



Entrepreneurialism and Embeddedness: A Model for Ecopreneurship

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Abstract

This paper extends the research into social and ecological entrepreneurship by undertaking a case study of Green-Works, a not-for-profit company based in the UK. The strong missionary motivation of the CEO, combined with his entrepreneurial flair, enables the organisation to pursue a triptych of environmental, social and economic goals. The environmental and social values that in other circumstances could be considered a commercial burden are transformed by entrepreneurial flair into valuable assets that form an integral part of the company's economic success.

It is suggested that the Green-Works business model provides a practical framework for social and green entrepreneurship. The success of the model stems from the business's symbiotic relationships: first, with large corporate bodies, which are keen to demonstrate quantitative manifestations of corporate social responsibility; secondly, with the community and social partners, who provide employment and training for disadvantaged people as well as a route to rapid and relatively risk-free growth; and thirdly, with government and social institutions, which provide special concessions and support.

A strong link is identified between entrepreneurialism and ecopreneurship - the strong entrepreneurial and evangelical vision of a duality of social and environmental benefits provides the driving force for the enterprise.

Keywords

Ecopreneurship; social entrepreneurship; green entrepreneurship; embeddedness; corporate social responsibility

Entrepreneurialism and Embeddedness: A Model for Ecopreneurship

Introduction

What motivates companies to embrace sustainability? Moreover, why should they, given that such measures are usually seen to lead to escalating costs (Lanoie and Tanguay, 2000)? Regulation, the Corporate Social Responsibility (CSR) agenda, economic instruments and enhanced efficiency emerge as the key drivers in such a change (Balabanis, Phillips and Lyall, 1998; Bansal and Roth, 2000).

Such measures tend to result in the progressive greening of organisations rather than a big bang move towards global sustainability (Hart and Milstein, 1999). Global sustainability requires creative destruction, based on Schumpeter's view (1961) of the way that innovative newcomers unseat incumbent firms and create what Hart and Milstein (1999, p:26) call "new lenses on the global market". Schumpeter (1961) doubted whether large incumbent corporations would take up the challenges and opportunities presented by such creative destruction and Hart and Milstein (1999, p:25) therefore predict that entrepreneurs will consider sustainable development as "one of the biggest business opportunities in the history of commerce".

That there is no common terminology for this a particular breed of entrepreneur is indicative of the lack of research into sustainable organisations. Meadows (1994) found that such individuals have moved away from an obsession with the single issue of environmentalism, echoed by Menon and Menon (1997) who write that the desire to change the world on the part of these innovative newcomers embraces a holy trinity of social, environmental and economic values. Isaak (1997, p:85) uses the term "ecopreneur", defining an ecopreneurial organisation as one that is a "system-transforming, socially committed... breakthrough venture". The word 'ecopreneur' is therefore used in this paper to represent the triple drivers of these organisations: environmental, social, and economic.

Seelos and Mair (2004) suggest that the interfaces between social entrepreneurship (SE), business's CSR efforts and public institutions could be a potent way of supporting sustainable development. Carroll (1997) meanwhile writes that most industries start off looking like a social movement, populated by individuals with a vision of better future rather than of hefty profits. Could the interfaces proposed by Seelos and Mair (2004) indicate a nascent micro-industry of the type described by Carroll, bringing Hart and Milstein's "new lenses" (1999, p:25) into focus? Is the birth of ecopreneurship indicative, as

suggested by Pastakia (1998) of the inexorable rise of a greener approach to business and ecopreneurs the crucial change agents (Walley and Taylor, 2002)?

This paper contributes to this debate by studying the strategies adopted, and the challenges faced, by Green-Works, a UK-based ecopreneurial organisation. It sets out to investigate how ecopreneurs can create and develop an economically viable business whilst retaining the core environmental and social values that motivated them in the first place, and whether sound business practice can be genuinely consistent with idealism and environmental best practice. For this investigation, four basic research questions were posed:

- ◆ What are the strategies of this organisation and how are they created?
- ◆ How does the organisation fulfil its ethical mandate?
- ◆ How does it maintain economic viability?
- ◆ What other key challenges does it face?

It is concluded that, the business model adopted by Green-Works provides a successful framework for social and ecopreneurship. The business has symbiotic relationships first with large corporate bodies, which are keen to demonstrate quantitative manifestations of corporate social responsibility, second with its community, who provide employment and training for disadvantaged people, and third with government, which sets environmental and social policy. This embeddedness of the ecopreneurial firm within the political, social, environmental and regulatory system (Mair and Marti, 2004), together with the entrepreneurial flair and missionary zeal of the organisation, contributes to its success.

