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**David Wheeler, Kevin McKague, Jane Thomson,  
Rachel Davies, Jacqueline Medalye and Marina Prada**

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# Creating Sustainable Local Enterprise Networks

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In developing countries, examples of successful sustainable enterprise often involve informal networks that include businesses, not-for-profit organizations and communities.

**David Wheeler,**  
**Kevin McKague,**  
**Jane Thomson,**  
**Rachel Davies,**  
**Jacqueline Medalye**  
**and Marina Prada**



In the decade between the 1992 United Nations Conference on Environment and Development in Rio de Janeiro, Brazil, and the 2002 World Summit on Sustainable Development in Johannesburg, South Africa, the private sector's influence in developing and emerging countries' economies expanded considerably. Foreign direct investment grew rapidly and now easily eclipses official development assistance.<sup>1</sup> The governance and regulatory domains have shifted in many developing countries; such shifts have redefined the role of states, development agencies and nongovernmental organizations and have established a greater role for business in sustainable development.<sup>2</sup> Today, the United Nations, together with many governments and NGOs, explicitly promotes the mobilization of private-sector efficiency and creativity to help address the world's many pressing social and ecological problems. The 2004 report of the U.N. Commission on the Private Sector and Development, *Unleashing Entrepreneurship*, made a number of specific recommendations for private sector activity to "make business work for the poor."<sup>3</sup>

Although there remains some mistrust of increased private sector involvement in development, as seen in commentary from some antiglobalization activists,<sup>4</sup> polling data from citizens worldwide indicate a more positive view. Survey data suggest that the overwhelming majority of people around the world want business to do more than just make a profit

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*David Wheeler is the Erivan K. Haub Professor of Business and Sustainability at the Schulich School of Business, York University, Toronto, Canada. He is also founding director of the York Institute for Research and Innovation in Sustainability. Kevin McKague is a senior research fellow at the York Institute for Research and Innovation in Sustainability, and Jane Thomson is a visiting research fellow there. Rachel Davies, Jacqueline Medalye and Marina Prada were graduate researchers at York University when this research was conducted. The authors can be contacted at [dwheeler@schulich.yorku.ca](mailto:dwheeler@schulich.yorku.ca), [mckague@yorku.ca](mailto:mckague@yorku.ca), [janethom@yorku.ca](mailto:janethom@yorku.ca), [rdavies03@schulich.yorku.ca](mailto:rdavies03@schulich.yorku.ca), [jackiemedalye@yahoo.ca](mailto:jackiemedalye@yahoo.ca) and [mpradahulzer03@schulich.yorku.ca](mailto:mpradahulzer03@schulich.yorku.ca).*

and obey the law.<sup>5</sup> In addition, the World Bank's *Voices of the Poor* survey reveals that low-income people have clear hopes that commercial enterprises will provide livelihoods for them and their families.<sup>6</sup>

Concurrently, management literature has begun to describe more commercially grounded models for global economic development. Strategic management theorists C.K. Prahalad and Stuart Hart have advocated a "bottom of the pyramid" approach, in which multinational corporations and their partners in developing countries sell goods and services to the world's poor.<sup>7</sup> Prahalad's and Hart's analyses have led to the suggestion that multinationals have a special role to play in reducing poverty because they can generally mobilize greater

resources, such as distribution and communications infrastructures. In addition, these management theorists argue, multinationals are better positioned to transfer learning between international markets, build partnerships and commercial infrastructure and transfer products and services between developed and developing countries.<sup>8</sup>

The BOP model acknowledges the importance of what Prahalad refers to as "market-oriented ecosystems," business systems that focus on the "symbiotic nature of the relationships between various private sector and social institutional players."<sup>9</sup> These biological metaphors are consistent with the "business ecosystems" idea floated by James Moore, with the "business webs" concept put forth by Don Tapscott, David Ticoll and Alex

## About the Research

From September 2002 to June 2005, we examined 50 cases that involved apparently successful, self-reliant and sustainable enterprise-based activities in developing countries. In analyzing the cases, we applied a "grounded theory" approach, which involves exploring a new phenomenon without preconceived hypotheses or expected theoretical outcomes.<sup>i</sup> Cases were selected on the basis of preliminary evidence of sustainable enterprise in the form of simultaneous economic, social and ecological gain; we also looked for evidence of resilience and a perceived ability to create multiple beneficial outcomes, such as local economic self-reliance and livelihoods for the poor.

