

**BACK TO SQUARE ONE: AN EXAMINATION OF
SOCIAL ENTREPRENEURSHIP CENTERS AND PROGRAMS**

A Working Paper

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ABSTRACT

Prominent social entrepreneurship (SE) centers and programs in North America, Europe, and Asia are examined in terms of their position in the institutional structure, initial and additional funding, teaching initiatives, research achievements, and outreach activities. Performance was computed using a transparent coding scheme. Low correlations with institutional endowment and SE center/program performance offer some evidence of discriminant validity of our rankings approach. Performance scores were used to rank-order SE centers and programs. Such an approach to examine SE center/program performance goes beyond the perception-based ranking instruments that popular magazines employ to evaluate subject-specific rankings. We examined data from 28 centers/programs, and in addition to an unweighted approach to rankings, we also computed regression-weighted rankings of these centers/programs. Implications for SE centers/programs, social entrepreneurs, SE scholars, and funders are discussed.

INTRODUCTION

A growing number of universities have started to support the social enterprise movement and the use of business practices and measures in the nonprofit sector. These universities have established centers and programs to study social entrepreneurship (SE). Given that social entrepreneurship and social enterprise, as matter of both practice and research, are still in their adolescence, there exists no formal initiative to evaluate extant social entrepreneurship centers and programs. Understanding the effectiveness of various social entrepreneurship centers/programs is important for social entrepreneurs and social enterprises seeking advice and support, potential funders seeking to optimize the effect of their philanthropy, and universities supporting the operations of these centers/programs.

While perception-based rankings may soon be forthcoming in popular magazines (e.g., Business Week, Forbes, and US News and World Report), the aim of this study is to develop a multidimensional transparent metric to evaluate university-run social entrepreneurship centers. We investigate social entrepreneurship and social enterprise centers throughout the United States and abroad. Our findings will help students, faculty, staff administrators, directors and other stakeholders understand how to increase the effectiveness of SE centers/programs.

We evaluate 28 social entrepreneurship centers/programs in this paper. We test for the internal consistency and reliability of our ranking criteria. The content validity of this method is ensured by the discussion of our criteria with various social entrepreneurship center directors. The eventual outcome is a formalized ranking of existing social entrepreneurship centers. Our instrument can be adopted to validly and reliably evaluate entrepreneurship centers and also various university programs, some of which may have become puppets of the often-arbitrary

ratings and rankings offered by many agencies. For social entrepreneurship centers, this formalized ranking will not only make clear what matters and how much so, but also enable universities to reach out to funders with a more compelling appeal. Another implication of our findings is that centers that are not doing well in their ranks can identify where they are weak and address those issues more constructively.

A PREFATORY NOTE ON SOCIAL ENTREPRENEURSHIP EDUCATION

The true emergence of social entrepreneurship education took place only in the very early twenty-first century. The first version of Ashoka's *Social Entrepreneurship Teaching Resources Handbook* was published in 2004 and included only 20 schools actively teaching social entrepreneurship courses. Just four years later, the March 2008 version included over 350 professors teaching or researching social entrepreneurship and covered 35 countries with 30 business plan and pitch competitions.

The 28 social enterprise centers examined herein were founded with aggregate initial funding of over \$53 million, with additional funding of nearly \$8 million during 2008-2009. The increasing popularity of social entrepreneurship and social enterprise at universities is also evidenced by the growth in the number of staff and faculty positions. These centers/programs sponsored over 140 courses in 2008-2009, with over 250 associated faculty members.

In recent years, institutions working in the social entrepreneurship arena have begun to aggregate lists of courses, faculty and resources for teachers and practitioners of social entrepreneurship and social enterprise. The most prominent of these is Ashoka's *Social Entrepreneurship Teaching Resources Handbook*, most recently updated in March 2008. In addition, Brock and Steiner (2009) offer an examination of definitions of social entrepreneurship and analyze the core elements of social entrepreneurship education. While these reports are extremely valuable to a field that is in its nascent phase, little work has been done to attempt to evaluate and measure the relative performance of the quickly growing number of funded and staffed centers dedicated to researching and promoting social entrepreneurship at universities globally.