In presenting these arguments, the paper is structured as follows. First, the theoretical grounding for ecopreneurship is provided. Then the research setting at Green-Works is described, followed by details of the methodology, which comprised a single qualitative case study. The findings are broadly categorised under the headings of: an entrepreneurial organisation; staying true to ideals, sustaining the bottom line; and balancing social, environmental and economic goals. In conclusion, the Green-Works business model is suggested as a practical framework for achieving these objectives.

Ecopreneurship

What kind of an organisation does the ecopreneur create? Is it like any other small entrepreneurial firm, or are there clear differences, for instance, in the strategies adopted? Venkataraman (1997) considers that traditional entrepreneurs generate social value as a by-product of economic value; for social entrepreneurs (and therefore one surmises other mission-driven individuals such as

ecopreneurs) the reverse is true. There is some parallel here with the dichotomy posited by McCarthy (2003) to explain the differences between Schumpeter's (1961) view of entrepreneur-as-hero and Leibenstein's (1968) notion of an entrepreneur as a kind of master-arbitrageur, seeking out and destroying wastage caused by inefficiency in the system. She categorises the former as charismatic, which she characterises as being visionary, ambitious and idealistic. The latter operate in a less lofty fashion, with ambition firmly reined in and planning and analysis to the fore. Anderson (1998) suggests that the ecopreneur sits firmly in the charismatic section. Entrepreneurship, he concludes, "is more likely to sustain environmentalism than any form of imposed change" (1998, p:137).

There may too be a further distinction here between ecopreneurs and traditional entrepreneurs (of either kind) that was highlighted by Keogh and Polonsky (1998). They claim that the most significant difference between the two lies in the genesis of their vision, deemed by most writers as a fundamental element of entrepreneurial behaviour (for instance Mintzberg and Waters (1985)). The vision, which they say can have a powerful positive effect on staff morale, is borne out of commitment and not the other way round. The way in which the ecopreneur views and assesses the potential of resources and opportunities is filtered through his or her lens of environmental commitment.

Conversely, there is some evidence that strategies pursued by ecopreneurs have strong echoes of the positional, rather than the entrepreneurial, school (Reinhardt, 1998; Shrivastava, 1995). The latter states that firms considering environmental differentiation - and the concomitantly higher prices likely to be necessary - need only to be convinced that: any innovation must be defensible; credible information about products and services is provided; and customers will pay more for environmental quality.

Marketing this quality is one of many challenges for the ecopreneur. These challenges, according to Churchill and Lewis (1983, p:30), will change over time as the young company goes through phases they term "existence", "survival", "maintain the status quo" or "growth", "take-off" and "resource maturity". At the beginning the crucial 'haves' would appear to be an ability to do something very well (or a marketable idea), high energy and either cash or the ability to secure borrowing. As the firm grows, so does the need to hire staff of sufficient quality and diversity, to delegate, to have systems in place to handle the growth before it actually happens and, again, either cash or the ability to borrow - the entrepreneur's perennial problem.

Securing funding can be particularly onerous for the ecopreneur, since the ecopreneurial business concept is novel and therefore without precedent (Linnanen, 2002). Seelos and Mair (2004) advocate the idea of partnering with corporations; the entrepreneur benefits from funding sources outside the

traditional philanthropic arena, and the corporation from the entrepreneur's undoubtedly superior ability to spot opportunities.

Other challenges likely to be faced by ecopreneurs specifically include managing their reputation - and trading on a reputation for sustainability is a perilous business, in part because of the shifting sands of what is considered sustainable (Azzone and Nucci, 1998). Anita Roddick used to complain about the fact that as the face of The Body Shop, one of environmentalism's few business exemplars, she was expected to meet standards worthy of Mother Teresa (*Financial Times*, 1994).

Fluctuating supply and demand are also key concerns. Starik and Rands (1995) call for the creation of a more stable market for such products through harnessing the purchasing power of governments, whereby companies practising sustainable management are given preferred supplier status. In the UK, for example, local government spends c £40bn pa on procurement, and there are some attempts to shift the supplier base to include the not-for-profit sector in order to secure environmental and community benefits through purchasing choice (Office of the Deputy Prime Minister, 2003).