The cases were identified with the assistance of the International Finance Corp. (part of the World Bank Group), the Canadian International Development Agency, various awards for enterprise and sustainable development, a literature review and the authors' personal contacts.

We categorized the cases according to their most relevant sector and geographical area of influence. Cases were categorized as international if they were sufficiently global in network scope. The numbers and types of cases are described in the table below.

Cases in the agribusiness sector included conservation forest harvesting, small-scale manufacturing and textiles. In

20% of the total cases, a multinational corporation or large domestic company was involved in a significant way as a major customer, joint venture partner or principal economic anchor of the network.

For some cases, we conducted primary research, including fieldwork, and for other cases, we conducted secondary research, using multiple sources to confirm our observations. The cases were analyzed to identify success factors, inputs and outcomes. These factors were subsequently synthesized into the Sustainable Local Enterprise Network (SLEN) model described in this article. This model has been refined over time through multiple iterations with the case study research.

Sector	Africa	Latin America	Asia	International	Total by Sector
Agribusiness	7	8	2	2	19
Energy	1	1	3	1	6
Financial services	1	1	4	3	9
Internet and communications technologies	1		1	2	4
Manufacturing	1	1	3	2	7
Other (extractive, tourism, water)	2		2	1	5
<b>Total by Region</b>	<b>13</b>	<b>11</b>	<b>15</b>	<b>11</b>	<b>Total: 50</b>

i. B. Glaser and A. Strauss, "The Discovery of Grounded Theory: Strategies for Qualitative Research" (Chicago: Aldine, 1967); J. Corbin and A. Strauss, "Grounded Theory Research: Procedures, Canons and Evaluative Criteria," *Qualitative Sociology* 13, no. 1 (1990): 3-21; and K. Eisenhardt, "Building Theories From Case Study Research," *Academy of Management Review* 14, no. 4 (1989): 532-550.

Lowy and with stakeholder-oriented “value-based networks” described by David Wheeler, Barry Colbert and R. Edward Freeman.<sup>10</sup> However, the BOP model presents such systems primarily through the lens of the market ecosystem’s utility for multinationals and large domestic firms in developing countries. Prahalad asks, “How do we move the composition of the ecosystem toward large firms?” and provides specific guidance on inventing new market ecosystems and organizing them around multinational “nodal firms.”<sup>11</sup> As Hart argues, this will require new sensitivities on the part of such firms: “The challenge is for multinationals to move beyond ‘alien’ strategies imposed from the outside to become truly indigenous to the places in which they operate. To do so will require companies to widen their corporate bandwidths and develop entirely new ‘native’ capabilities that emphasize deep listening and local codevelopment.”<sup>12</sup>

Our research suggests a complementary approach to the BOP model with respect to the role of for-profit businesses, including multinationals, in reducing poverty. When examining 50 case studies of successful enterprises and their partner organizations in Latin America, Africa and Asia,<sup>13</sup> we decided to focus on the potential for self-reliant, sustainable enterprise to emerge in the developing world with or without the involvement of external actors such as multinationals or large domestic firms. This research addresses not only market opportunities for large businesses but also the capabilities, relationships and other network-based resources that local actors could bring to value-creating sustainable enterprise in their own environments.

On the basis of this research, we have developed a framework called the Sustainable Local Enterprise Network. The SLEN model describes how sustainable enterprise in developing countries can thrive in a trust-based, densely networked environment — a kind of environment that may be increasingly relevant to business in general.<sup>14</sup>

### **The Sustainable Local Enterprise Network Model**

The SLEN model was developed by examining 50 case studies of apparently successful, self-reliant and sustainable enterprise-based activities in developing countries. (See “About the Research,” p. 34.) Early analysis of these cases indicated that examples of sustainable enterprise in developing countries typically involved relatively dense networks of for-profit businesses, local communities, not-for-profit organizations and other actors, working in a self-organized way to create value in economic, social, human and ecological terms.

