type of entrepreneurship ON is looking for. The board of directors and CMT are more looking for 'organisational' entrepreneurship. The goal of entrepreneurship is to grasp opportunities in particular niches of the market and sell products. Both types of entrepreneurship are focussed on creating (technical) innovations in order to gain profit, either for themselves or for 'society'. The ways of working and characteristics of each type of entrepreneurship are likely the same but the aimed outcome is different. Thus, ON actually cannot be related to any of these types.

The problem is however, an NGO, like ON, works on a different level and in a different context. The entrepreneurial ideas consist of creating different projects, different ways of working or cooperating with for example, different partners, alliances, businesses. ON has to be entrepreneurial within the organisation and in the context in which it works, and therefore falls in between those described types. ON has a bit of both worlds but can on the other hand not be compared to any of these types. Therefore it would be interesting to see future research on a third type of entrepreneurship; entrepreneurship within NGOs. This research could try to find if this type exists or it could otherwise create a definition for this type of entrepreneurship.

### **Leadership**

According to the respondents entrepreneurship and leadership are entangled. The respondents argue that leaders play an important role in becoming and remaining an entrepreneurial organisation. They say that leaders should be examples of entrepreneurship. They can be an example by acting entrepreneurial and by stimulating entrepreneurship within the organisation or their department. This is perceived by respondents as a role leaders can and should play. Another role they can play according to the respondents, is facilitating entrepreneurship by creating opportunities for entrepreneurship, rewarding it and accounting or triggering staff on being entrepreneurial. Gupta et al. (2004) created a definition of entrepreneurial leadership in which these three described roles can be found. Other scholars like Cogliser and Brigham (2004) and Dimitratos and Plakoyiannaki (2003) also argue that leaders are supposed to be examples and should stimulate entrepreneurship. I think that being entrepreneurial is difficult for ON leaders because they are still focused on the bureaucracy required to access MFS funding. As long as the organisation is focused on MFS and works in this mindset it will be difficult for the leaders to change. This causes tension because they need to be the ones instigating the changes. Thus, due to the circumstances in which ON leaders operate it is perceived by the respondents that they do not set an example, stimulate or facilitate entrepreneurship. The respondents argue that these three roles are necessary for leaders in an entrepreneurial organisation.

### **Organisational culture**

Many professionals work at ON and together they create the organisational culture. According to Wanrooij (2001) having an organisation consisting of professionals, leads to many management dilemmas like solo vs. cooperation and engagement client vs. engagement organisation. I found these dilemmas within the organisational culture of ON as well during observing ON and analysing the data.

The respondents describe the organisational culture as highly idealistic. In addition they say that the organisation is very consensual and everybody always wants to be involved. This leads, according to

them, to unclear decision making processes because a decision is always being re-discussed by the staff.

The respondents argue that ON consists of many departments with different subcultures. I perceived this feature during my formal and informal interviews. I found that departments do not know much about other departments and all act within their own reach and on their own islands. Internal cooperation between departments is difficult and can hardly be found, whilst respondents argue that cooperation is necessary for entrepreneurship. Thus, the organisational culture of ON consists of many subcultures and the respondents argue that ON needs one organisational culture to stimulate entrepreneurship.

According to the respondents the mindset of many staff is focused on control and the MFS structure. I think this makes it difficult for ON to go beyond acceptance of individual entrepreneurs and become an entrepreneurial organisation. This is underlined by the respondents as well since they call this mindset one of the most important counter-productive elements in the organisational culture. Thus, the focus on MFS and control is counter-productive towards becoming an entrepreneurial organisation.

The respondents also state that ON falls short on prioritising and defining its added value (USP). According to Bosschee (2006) it is important for organisations that want to become entrepreneurial to prioritise. The respondents also say that ON wants to do too many things but they argue they need a clear focus. Thus, ON needs to make choices. When ON is able to prioritise, its added value becomes more evident according to the respondents. They argue that this added value is important for being an entrepreneurial organisation because they can only 'sell' the organisation or its projects when this added value, or USP, is clear. Thus, this lack of focus makes it difficult for ON and its staff to position the organisation in the market.