Balancing the often competing demands of the wide variety of stakeholders (Hall and Vredenburg, 2003), representing the triptych of economic, social and environmental concerns already mentioned, is a key skill for the ecopreneur. The tension between running a viable business and staying true to ideals seems to be a permanent fixture. Strong judgement capacity was found by Mort, Weerawardena and Carnegie (2003) in their study of social enterprises to be important, given a leader's need to balance the requirements of the stakeholders alluded to previously. Expanding upon this theme, the idea that ecopreneurs need to hone their Machiavellian skills has also been suggested by several authors (for example, Harris and Crane, 2002; Walley and Stubbs, 1999) in order to ensure that the company mission is fulfilled.

The research reported here sought to examine how this balance is attained in one small ecopreneurial firm. The insights suggest that rather than hindering entrepreneurialism, idealistic values can be translated into valuable economic assets, largely by offering large corporations the opportunity to adopt a means of ethical purchasing that in its offering of social and environmental benefits goes well beyond traditional green procurement. Crucially, these benefits reflect market conditions in that they are quantifiable, reflecting the UK Chancellor Gordon Brown's call for measurable CSR outcomes (DTI, 2004a) and are delivered through a service that is differentiated further by its high level of professionalism.

Research Setting

Set up by its CEO Colin Crooks in 2000, Green-Works has a business model that is unique in the UK. It works as follows: companies with office furniture that is surplus to demand because of relocation or refurbishment sign up to Green-Works' membership scheme. Green-Works collects the furniture, the items are then brought up to scratch by a team of people drawn from disadvantaged sectors of the community. Green-Works thereby provide a unique one-stop furniture disposal service that also helps companies fulfil their Corporate Social Responsibility (CSR) mandates. Landfill dumping and the use of virgin materials in creating new furniture is avoided. Community benefits are secured through their employment and training, but also through the provision of cheap but high quality furniture to organisations whose budgets often preclude its purchase.

Green-Works is a social enterprise, "a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners" (DTI, 2004b). Social Enterprise London (2003) also reports that whilst social enterprises solicit payment from their customers, the fees are insufficient to cover the full (market) costs. The resultant shortfall is covered by free goods, such as volunteering, and by grants.

Green-Works runs one outlet itself, in Woolwich, and franchises its operation across the country with a variety of partners (all not-for-profit and with expertise in the employment and training of disadvantaged people). Amies (2000) describes this model as social franchising, referring specifically to the not-for-profit sector.

Methodology

The paucity of research in this area suggested the appropriateness of an exploratory approach rather than justification (Ghauri and Gronhaug, 2002). This in itself suggested that the research paradigm should take a phenomenological approach, in which sense-making and deriving understanding are to the fore, rather than verification/falsification and causality (Easterby-Smith, Thorpe and Lowe, 2002). The former has been the approach of virtually all the authors researching strategy in sustainable organisations.

Most of these authors have taken an inductive approach: in other words, facts acquired through their research have enabled them to create new theories, rather than testing existing hypotheses (Ghauri and Grønhaug, 2002). Those few that have not have focused on testing theories relating to mainstream business within the world of the entrepreneur, for instance Reinhardt (Reinhardt, 1998). This

research follows the mainstream inductive approach and avoids grafting existing theories onto concepts that have little real fit with them (Glaser and Strauss, 1967).

The field researcher first encountered Green-Works whilst working as a volunteer during the summer of 2003. This enabled her to secure a very high degree of access to the organisation, which in part prompted her choice of a case study approach for the research strategy, focusing as it does on understanding small numbers of settings. Theory building from such a method relies neither on precedents from literature nor from existing empirical evidence and is therefore highly appropriate in situations where the research is still in its infancy (Eisenhardt, 1989). Given this level of access and the limited time available for the primary research (which took place from 7 June to 6 August 2004), it seemed sensible to restrict the scope of the research to the one company. Although writers on case study research frequently advocate studying multiple cases to optimise the robustness of the research (for instance, Eisenhardt, 1989), Yin (2003) writes that the single case study method is a legitimate approach when, as appears to be the situation here, the phenomenon under investigation is a unique case. Dyer and Wilkins (1991), in their rejoinder to Eisenhardt's views, write that the close study of a single case can prompt deeper insights of a single phenomenon, rather than comparative insights: it is a trade-off between the two, they suggest, and they advocate the former route.

Following Eisenhardt's (1989) recommendations multiple means of data collection were used to increase the robustness of the research via triangulation - semi structured interviews, micro-ethnography and document analysis.