**The Financial Anchor** These successful networks required at least one business enterprise to anchor the network and secure its financial sustainability. For example, ForesTrade Inc., a supplier of organic and sustainably produced tropical spices and other

products headquartered in Brattleboro, Vermont, helps build networks of small-scale producers, nongovernmental organizations and donor agencies to ensure that a reliable supply of high-quality ingredients from Indonesia and Guatemala reaches its international clients. Similarly, Honey Care Africa Ltd., which is one of East Africa’s largest suppliers of high-quality honey and is based in Nairobi, Kenya, developed a unique business model that relies on closely interlinked and mutually beneficial relationships with rural farmers, microfinance institutions, NGOs, government extension workers and urban supermarkets. (See “Honey Care Africa: Honey for Money and Bees for Trees,” p. 36.)

Cooperatives or profitable social enterprises spun off from nongovernmental organizations may perform the anchor role. CARE International, one of the world’s largest development NGOs, is actively working on a strategy to incubate enterprises designed to be profitable while meeting the social and environmental objectives of CARE’s international development projects. CARE Kenya, for example, helped organize subsistence farmers into commercial groups to facilitate sales of vegetables to the U.K. market. At the same time, CARE Kenya worked with a commercial exporter to create another enterprise that provided training, technical support and marketing assistance to farmer groups on a fee-for-service basis.

**An Overt Social Mission** Case analyses revealed that businesses with an overt social mission were frequently an integral part of the networks. Such businesses could be microenterprises, small or medium-sized businesses or, in some cases, multinational corporations. For example, soymilk manufacturer Hagar Soya Co. Ltd. and specialty textile producer Hagar Design Ltd. are two small businesses based in Phnom Penh, Cambodia, that help Cambodian women and their children become self-supporting. Grameen Shakti, which is based in Dhaka, Bangladesh, sells and finances solar home-electricity systems to villagers in Bangladesh. Its mission is to improve the lives of the rural poor. (See “Grameen Shakti: Solar-Powered Economic Development,” p. 38.) The Body Shop International plc, based in Littlehampton, United Kingdom, is a multinational retail company whose sense of social mission prompted its community trade program, which sources ingredients and accessories at the community level in more than 20 countries.

**Sustainable Outcomes** The networks provide an opportunity for businesses, communities, individuals, governments, development agencies and NGOs to acknowledge a shared asset base and construct virtuous cycles of asset growth and sustainable outcomes. These sustainable outcomes fall into four broad categories: (1) profits and reliable returns on investment, (2) local economic development and trade, (3) enhanced quality of life,

including human development and ecological enhancement, and (4) individual and community economic self-reliance. All outcomes were present to a greater or lesser degree in all cases. It is possible that other categories of outcomes may be found in future studies.

Not all networks had the same combination of actors; indeed, large corporations and government organizations were usually absent. However, entrepreneurs, sustainable local businesses and nonprofits were common, and partners such as local communities and development agencies were almost always present. The networks typically started with existing local assets, and exogenous investments — whether from entrepreneurs, microfinance institutions, development agencies, buyers or local communities — served as catalysts for further growth.

**The role of exogenous investments.** The exogenous investments were built on existing assets in four categories: human capital, social capital, financial capital and ecological capital. They typically were not necessary in all four asset categories in order for the network to begin expanding. However, all four categories of

assets usually had to be present in some form, and replenishment of resources, termed here *reinvestments*, had to occur for the network to grow and become self-reliant. Microfinance loans had to be repaid and profit from the enterprises reinvested in the network; ecosystem resources such as water and biodiverse environments had to be preserved and enhanced for community health, well-being and productivity; good will and trust-based relations had to be reciprocated and nurtured for confidence to grow within the networks; and trained individuals needed to pass on their expertise and mentor others in order to reinvest in and develop human capital. Mobilizing investments and reinvestments in the four resource categories created virtuous cycles leading to the growth and replication of networks, which in turn led to sustainable benefits and outcomes for the participants. (See “The Sustainable Local Enterprise Network Model,” p. 39.)