Extant research on program rankings has focused on *entrepreneurship* education, programs and centers, but no research to date has focused on the evaluation of *social entrepreneurship* programs. Whether entrepreneurship center rankings will strongly correlate with social entrepreneurship center rankings is an interesting corollary finding of this paper. According to Vesper and Gartner (1997: 403), “The top seven criteria suggested for ranking entrepreneurship programs were courses offered, faculty publications, impact on community, alumni exploits, innovations, alumni start-ups, and outreach to scholars.” However, in their study of 146 entrepreneurship centers, Finkle, Kuratko, and Goldsby (2006: 184) found that “top-ranked centers have three times as many endowed chairs as nonranked centers. Top-ranked centers also offer more comprehensive graduate programs.” The implication seems to be that more resource-endowed centers will be more productive. Thus, we consider the initial and additional funding as proxies for center/program strength. In addition to funding size, structural distance from the institutional power core is an often-neglected dimension of program strength. Thus, we account for this aspect by calculating the structural distance of social entrepreneurship centers from the power core.

Given the lack of research on social entrepreneurship programs, and the enormous growth of social entrepreneurship and social enterprise education throughout the world, we surveyed the social entrepreneurship and social enterprise centers/programs in the United States and abroad. To date, this is the first attempt to rank and analyze these centers in the literature.

DEVELOPING THE RANKING INSTRUMENT

Our instrument is designed to rank only centers/programs fully or partially dedicated to social entrepreneurship. In our first step to devise a rankings system, we qualitatively assessed the various activities that SE centers/programs engaged in and noted the resources that are needed to succeed in such activities. SE centers/programs aim to help social entrepreneurs through various facilitating roles, such as mentoring, providing incubator services, sponsoring business pitch/plan competitions, and hosting conferences and symposia. We include these elements under the Outreach category. Besides such outreach activities, SE centers/programs may also offer formal courses (i.e., Teaching category) and sponsor scholarly research published or presented in various SE venues (i.e., Research category). To succeed in such activities, SE centers and programs must be supported by considerable initial and ongoing funding. Also, in order to execute its strategies, the center or program must have considerable organizational power. The relative influence of the center or program is closely linked to its proximity to the power core (i.e., a program that is a part of a center, which in turn is a part of school that is part of the university, is much farther away from the power core than a center which reports directly to the university). We include these elements under the Strength category. Table 1 offers details on the nine-item instrument.

--Insert Table 1 about here--

The strength category covers three items: affiliation level, initial funding, and ongoing funding in the past two years. While funding announcements are positive and are usually publicly disclosed, we found that some institutions were reluctant to share this information. However, since updating publicly available data is not only an obligation, but also a privilege for

SE centers/programs considered in this study, we included non-responding SE centers/programs and ranked them along with SE centers/programs that confirmed and/or updated their information. Among the strength items, data on affiliation level was determined by analyzing the organizational hierarchy of center within its University. If the SE center/program was supervised at the university level, then a raw score of “2” was given; if the center/program was supervised at the school level, then a raw score of “1” was given; if the center/program was supervised at a level below the school level, then a score of “0” was given. Initial funding data is retrievable by searching (a) webpage of the center, (b) press releases, and (c) lexis-nexis (keyword: *center or program name* along with *institution name*). Additional funding data for the last two years was also gathered using the same method. During the month-long phone and email survey phase of this study, first-hand updates from centers/programs were useful in populating the funding columns.

The Teaching category has two items: number of SE courses and number of SE associated faculty. Of the many courses that each center/program offers, not all are on the topic of SE. We subjectively evaluated all such courses to determine the list of SE courses per center/program. Data on courses and affiliated faculty were retrieved from the website of each center or program.

The Research category has two items: number of SE papers published in peer-reviewed journals and book chapters, and number of SE papers presented. For published papers, we used Business Source Premier as the article universe and searched for all papers with any of the following keywords: ‘social entrepreneurship’ and ‘social enterprise.’ We specified the domain of SE presentations to include the following academic conferences: Satter (NYU), CASE (Duke)

and SERC (Oxford). Data on these are based on a simple count of publications or presentations by scholars in the journals, books, and pre-specified conferences.

The Outreach category has three items: number of SE conferences or SE symposia hosted in the past year, number of mentoring programs in the past year, and number of business plan/pitch competitions in the past year. With various SE centers and programs focusing on subtly different activities, it is critical to keep the outreach items broad in nature. Data on outreach activities were retrieved from the website of each program. The March 2008 version of Ashoka's *Social Entrepreneurship Teaching Resources Handbook* was used to crosscheck the information.