Semi-structured interviews were undertaken since, as Bryman (1988) points out, a semi-structured approach allows the interviewee to ramble, thus allowing the researcher to access the data most important to the individual. With the exception of the CEO (Crooks) the interviewees were all reported anonymously and are quoted in this manner; their views are rather similar, but often diametrically opposed to those of Crooks, hence the need to separate the two. The interview questions together with their links to the basic research questions are given in Appendix 1.

Given the time constraints, micro-ethnography, as a scaled-down version of ethnography, can be feasible if the goals are modest (Bryman, 2004). In this case, the researcher wanted to understand the culture of the organisation through participant observation. Field notes were taken over the course of 17 days of site visits, in various degrees of covertness in order to try to avoid stimulating unnatural behaviour. These notes included both observation and reflection, and were typed up as soon as each site visit was over. The micro-ethnography proved a particularly rich source of data, and included visits to Green-Works' own warehouses in Silvertown, East London and Woolwich

although most of the study took place observing the six staff members at the Waterloo offices, where the field researcher was working as a volunteer. This created some problems since as Yin (2003) predicts, the participant role sometimes required too much attention to do justice to the observer role, especially more intellectually demanding tasks such as writing press releases. However, the researcher actively solicited the monotonous tasks with which Green-Works were reluctant to lumber her and completing these allowed her to take in more fully the events around her.

The amount of documents available and appropriate for analysis was not large since Green-Works operates in a relatively informal manner, with minutes of meetings rarely taken and virtually no codified strategy documents. This is a double-edged sword, in that it makes the analysis manageable, but does not serve as a particularly effective method of triangulation. Documents with an obviously positive take on the operation, such as award applications and a business prospectus, were used primarily as sources of data relating to the company's history. A qualitative survey of Green-Works corporate donors' attitudes towards the firm was particularly helpful. It was anonymous and therefore less likely to have pro-Green-Works bias.

As suggested by Eisenhardt (1989), data collection and analysis were overlapped: this has the dual benefit of speeding up the analysis and, more importantly, facilitating a degree of flexibility in data collection to allow emerging themes a more thorough investigation. Throughout the process, the researcher made a habit of writing memos to herself, as recommended by Miles and Huberman (1994). These were coded and placed in the data display database, an example of which is provided in Figure 1. The coding system was developed with a view to tightly coupling the data from all sources into the original research questions in order to secure fit with the original aim and with the findings of the literature review, allowing the maintenance of a chain of evidence. After a re-read or re-listen to prompt further reflection, data were coded at the time of writing up or transcribing, to save time and to ensure that any further emergent questions were considered promptly for the next part of the research. The data were then cut and pasted into a matrix to allow sorting and therefore clustering by different criteria, for instance by respondent or by data source: flexibility at this stage is considered important (Miles and Huberman, 1994). A conceptually ordered display was devised. Immediately after this process the field researcher produced a 'stream of consciousness' whilst the data were fresh in her mind. This was put to one side for a week for cross-checking later. In the mean time, the sections on findings and conclusions were drafted and sent to Green-Works for checking.

Next, what Miles and Huberman (1994) consider a raft of 'if-then' tactics was developed using enumerative and eliminative induction (where similar and contradictory instances of linkage are examined to provide focus and

Figure 1: Example of a data display

(Typical entries in data display (c 1000 individual coded entries in total))

	Research question	Sub-theme	Issue	Representative quote / episode
Interviewees				
Resp 3	ECN	Funding	Danger of grants	In our business, I think it would be uncomfortable to have funding above 10%.
Resp 2	STRGY	Long term	Lack of planning	...but if you're going to be thinking "established company" then you have to at least have a very vague idea as to which spot on the horizon you're aiming for.
Resp 1	STRGY	Outsourcing CSR	Finding new markets	this [partnership] could've been make or break for them [strategic partner]
Resp 4*	STRGY	Social franchising	Skills from partners	Green-Works tries to stop office furniture going to landfill. It's - it's no use trying to save very unemployable people if you're no good at it.
Resp 4*	CHL	Balance	Green goals are primary	Green-Works tries to stop office furniture going to landfill. It's - it's no use trying to save very unemployable people if you're no good at it.
Documents				
Doc 6	ECN	Funding	Self-funded	Our daily operations are now entirely funded by commercial activity.
Doc 11	ECN	Quality	Comment from member	"They are savvy and street-smart and seem very well organised and pleasant to deal with."
Mini-Ethnography				
Day 5	ETHC	Consistency	Minor quibble	No organic milk in the kitchen though fair-trade coffee is there.
Day 3	STRGY	Culture	Opportunism is all	"Very bureaucratic" is a term that's been bandied about today as a criticism.