**Three SLEN Examples** Three agricultural examples illustrate the four categories of existing assets and four types of sustainable outcomes particularly well. All three networks benefited from various exogenous financial investments such as grants, soft loans and commer-

## Honey Care Africa: Honey for Money and Bees for Trees

Honey Care Africa is a commercial honey company relaunched in 2000 by Kenyan entrepreneur Farouk Jiwa and two investors. Honey Care buys, processes and sells high-quality honey for the East African domestic market and the European specialty food market. It also sells Langstroth beehives to individuals, communities and development organizations. By customizing these hives to the Kenyan environment, Honey Care has dramatically expanded productivity and improved beekeeping in the region.

Honey Care’s mission is to achieve rural development through beekeeping. The company sources its honey from small-scale rural beekeepers, who are paid a guaranteed price in cash for the honey they produce. Built into Honey Care’s business model is a unique partnership arrangement with microfinance institutions and NGOs that allows the poorest farmers to buy hives with a microfinance loan that they pay back in honey production. Honey Care works with NGOs to provide farmer training and works with the Kenyan government

to provide agricultural extension services to beekeepers.

Honey Care’s growth has created an increased and diversified income source for some 7,800 of Kenya’s poorest farmers. Honey Care also provides increased incentives for farmers to protect the natural areas where the bees collect nectar. Biodiversity is further enhanced through a “bees for trees” partnership, in which farmers receive free hives in exchange for reforesting areas of land. The “bees for trees” partnership is financed by NGOs and their donors and by the Kenyan government.

Honey Care has partnerships with 17 different donor organizations and NGOs and maintains relationships with an additional 250 community-based organizations, women’s groups and self-help associations. The success of this partnership-based enterprise has led to the company’s rapid expansion to become the largest supplier of high-quality honey in East Africa. Honey Care reached profitability in 2003 and has 48 employees. In 2004, the World Bank invested

additional capital to facilitate the expansion and replication of Honey Care’s business model to Tanzania, with the International Finance Corp. contributing technical assistance. Plans for further expansion into Uganda, Sudan and Swaziland are rapidly being developed. The U.K. government’s Department for International Development has also invested in feasibility studies to explore how Honey Care’s partner microfinance organizations can provide loans at market interest rates, which would allow the microfinance component to become financially self-sustaining.

Honey Care’s innovative and densely networked business model has allowed a growing number of poor farmers to raise themselves out of poverty in a way that protects and enhances the natural environment. That has allowed Honey Care to attract and leverage additional investments from investors, development agencies, NGOs and local governments and build an expanding virtuous cycle of beneficial outcomes and reinvestments in assets for all members of its network.

cial loans. All are heavily dependent on virtuous cycles of good will in relationships, especially with primary producers and buyers. All have a focus on ecological sustainability. And all have dimensions of human capital development in the form of outreach and advice to producers and their communities.

The first example is SEKEM, headquartered in Cairo, Egypt. SEKEM uses biodynamic farming methods to improve the productivity of desert and marginal land. Its products include biodynamically and organically produced textiles, produce and other foodstuffs for both domestic and export sales. SEKEM's 600 farmers have influenced and educated more than 800 other Egyptian farmers to adopt biodynamic agricultural techniques. Currently, all products of SEKEM's biodynamic farming system can be either sold or reused during cultivation, thereby eliminating waste and creating an ecologically sustainable process. The company has also entered into innovative marketing and distribution partnerships with other producers, vendors and buyers.

Balrampur Chini Mills Ltd., headquartered in Calcutta, India, is one of India's largest sugar producers. Its four mills are located in one of the poorest regions of the country, eastern Uttar Pradesh, and BCML's business model involves the purchase of sugar cane from over 180,000 small-scale farmers. In each factory, approximately 50 members of BCML's staff provide technical training to farmers and access to information about enhanced sugar cane varieties and other agricultural inputs. BCML has introduced 70 collection centers that minimize travel time for farmers, and it upholds a strict policy of paying farmers within seven days of delivery. The improved livelihood that Uttar Pradesh sugar cane farmers have experienced has led to an immense amount of goodwill and loyalty toward BCML, which contributes to increasing the quality and reliability of its sugar cane supply. BCML also has developed a diversified, ecologically driven revenue stream from the production of ethanol, electricity, carbon credits and biofertilizers from the byproducts of sugar production.