Once the secondary data was collected, each SE center/program was contacted for verification. During this month-long phase, 17 of the 28 centers/programs responded; 16 either confirmed or updated their information, and one claimed the secondary data was mostly incorrect yet did not offer any evidence-based updated information. We audited the updated data provided to us by the 16 centers/programs to ensure accuracy before entering into our dataset. For the remaining 12 SE centers/programs, we used unconfirmed data gathered by the methods detailed above.

Considering the infancy of social entrepreneurship education, it is not surprising that there were only 28 SE centers/programs dedicated to social entrepreneurship education. Of these, 22 are located in the United States, and 6 were abroad (5 in Europe and 1 in Asia). Ranks were determined in two ways: (1) assigning equal weights to the nine items and (2) determining regression-based weights for the items. For the latter method, we regressed our nine ranking criteria against our computed rank. The t-statistics for the nine items were scaled to percentage

points (see Table 2 for regression weights), which were multiplied to the respective items to compute the regression-weighted scores of each item.

--Insert Table 2 about here--

Tables 3a and 3b report on the pairwise correlations among rank and instrument items. While within each category the inter-item correlations are moderate to high, between categories the inter-item correlations are relatively lower.

--Insert Tables 3a and 3b about here--

Table 4a rank orders the SE centers/programs as determined by equally weighted ranking criteria. Table 4b rank orders the SE centers/programs as determined by regression-determined weights of the ranking criteria. The unweighted scores and the weighted scores have a correlation of 0.83; the unweighted ranks and the weighted ranks have a correlation of 0.82. We believe that the weighted approach offers a more accurate picture of the SE center/program rankings.

--Insert Tables 4a and 4b about here--

VALIDITY AND RELIABILITY

Previous rankings of entrepreneurship centers have reported a high correlation with institutional endowment (Finkle et al., 2006). When a ranking instrument measuring academic center/program strength and performance yields ranks that highly correlate with institutional endowment or university student body size, that instrument has weak discriminant validity. Of existing ranking approaches, even the most sophisticated (e.g., Financial Times full-time MBA rankings) do not test for their validity and reliability. We addressed these gaps by testing for the discriminant validity and internal consistency reliability of the instrument. For discriminant validity, we examined whether a weak correlation existed between performance score/rank of SE centers/programs and institutional endowment/student body size. The correlations between unweighted scores/ranks and institutional endowment/student body size range from 0.02 to 0.24. The correlations between weighted scores/ranks and institutional endowment/student body size range from 0.05 to -.17. These low correlations (see Table 5) suggest that our instrument has sufficient discriminant validity.

--Insert Table 5 about here--

To test for internal consistency reliability, we computed the Chronbach alpha for the three Strength items, two Teaching items, two Research items, and two Outreach items in our SE center/program rankings instrument (see Table 6). The Chronbach alpha of the three Strength items (i.e., affiliation level, initial funding, and additional funding) is 0.42; the Chronbach alpha of the two Teaching items (i.e., SE related courses and SE faculty/fellows) is 0.45; the Chronbach alpha of the two Research items (i.e., SE books/articles and SE conference papers) is 0.87; and the Chronbach alpha of the two Outreach items (i.e., SE conferences/symposia and SE

incubator/business plan competition) is 0.71. These statistics suggest that internal consistency reliability is adequate for the research and outreach items. However, the strength and teaching items have inadequate reliability in our instrument's current version. While revising the strength and teaching items to improve their respective Chronbach alpha score is a possible avenue forward, the logical connection of the strength items and the teaching items suggest no conceptual reason to discard these items right away. Rather, we believe that a more realistic approach would be to simply acquire data on additional SE centers and programs (as they are established) and re-compute the internal consistency reliability of the strength and teaching items.

--Insert Table 6 about here--

DISCUSSION AND CONCLUSIONS

Understandably, given that the field is in its nascent phase, until now there existed no formal initiative to evaluate extant social entrepreneurship centers. Understanding the effectiveness of various social entrepreneurship centers is important to students, practitioners, funders, and universities.