* As shown above for Respondent 4, some comments were given more than one coding.

Key to research questions

STRGY What are the strategies of this organisation and how are they created?
 ETHC How does the organisation fulfil its ethical mandate?
 ECN How does it keep itself economically viable?
 CHL What are the other key challenges it faces?

comparison). From this, a preliminary logic model (Yin, 2003) was created with a view to establishing a tentative conceptual framework. The original 'stream of consciousness' and input from Green-Works were used as a means of cross-checking the final conclusions.

Despite Dyer and Wilkins' (1991) rejoinder to the view of Eisenhardt that single-case studies are a robust technique, some doubt must remain given the weight of the latter's arguments. Therefore, all means practical, given limited resources, were taken to maximise the robustness of this piece of work. Hussey and Hussey (1997) state that reliability - whereby replication of the research gives the same result - is likely to be low in phenomenological research, whereas validity - the extent to which the data represent a genuine picture of the phenomenon - is likely to be high. To maximise both construct validity and the reliability of the case study evidence a number of suggestions were adhered to throughout as an over-arching rule. First, Yin's (2003) suggestion that multiple sources of data be used for triangulation purposes was incorporated, as described above. The micro-ethnography was particularly useful here, since it documented what actually happened, rather than what was meant to happen.

Second, a 'thick' description (Geertz, 1973) was compiled as suggested by Guba and Lincoln (1994). This is a series of detailed accounts of a culture, in this case largely drawn from the ethnographic element of the research. This, they write, enhances the transferability of the research, or the extent to which findings hold in another context. Finally, as suggested by Yin (2003), a chain of evidence has been maintained from the start of the project. The themes of the research questions were linked into the interview questions. Emerging sub-themes were tied back to the original themes.

Findings

An entrepreneurial organisation

"We are a young organisation driven by commitment and enthusiasm to prove that waste is an opportunity rather than a problem: an opportunity to save valuable resources and an opportunity to create jobs." (CEO)

Green-Works' CEO's statement shows him to be a classic entrepreneur, an individual who sees opportunities where others do not. He is also a visionary who hates waste and therefore really does want to reduce substantially the UK's landfill burden - a theme that will be returned to in the next section - but he has the brain of a pragmatist: "... if you disengage the environment from society, people won't protect it." (CEO)

He chose to target commercial, not municipal, waste since only in the former sector was there an under-served market. Driven by an intuitive sense that a latent market for reusing and recycling office furniture existed he disregarded both competitor activities (see Table 1, line 1) and unfavourable market research data (Table 1, line 2) which he obtained gratis - something of a recurring theme with Green-Works - and pushed on anyway. Lynn, Morone and Paulson (1996) would describe the process as “probe and learn”; potential markets were probed with preliminary versions of the end product, and learning from this was incorporated into the next instar of the product, in a process of continual modest improvements designed to meet customers’ needs. The model presented to the world was essentially uneconomic: the CEO simply wanted to prove that demand and supply were there.

The next stage in Green-Works’ genesis is again archetypically entrepreneurial in its CEO’s Panglossian optimism, and indeed for his ability to spot an opportunity and take what seem to others - but not him - colossal risks. A major bank was planning what was then the biggest corporate move in UK history. For Crooks, this was an opportunity too good to miss. Not only would it secure a huge amount of furniture for resale but it also presented major PR opportunities and the chance to overcome one of the prime quandaries faced by any entrepreneur (but in particular ecopreneurs) namely, how to build credibility for an unknown, untested business model (Linnanen, 2002, comment from a donor, Table 1, line 3). Getting this right could give Green-Works its own great leap forward. However, the company lacked most of the resources needed, be they warehousing, staff or logistics. Crooks’ inveterate networking (Table 1, line 4) meant that he already knew of an East End charity that was looking for opportunities to invest in the creation of jobs with a low skills base.

Thus was born a viable business model whose genesis epitomised a pattern of partnership set early in Green-Works’ evolution, and whose benefits are covered in the third part of this section.