According to the respondents all these elements of the organisational culture create a culture in which entrepreneurship is perceived as something on top of their regular duties. I think this is the biggest challenge for ON to overcome, because as long as entrepreneurship is perceived as something extra, it will never become the core of the daily work.

### **Change**

Entrepreneurship is perceived by the respondents as an additional task to their regular control activities. As a result, I therefore argue that the essential spark is missing by most staff. To find this spark, some elements like a reward system and a risk-taking attitude, need to be incorporated in the organisational culture. I therefore argue that some cultural elements are blocking the growth of ON to be entrepreneurial. Thus, ON needs to change its culture to become an entrepreneurial organisation, even though this is very difficult to do. I argue that to change the culture the behaviour of the ON staff needs to change. If this behaviour is changed they will create 'new' values and another organisational culture. In this new organisational culture, entrepreneurship will then be embedded. Leaders can play a crucial role in this change by stressing the, for them and the organisation, most important aspects of the organisational culture.

ON is decentralising and becoming part of the SMS with other Oxfams. According to the CMT, decentralisation and SMS can create more opportunities for entrepreneurship. They argue that ON can learn from other Oxfams and make use of other networks as well. Besides, ON is closer to the partners and donors and therefore being entrepreneurial could become easier. However, I think, based on my observations and interviews, that the organisational culture of ON will become part of the organisational culture in SMS. As a result it could become less important in this context. I think ON has to be aware of this result.

### **9.3 Future research and discussion**

As discussed above the main contribution to future research would be the exploration of a potentially new type of entrepreneurship, not directed at commercial self interest or change in society but at innovation for survival. A type of entrepreneurship that NGOs, like ON, can use.

ON faces many dilemmas in becoming entrepreneurial. Dilemmas such as, allowed failure or experimentation versus accountability and investing in the organisation and its staff versus using the money for projects, programs or partners. Donors are willing to invest money in entrepreneurial ventures but they also ask for open communication. Can an NGO communicate openly about its failures without losing donors, for example? Each organisation needs money to invest in its own organisation. This investment supposedly leads to more efficiency and effectiveness. But, NGOs are financed by donors and these donors finance an NGO because of the nature of its work. It could be possible they do not want their money to be invested in building the capacity of the NGO as intermediary organisation because it is meant for changes in the conditions of the target groups of a certain project or partner. Why would a donor use ON as a channel to finance programs or organisations in the South, especially if we take into account modern communication technology? These dilemmas demand strategic choices and will become more and more important if ON is going to be an entrepreneurial organisation. These dilemmas could be explored in future research.

Future research with a similar research question can indicate where ON stands in being entrepreneurial at that point of time and if or how this particular change has helped ON to survive in the changing context. It would also be interesting to research if other NGOs in the Dutch development sector, facing the same problems, are also trying to become entrepreneurial. This research can maybe be done at the level of Partos, the umbrella organisation for the Dutch development cooperation NGOs, because of the overview of the Dutch sector.

During the research period, ON kept on changing and developing. Therefore some parts of the analysis may be perceived differently now. Entrepreneurship starts to find its way slowly within ON, but it is still important to shed light on the concept of entrepreneurship. However, it can be argued that ON is getting on the right track. According to the general manager Farah Karimi, already 7.5 million Euros on external funding has been raised in April (Canteen Presentation, 23/06/2011). This is one quarter of the financial goal of 25 million Euros the board of directors set for this year. This can be seen as entrepreneurship starting to pay off in external funding. But, the board of directors has to take care to not only focus on the financial part and only reward entrepreneurial ideas which lead to external non-MFS funding. There is more to entrepreneurship than external subsidies, like sharing knowledge, as I showed in my analysis.

**A last word...**

Entrepreneurship has, for me, been an interesting concept to research in the dynamic and changing environment of the Dutch development cooperation sector. Entrepreneurship has many levels which made it a complicated, multi-layered but challenging research. This thesis has attempted to give an overview on entrepreneurship within ON, and suggests further research topics that are probably helpful for the future existence of NGOs, like ON, in The Netherlands. ON will have to continue working hard to achieve such a big change as becoming an entrepreneurial organisation. This thesis will hopefully contribute to this achievement.