This paper is not about social entrepreneurship but rather the effectiveness of social entrepreneurship centers and programs. It is reasonable to argue that more effective SE centers and programs will in turn advance social entrepreneurship practice and scholarship. In developing an instrument to rank SE centers and programs, we fully disclosed the ranking criteria, data sources, and coding scheme, to ensure complete transparency. Transparency of the instrument should not only assuage concerns for self-serving bias, but also allow others to readily utilize this instrument to expand on our rankings coverage into the future as more SE centers and programs are founded.

SE centers and programs are a relatively new phenomenon in colleges and universities. Our transparent instrument underscores the dimensions along which SE centers can work and make their mark. In addition to the performance dimensions, we include in our rankings a resource dimension, which is important because initial and ongoing external funding is critical to achieve various outreach, teaching, and service activities. Future research might examine the relative efficiency of various SE centers by computing the return on investment of the centers.

Rankings also allow centers to approach potential funders with more tangible information of their current performance and future ambitions. A funder may also evaluate SE center performance to ascertain whether a particular center or program is worthy of his or her

philanthropic investment. Thus, our research allows for meritocracy in the process of awarding funding.

The performance and achievement of a social entrepreneurship center can be captured by a number of criteria: citation count (in google and google scholar, lexis-nexus, etc.), funds generated over and beyond initial seed money, publications (in books, journal articles, proceedings, and conferences), number of courses introduced, number of social entrepreneurs brought in as residents/in-house, number of seminars/conferences per year, etc. Our SE rankings system has ten items, which are grouped into four categories. Clearly, we did not include all possible items that may reflect the performance SE centers and programs. Additional items may be added to refine the categories. Also, as SE centers and programs evolve over the years and their operational scope increases, a new category of items may be added to properly rank SE centers and programs.

While perception-based rankings may soon be forthcoming in popular magazines, the aim of this study is to develop a multidimensional transparent metric to evaluate university-run social entrepreneurship centers. Our findings will help students, faculty, staff administrators, directors, funders and other stakeholders understand how to increase the effectiveness of social entrepreneurship centers and programs.

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Table 1: SE Center/Program Ranking Instrument

Items	Categories	Coding Mechanism	Source
Affiliation Level	Strength	University level = 2; School/Unit level = 1; Below School/Unit level = 0	Institutional website
Initial Funding	Strength	Total initial funding in US \$	Center/Program webpage; institutional press release; Lexis-Nexis
Additional Funding	Strength	Total additional funding in two recent calendar years	Center/Program webpage; institutional press release; Lexis-Nexis
SE Courses	Teaching	Count of SE courses (generic foundation courses are not counted) (multiple raters preferred)	Center/Program webpage
SE Faculty/Fellows	Teaching	Count of SE faculty or fellow (faculty can be engaged in teaching or research)	Center/Program webpage
SE Books/Articles	Research	Count SE books + Count of SE articles	Google Books; Business Source Premier
SE Conference Papers	Research	Count of SE conference academic papers	3 academic conferences: Satter (NYU), CASE (Duke), and SERC (Oxford) [ISIRC from 2010]
SE Conferences/ Symposia	Outreach	Count of SE conferences + count of SE symposia (academic or non-academic)	Center/Program webpage
SE Incubators/ Business Plans	Outreach	Count of SE incubators + count of SE business plan competitions	Center/Program webpage

Table 2: Regression-Based Relative Weights

Ranking Items	Beta	Significance	t-Statistic	Relative Weight
Affiliation Level	0.218	0	11.293	12.46%
Initial Funding	0.261	0	10.287	11.35%
Additional Funding	0.184	0	9.516	10.50%
SE Courses	0.23	0	9.835	10.85%
SE Faculty/Fellows	0.235	0	9.901	10.92%
SE Books/Articles	0.229	0	6.847	7.56%
SE Conference Papers	0.177	0	5.491	6.06%
SE Conferences/Symposia	0.356	0	13.694	15.11%
SE Incubator/Business Plan	0.312	0	13.757	15.18%
Constant	.129(.017)	0.853	-0.188	
			Total	100%