In 2004, Green-Works, having successfully navigated the early-day phases described by Churchill and Lewis (1983) began to make a modest profit, thus entering the phase the aforementioned authors term ‘Growth’. The notion of simply maintaining the same level of activity does not seem to have merited consideration, primarily because the ultimate reason for growth, the ‘push’, is the CEO’s - and hence the company’s - need to further the mission (Table 1, line 5). Allied to this is a ‘pull’, a requirement to extend its boundaries well beyond the South East. This is because the bulk of UK office disposals take place within the M25 and here supply outstrips demand; outside this area, however, the reverse is true, hence the need for outlets elsewhere.

As might be predicted by the same authors, the need for structure - for instance by the entrepreneur’s delegation to an appropriately chosen team, and the

Table 1: Green-Works' entrepreneurialism in action

Theme	Comment
Creating a novel business concept	<p>1. "I didn't actually want to be influenced by the current market because I disagree with the way it's currently done." (CEO)</p> <p>2. "I don't see how you could frame a question to give you a sensible answer. But actually, when you go to them and say, this is real, the truck is actually outside and we can do this - and this is the direct benefit you can get from this: then I think that the answer is a different one. But you have to make that commitment, you have to say, it is real, it's not a theoretical proposition, it's a real proposition." (CEO)</p>
Building credibility	<p>3. "[it is] important to have prior success." (a corporate donor commenting on Green-Works' track record)</p> <p>4. "We've got opportunistic antennae that are out there looking and I have about 20 opportunities in my line at any one time that I am looking for partners to share with. So it's not exactly extraordinary that people pop up one day, so long as I've got the idea of what I'm looking for ... It isn't luck." (CEO)</p>
Continuous growth	<p>5. "... it seems to me that I have a duty to continue. I can't just say I should stop 'cos this is a nice comfortable level of business [note of evangelism in CEO's eyes and voice here] ... it's almost pointless. I've just begun to address the issue. So I've got to keep on going." (CEO)</p>
Structure vs opportunism	<p>6. "I do find the whole thing about devising structures and systems a bit tedious. But I love the result. I tend to recruit around me people that are better tuned to doing those sorts of things. And who are hopefully enthused by the energy I bring to it, and hopefully I don't frighten them too much. Hopefully they don't slow me down too much and we get a nice happy medium." (CEO)</p> <p>7. "He [Crooks] wants to be out there networking, talking to people, coming up with ideas and seeing them through. And if he's got to do salaries every month, and this every other week, he can't." (Manager)</p>
Short time horizons	<p>8. "... in the last few years it's been a bit tighter, so these [refurbishment] projects that are happening now are the product of mid to late 90s economic growth, and where that growth has stagnated around the millennium, perhaps in six, seven, eight years time these projects simply won't exist ... if we drop 10% of that corporate income then the bottom falls out of the profit and loss account." (Manager)</p> <p>9. Researcher: "What will you do if the money runs out"? CEO: "Dunno! Try to dig up some gold on the beach, or something. Get the metal detector out."</p>
Adapting to a larger company	<p>10. "... I'm slower than I was, and less opportunistic, and I have to consider that an opportunity that backfires now could take 40 jobs with it." (CEO)</p>

introduction of both strategic planning and systems and control - are starting to create a tension with the CEO's seemingly insatiable appetite for growth, echoed by all respondents in the interviews. As shown in Table 1 line 6, he has in part overcome this challenge through canny recruitment, in particular in the choice of what Belbin would term a classic 'Monitor-Evaluator' (established through observation and with the help of a key informant) as his informal deputy whose comments (Table 1 line 7) show how the CEO has been freed-up to do what he does best - networking and seeking out new opportunities. Nonetheless, the planning horizons are short and could pose problems, typified by one manager's comments (Table 1, line 8) and the CEO's Micawberish answer to a question about cash (Table 1, line 9). Still, the latter's typically entrepreneurial risk-taking (Man, Lau and Chan, 2002) - which characteristically he does not view as such - has been toned down, as shown in Table 1, line 10.

Green-Works in the main exhibits use of 'Simple rules' (Eisenhardt and Sull, 2001) in its strategic approach. For instance, it runs its own version of the Boston Consultancy Group matrix (Henderson, 1998) when assessing the degree of commitment required for each of its current and potential projects and allotting them resource, as shown in Figure 2.