The case of Honey Care Africa is also highly relevant. In many SLENs, network membership is fluid or even ambiguous. In the Honey Care case, microfinance institutions, nongovernmental organizations and development agencies join and leave the Honey Care network according to the availability of donor funding and the agencies' changing development priorities. But the role that each *type* of organization plays in the network remains consistent as individual organizations change.

**Participants' Objectives Can Vary** One significant finding was that it did not appear to be necessary for all network participants to agree on a primary purpose or ultimate objective for the collaboration. We detected very little in the way of normative political agendas or paradigmatic assumptions. For example, it did not appear necessary for investors to agree on the ultimate purpose of

Third World development before commencing collaboration. As a result, network participants did not suffer from ideological constraints to cooperation.

National and regional governments — when they noticed networks at all — saw them primarily as conduits to trade and economic development. Communities saw the networks as routes to individual or community self-reliance. Commercial investors, financial institutions and businesses saw the payoffs primarily in terms of profits and returns on investment but often also in terms of a fulfilling a social mission or sustainable development mandate. Development agencies and donors saw the potential for enhanced quality of life through human development and ecological enhancement. Many participants saw some value in these outcomes occurring simultaneously, or they could be indifferent to some outcomes as long as they continued to obtain the outcomes most important to them.

This observation is illustrated by the work of E+Co, a nonprofit that is headquartered in Bloomfield, New Jersey, and finances clean energy projects in Latin America, Africa and Asia. Its aim is to demonstrate to private sector investors and the Third World development community that the establishment of local clean energy enterprises offers a market-based approach to two problems: the need for energy and the need to protect the natural environment in developing countries. E+Co has been successful at attracting money from financial investors that are seeking a financial return on investment, as well as from government development agencies and foundations that are seeking social and environmental returns. E+Co's success has led to investments in 120 businesses in 35 countries over the last 10 years, and those businesses now deliver clean energy to nearly 2 million people.

### **Sustainable Local Enterprise Networks Create Value**

The SLEN model is consistent with management theories that consider the intrinsic value of intangible assets such as social capital, human capital and ecological capital.<sup>15</sup> It is thus consistent with the resource-based view of strategic management, which asserts that competitiveness often resides as much with “soft assets” and intangible resources that are rare, valuable and difficult for others to imitate as with “hard assets” such as financial resources, equipment and technology.<sup>16</sup>

SLENs also embody contemporary management ideas about the nature of value creation. Some management theorists argue that value is created in networks of businesses and their stakeholders — notably business partners and supply chain participants.<sup>17</sup> According to this theory, value is not solely an economic metric in the sense of “shareholder value” or “value for money spent” for the customer. Value, instead, is socially constructed by a range of actors and may contain a variety of activities, products or service attributes that are valued for their intrinsic worth to the stakeholder concerned. In a complex, networked world,

working with communities of interest “united by a common sense of what is valuable” is increasingly a prerequisite to economic payoff for a network’s for-profit entities.<sup>18</sup>

SLENs are organizational arrangements that deliver economic and other benefits for all participants. At the same time, they directly address the traditional objectives of sustainable development and poverty alleviation held by development agencies such as the United Nations. The networks explicitly allow the idea that members may define value in different ways. Like other partnerships in business, SLENs leverage complementary capabilities, competencies, assets and resources from participating organizations in order to generate competitive advantage. The cases cited in this article, and the many more that were explored in order to develop this model, exemplify the mobilization and creation of intangible and tangible resources.

### Improving the Environment for Sustainable Local Enterprise Networks

SLENs clearly offer a promising source of positive outcomes for sustainable development. However, the conditions required for virtuous cycles of reinvestment in social, human, financial and ecological capital do not exist everywhere. All too frequently, traditional development interventions have focused on investments in just one or

two of the required asset categories or have, with the best of intentions, undermined local generation of assets and local self-reliance. In fact, the required systems conditions for these networks to grow and replicate are met only in rare cases at the present time.