## 10 Recommendations

This chapter presents several recommendations for ON to change towards an entrepreneurial organisation. These recommendations are at both individual and organisational level.

### Entrepreneurship

For the survival of ON, entrepreneurship needs to become the core of the daily duties of the staff, according to the board of directors. To achieve this, entrepreneurship has to go beyond individual entrepreneurs and become embedded within the organisational culture, by changing the behaviour of the staff and the values of the organisation. Therefore the recommendations are:

- The board of directors defined three core competencies. In an entrepreneurial organisation, entrepreneurship should be one of the core competencies. If entrepreneurship is one of the organisational core competencies then also make it an essential part of the recruitment requirements. If it is one of the core competencies it is easier to create a system in which entrepreneurship is triggered, accounted and rewarded. Within this incentive or reward system, make sure not only to reward the entrepreneurs who rose external funding but other entrepreneurs as well, because entrepreneurship is more than external funding. Entrepreneurship is also perceived as sharing knowledge, finding and working with new partners and creating other ways of working.
- Reward individual and organisational entrepreneurship. ON staff asks for this reward. All elements of entrepreneurship, how little or big they might be, need to be rewarded. Within limits, failure is part of entrepreneurship and needs to be positively recognised as courage and risk taking behaviour of the entrepreneur. Rewarding can be done in various ways, for example, by creating an 'entrepreneur of the month', giving moral and/or financial reward and by giving presents. It can also help to have a competitive element between for instance departments, projects or working groups.
- The respondents asked to learn from entrepreneurial organisations. ON works with many partners who all have different, entrepreneurial, business models. ON can learn from these models.

### Leadership

Leaders are crucial in the development of an entrepreneurial organisation. They are role models who should facilitate and stimulate entrepreneurship. The next recommendations are:

- Leaders can create systems and procedures and a primary process in which entrepreneurship is embedded. They can create a recruitment system directed towards selection of staff with entrepreneurial qualities and an incentive system rewarding entrepreneurial activities. They can also create space where internal entrepreneurs can innovate and experiment with entrepreneurial ventures. In this space there should be other or no control mechanisms and rules. By creating these opportunities for entrepreneurship leaders can make entrepreneurship the core of the daily duties of the staff instead of an additional activity.
- Leaders have to be entrepreneurial themselves. They are the examples of the organisation. If they will set an example on risk-taking, being proactive and taking direct action it will settle in the organisation. They can become entrepreneurial by searching and taking opportunities.

- What hold for staff also hold for leaders themselves: they need space in the organisational culture, systems and budget for entrepreneurship so they can support their staff to be entrepreneurial.
- Leaders can reward entrepreneurial champions who will ignite others to be entrepreneurial as well and can make use of their lessons learned. These champions can also support others in becoming entrepreneurial.
- Leaders should create an environment in which lessons learned from entrepreneurial projects can be shared and discussed. They are the ones who can facilitate organisation wide learning. This learning can cover both failures and successes.

### **Organisational culture**

The organisational culture of ON as described by the respondents, is not really facilitating the development of an entrepreneurial organisation. Changes in the culture are starting by changing the behaviour of the staff and the values of the organisation. The recommendations are:

- Open the windows of ON and go outside. ON is still changing and therefore still internally focussed. If staff go outside and if the organisation creates an open culture, the change towards becoming entrepreneurial will get easier. Staff need to be able to look at the market they function in and find the niches and competition in this market. Only then opportunities for innovation may be discovered.
- Adjust the systems, structures and procedures to entrepreneurship. The current systems, structures and procedures within ON are focusing on control and not supporting risk taking behaviour. Supportive incentive systems may ensure that staff start taking pride in entrepreneurial activities.
- An entrepreneurial culture asks for physical space where people can be entrepreneurial. Because of the decentralisation, many staff are currently leaving ON. This has implications for the occupation of the building. However, this gives opportunities to create space for lounging and brainstorming activities that are part of an entrepreneurial culture. It also may give space to tele- and videoconferencing facilities to bridge the communication gap with field offices.
- Define the role of entrepreneurship in the OI/SMS context together with other Oxfams. ON can perceive entrepreneurship as something important but within the SMS context it could be possible that other Oxfams do not agree with this.

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