Figure 2: Green-Works' project management system
 (Adapted from Boston Consultancy Group model) Source: Green-Works

		Commitment	
		High	Low
Effort	High	Starter project	Bright idea
	Low	Mature projects	Dead dogs

The management deliberately tries to move projects from 'Starter' to 'Mature' as quickly as possible, through coming up with as one manager described it, "essentially an operating procedure where it'll run itself". Bright ideas likely to generate few benefits are quickly weeded out and moved to 'Dead dog' status. So straightforward is the system that is maintained on a very basic spreadsheet.

Staying true to ideals

Ultimately, the CEO is driven by his ideals, encapsulated in his comment,

"I absolutely hate waste... the whole point about hating waste is because it could do something else."

This is indicative of an interesting distinction: he claims to be a 'sustainability' (sic) and not an environmentalist implying slightly different primary motivations - although his words echo Hutchinson and Hutchinson's (1997) assertion that environmentalists' focus has moved from resource depletion to waste management, largely because of the impact and perceived cause of anthropogenic climate change.

His views are shared by his managers, with the comments in Table 2 (lines 1 and 2) typical. Although the researcher spotted the odd example where green ideals are not practised - the milk in the kitchen is not organic, for instance - these are pettifoggery. Two more representative episodes are given in Table 2 (lines 3 and 4) of the way in which environmentalism forms part of the bedrock of the company's day-to-day activities.

Whilst the literature highlights a basic problem in establishing both what being 'green' means, and in deriving a useful measurement, it is, for Green-Works, an unequivocal concept: namely, reducing the UK's landfill burden by a quantifiable amount. Interestingly, the CEO says that Green-Works' major contribution to sustainability has less to do with landfill and more to do with reducing the use of virgin materials from, for instance, open-cast mining in the Amazon basin. However, the former message is the overriding one; as he puts it,

"What's a rain forest to a guy in Woolwich who's been unemployed for six years?"

Saving desks from landfill, by contrast, is immediate and a tangible means by which warehouse jobs are created. Moreover, it meshes more readily with Green-Works' role in selling-on the furniture to charities whereas the global warming motif is vague and detracts from the unifying message of the company acting as a broker for redundant furniture.

Measuring 'greenness' is therefore easy enough to do in this context, and to link in with clear strategic goals (Table 2, line 5). Green-Works tracks all the furniture it processes individually, from initial donor to end consumer. Triple Bottom Line reporting, the language most familiar to organisations, is also used in reporting, along with the environmental measurement system *du jour*, the Global Reporting Initiative.

This assiduousness in tracking and measurement is considered by Green-Works to be pivotal in its ability to attract donors for whom the CSR agenda is becoming increasingly important (Table 2, line 6). In the light of UK Chancellor Gordon Brown's call for measurable CSR outcomes (DTI, 2004a) it has enabled the organisation to capitalise on the donors' ability to quantify such outcomes since, for instance, the donors are told where every desk, every pedestal ends up. An anonymous qualitative survey demonstrated that Green-Works was valued for its provision of information (Table 2, line 7), which gives the donors something tangible to put in the annual report as opposed to a donation to charity, whose benefits are usually harder to measure. This resonates with Mohr, Webb and Harris' study (2001) of business-to-consumer (B2C) firms, which found that a lack of clear information about companies' CSR records stymies consumers' ability to choose products based on this criterion.

Environmentalism is clearly of paramount importance in the company's mission. Meeting the social agenda is also a key part of the offering and is important to organisations (Table 2, line 8) through Green-Works' role as a broker of cheap, good quality office furniture to, largely, not-for-profit groups, saving them around £1/2m on the estimated market price at July 2004. Moreover, Crook's hatred of waste extends to people; he feels strongly that ignoring the needs of disadvantaged areas of society amounts to squandering an important, if vulnerable, resource. Therefore the provision of employment and training opportunities to disadvantaged people, currently more or less contracted out to the community partners and franchisees because of an initial lack of expertise in this area (Table 2, line 9), is becoming increasingly important.

The same pattern of continuous improvement extends to recycling rates. Until recently Green-Works was unable to reuse or recycle more than about 73 per cent of its donations and had to send the remainder to landfill. Now, however, everything is reused, whether in brickettes of waste-derived fuel for power stations, or as chipboard or scrap metal. Green-Works' management are determined that the company will become a model for best practice in embracing Triple Bottom Line goals, a commitment echoed in the CEO's words:

“Bertrand Russell said that the world is shaped by unreasonable people. And the world follows. You establish a norm, and to be honest I think that Green-Works is very very close to being established as a norm.”