SLENs in the developing world are currently too few in number to achieve significant progress on pressing questions of global poverty and ecological degradation. While some SLENs have emerged, they have not yet proliferated to the extent that many agencies, including the United Nations, might wish.

However, significant opportunities exist to promote the emergence of stronger and more numerous SLENs in the developing world. The 2004 report of the U.N. Commission on the Private Sector and Development argued that the public sector must foster property rights, simplify regulatory and fiscal systems, apply the rule of law and ensure transparency and good governance in developing countries in order to “level the playing field” and enable entrepreneurship to flourish.<sup>19</sup> The report’s authors also pointed to the importance of reforming financial services, improving access to capital and developing human skills and knowledge. This is an excellent starting point for more specific recommendations about opportunities for meaningful, high-leverage investments in human, social, financial and ecological capital at both the global and local levels.

## Grameen Shakti: Solar-Powered Economic Development

Grameen Shakti is an enterprise that demonstrates the success of a densely networked approach involving mutually reinforcing investments in human, social, ecological and financial capital by a number of organizations. The Bangladesh company sells home solar electricity systems to families that do not have access to electricity otherwise, which includes more than 70% of the country’s population.

Grameen Shakti was established in 1996 as part of the Grameen Bank’s family of enterprises. The Grameen Bank, based in Dhaka, Bangladesh, was started in 1976 and officially founded in 1983; it operates on a model of providing small loans without collateral to the rural poor in Bangladesh. Grameen Shakti is one of more than two dozen organizations within the Grameen family of enterprises that is dedicated to improving the quality of rural life in Bangladesh. Although registered as a not-for-profit organization,

Grameen Shakti is run like a business. In the face of persistent market challenges, the organization achieved profitability in 2000, after only four years of operation. Grameen Shakti has installed more than 40,000 individual solar energy systems that have provided more than 100,000 lower-income individuals with access to reliable electricity.

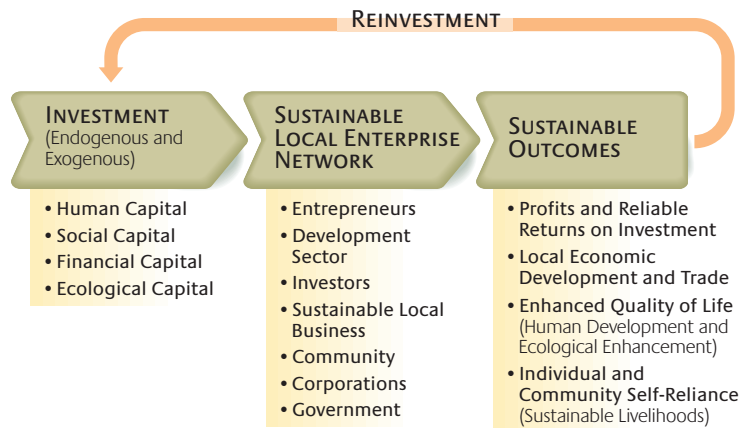
Although Grameen Shakti and Grameen Bank are managed as separate entities, Grameen Shakti’s close relationship with the bank allows it to benefit from the bank’s financing. Grameen Shakti also benefits from the bank’s social networks and physical presence in 36,000 villages in Bangladesh. Grameen Bank helps raise awareness of the solar energy systems and has helped Shakti build the organizational capacity to provide microfinance loans to prospective customers. Shakti also actively collaborates with Dhaka-based GrameenPhone Ltd., another member of the Grameen

family. By purchasing a cell phone and solar home-energy system package and then selling phone service by the minute to other customers, a village entrepreneur can create an attractive revenue-generating microenterprise, generating enough income to pay off the loan for the solar home system and cell phone while markedly improving his or her standard of living.

Grameen Shakti has grown to be the dominant player in the Bangladeshi solar energy market and, by 2003, was installing an average of 800 systems per month. In addition to generating rural development benefits, Grameen Shakti is contributing to improved education through new opportunities for nighttime reading, to better indoor air quality and public health through the avoidance of biomass-based fuels, and to addressing global climate change concerns through the avoidance of kerosene and diesel fuels.