Table 3a: Pairwise Pearson Correlations of Unweighted Rank and All Items

	Mean	Standard Deviation	1	2	3	4	5	6	7	8	9	10
1 Unweighted Rank	0.533	0.283										
2 Affiliation Level	0.643	0.356	-0.169 (0.390)									
3 Initial Funding	0.175	0.302	-.536** (0.003)	0.364 (0.057)								
4 Additional Funding	0.084	0.202	-0.281 (0.147)	-0.135 (0.494)	0.353 (0.065)							
5 SE Courses	0.3	0.261	-0.354 (0.065)	-0.203 (0.301)	-0.244 (0.211)	-0.193 (0.325)						
6 SE Faculty/Fellows	0.192	0.249	-.481** (0.010)	.389* (0.041)	0.349 (0.069)	-0.085 (0.669)	0.292 (0.132)					
7 SE Books/Articles	0.098	0.239	-.418* (0.027)	-0.171 (0.385)	0.095 (0.631)	0.236 (0.226)	-0.101 (0.611)	0.194 (0.322)				
8 SE Conference Papers	0.085	0.207	-.403* (0.033)	-0.013 (0.947)	0.038 (0.848)	0.181 (0.357)	-0.09 (0.651)	-0.044 (0.824)	.783** (0.000)			
9 SE Conferences/ Symposia	0.285	0.357	-.727** (0.000)	-0.139 (0.481)	0.355 (0.063)	0.173 (0.380)	0.316 (0.101)	0.034 (0.863)	0.023 (0.908)	0.102 (0.607)		
10 SE Incubators/ Business Plans	0.286	0.371	-.478* (0.010)	-0.25 (0.199)	-0.046 (0.818)	-0.089 (0.654)	.403* (0.033)	0.09 (0.647)	-0.067 (0.734)	-0.146 (0.459)	.549** (0.002)	

Table 3b: Pairwise Pearson Correlations of Weighted Rank and All Items

	Mean	Standard Deviation	1	2	3	4	5	6	7	8	9	10
1 Weighted Rank	49.391	26.317										
2 Affiliation Level	0.073	0.03	-0.087 (0.658)									
3 Initial Funding	0.02	0.034	-.486** (0.009)	0.167 (0.395)								
4 Additional Funding	0.009	0.021	-0.275 (0.156)	-0.104 (0.599)	0.357 (0.062)							
5 SE Courses	0.032	0.028	-.395* (0.038)	-0.199 (0.310)	-0.244 (0.211)	-0.195 (0.320)						
6 SE Faculty/Fellows	0.021	0.027	-.438* (0.020)	0.033 (0.867)	0.352 (0.066)	-0.083 (0.674)	0.29 (0.135)					
7 SE Books/Articles	0.007	0.018	-0.275 (0.157)	-0.16 (0.416)	0.096 (0.627)	0.235 (0.230)	-0.103 (0.603)	0.192 (0.328)				
8 SE Conference Papers	0.005	0.013	-0.234 (0.231)	0.076 (0.702)	0.038 (0.847)	0.178 (0.365)	-0.092 (0.640)	-0.046 (0.817)	.784** (0.000)			
9 SE Conferences/ Symposia	0.043	0.054	-.798** (0.000)	-0.021 (0.916)	0.354 (0.064)	0.176 (0.369)	0.314 (0.104)	0.035 (0.858)	0.021 (0.917)	0.098 (0.618)		
10 SE Incubators/ Business Plans	0.043	0.056	-.631** (0.000)	-0.195 (0.320)	-0.047 (0.810)	-0.086 (0.663)	.403* (0.034)	0.09 (0.650)	-0.067 (0.734)	-0.146 (0.457)	.550** (0.002)	

Table 4a: Unweighted Rankings of SE Centers and Programs, 2010 (based on 2009 data)

At the time of submission, only 67% of Centers and Programs have responded to the survey. The authors will make final results available at the time of presentation.

Table 4b: Weighted Rankings of SE Centers and Programs, 2010 (based on 2009 data)

At the time of submission, only 67% of Centers and Programs have responded to the survey. The authors will make final results available at the time of presentation.

Table 5: Discriminant Validity

	Unweighted Score	Unweighted Rank	Weighted Score	Weighted Rank
Institutional Endowment	0.02	0.02	0.05	-0.1
Institutional Student Body Size	-0.18	0.24	-0.17	0.2

Weak Pearson correlations between endowment/student size and unweighted/weighted performance score/rank suggest the presence of discriminant validity

Table 6: Internal Consistency Reliability

	Strength	Teaching	Research	Outreach
Chronbach Alpha	0.42	0.45	0.87	0.71