## The Sustainable Local Enterprise Network Model

Typically, a Sustainable Local Enterprise Network starts with a range of existing assets that are then augmented by some type of external investment functioning as a catalyst for increased growth; positive outcomes can then result in virtuous cycles of reinvestment in human, social, financial and ecological capital.



Facilitation of the development of human capital is likely to improve the environment for the creation of SLENs, as the presence of highly effective individuals or groups of entrepreneurs was noted in all 50 cases in this study. One example is Nancy Abeiderrahmane. She founded Tiviski Dairy, Africa's first camel's milk dairy, based in Nouakchott, Mauritania, in 1989; today, the firm provides livelihoods for 700 seminomadic livestock owners and jobs for 180 employees. Abeiderrahmane's efforts at bringing domestic milk and milk products to market have helped Mauritania significantly reduce its reliance on milk imported from other countries. Like Abeiderrahmane, Farouk Jiwa of Honey Care had a vision of creating a sustainable enterprise that recognized and embraced the need for an interconnected network of partners and the development of good will with stakeholders.

It seems axiomatic that SLENs will be enhanced in both quality and quantity if there is much greater access to appropriate training in entrepreneurship. Such training would allow business and non-business members of emerging SLENs to compete, grow and increase their contributions and positive outcomes. Dominant models of business training often do not address entrepreneurship especially effectively, still less sustainability or poverty reduction issues. Supporting universities and vocational business training institutions in developing countries to incorporate these topics into their programs could be an important factor in helping educate tomorrow's entrepreneurs and managers. Training for sustainable enterprise could include building sustainability mindsets, building capabilities for participation in networks and partnerships, identifying sources of financing for sustainable enterprises and creating alternative entrepreneurial business models.

Fostering communication and partnerships between sustainable development-oriented business schools globally<sup>20</sup> and vocational training institutions and entrepreneurship mentoring programs in developing countries could be of great value. It is interesting to note that the International Finance Corp., which is part of the World Bank Group, and Canada's International Development Research Centre are both committed to exploring opportunities in this area, although their initiatives are nascent. Perhaps now is the time for businesses in developed countries to support and help foster these initiatives — by allowing executives to spend time in business school programs in developing countries, by mentoring entrepreneurs in developing countries and by providing opportunities for ordinary workers to enhance their skills through exchange programs and partnership experiences.

More generally, investments in human, social, financial and ecological assets need to be simultaneous and coordinated for maximum impact on SLEN formation. This will require an unprecedented degree of cooperation between international agencies, governments, multinational corporations, large domestic businesses in developing countries and other actors. In turn, that will require shifts in mindsets and capabilities of these major actors. They will need to begin thinking of themselves not just as policy makers, relief agencies, rule setters or profit makers but must also reconceptualize their roles as:

**Network Builders** Development agencies and other major actors can act as catalysts for new partnership opportunities and help create new SLENs by convening and building on strategic dialogues between businesses both large and small, and both local and international.

**Capacity Builders** Through mentoring and sharing resources and knowledge — including knowledge of entrepreneurship — with SLENs, major actors can help equip network members with the capabilities and strategies to maximize the value of their participation in the networks.

**Network Incubators** Financial institutions and other providers of investment capital can explore opportunities for providing financing and support services for higher-risk SLEN-related ventures.

**Innovators, Leaders and Disseminators of Lessons Learned** All major actors can help capture and disseminate the results of experiments in networking and sustainable entrepreneurship in developing countries.

These roles go well beyond large businesses developing new skills or partnering with domestic firms to sell to the poor. They require a rethinking of what it means to trade with self-reliant local economies in developing countries and what it will take to create the conditions for vastly increased trade in the future.

High-level actors such as multinational corporations and large domestic businesses thus may become significant catalysts for profound change and may help create a more bottom-up, networked approach to the role of business and entrepreneurship in developing economies. In order to successfully facilitate positive outcomes through SLENs, risks will need to be taken, many experiments will need to be conducted and some flexibility of roles will be required. In short, the major actors will need to exemplify the same kind of entrepreneurial, flexible and resilient mindsets and behaviors that we observe in the best sustainable local enterprise networks. Could there be a more important role for business in the 21st century?

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