Table 2: Staying true to ideals

Theme	Comment
Staff share ideals	<ol style="list-style-type: none"> 1. “[Reducing waste] is, you know, an important message, this is our future, for the next generations ...” (Manager) 2. “I can either set myself the target of £40,000 of income every month for the company, or I can set myself a target of 500 tonnes of furniture to come through us. If I set myself a financial target, I just start thinking of myself, as a bit of a slippery salesman, which I’m not at all, whereas if I set myself a target of 500 tonnes I get - I can kind of think of myself as someone who is saving this whole chunk of furniture from going to a landfill site and then all of that is being redistributed ...” (Manager)
Walking the walk	<ol style="list-style-type: none"> 3. Member of staff: Are you going [to Woolwich] by car? CEO: No such luck! We’re environmentalists, we go by train. 4. On finding out that a truck had attracted a fine for an unspecified traffic offence, the CEO said that he would pay for parking tickets, but absolutely not for penalties relating to travelling in bus-lanes - an interesting distinction perhaps likely to be made only by someone with strong environmentalist (and therefore necessarily pro-public transport) beliefs.
Clear goals	<ol style="list-style-type: none"> 5. “The major goals that have been set for us by the board are 10,000 tonnes of furniture being sent through us in the next three years and get it up to a rate of about 70, 80 per cent re-re-use in some way, shape or form.” (Manager)
Matching CSR needs	<ol style="list-style-type: none"> 6. “... the corporate citizenship or otherwise of someone like [a named blue-chip company] is absolutely fundamental, it’s something that [its chairman] thinks that he needs to be spending three hours a week thinking about, and that’s the same, probably for every ... FTSE 1000 company.” (Manager) 7. “I have been impressed by the level of information that we receive from Green-Works.” (comment from a donor) 8. “[It] ticks all boxes.” (comment from donor on GW’s employment policy and provision of cheap furniture to not-for-profits as well as the avoidance of landfill)
Benefiting from partner’s expertise	<ol style="list-style-type: none"> 9. “It’s no use trying to save very unemployable people if you’re no good at it. So we’re trying to learn, we’re trying to get in organisations who deal in providing jobs and training, things like that ...” (Manager)

Sustaining the bottom line

“We set ourselves the target of not going bust, which is fairly easy to measure. And it probably all stems from there.”

(Manager)

Not such a bad target, given the perceived ineptness of ecopreneurs in managing their finances, cited by Linnanen (2002). The means by which Green-Works attains economic viability, together with further economic challenges such as managing supply and demand and securing competitive advantage, will be explored in this section.

The problems in finding start-up capital highlighted by Linnanen (2002) were experienced by Green-Works (Table 3, line 1). This was not helped by the CEO's rejection of the option of significant grant funding, since he claims that this would substantially reduce his autonomy (Table 3, line 2). However, initial cash-flow problems were rapidly overcome, primarily by charging the organisations a premium - revenue from this source now accounts for 72 per cent of total income (revenue from customers stands at just 14 per cent). Additionally, the membership fee is often paid in advance thanks to an ingenious pricing scheme for the donors. Their costs are split two ways and, usually, between two of the donor's departments, as shown in Figure 3 with membership fees often paid in advance - a boon to Green-Works' cash-flow.

Figure 3: Green-Works' pricing scheme

	Facilities management department	CSR department
Benefits sought	Logistical solution: one-stop furniture removal	PR: association with Green-Works brand; HR relations
Fees paid to GW	Reception/collection fees	Membership fees
Payment timing	On delivery	(Often) in advance
Nature of benefits	Tangible	Intangible
Premium paid	Moderate	High
Price sensitivity	Moderate	Low

Donors can (and often do) renew their membership once the donation is over. Although one organisation griped at this in a survey, the overall feedback from donors is that Green-Works offers good value for money. Indeed, increasing the membership fee seems likely, since “CSR is so powerful”, as one manager put it.

Another key element in Green-Works’ economic viability is its reinvention of the social enterprise pricing model. Traditionally, the latter is uneconomic since customers are charged at below cost price (Social Enterprise London, 2003). Whilst this is reflected in the prices charged to customers, the donors pay a premium (over landfill and other clearance) for the service since Crooks thought that this would reflect the fact that Green-Works service not only took away their unwanted furniture but also allowed them to trumpet their CSR credentials by delivering measurable environmental and social benefits. This has allowed the organisation to become more or less entirely self-funded (Table 3, line 3).

The social enterprise model pays more dividends. Crooks says that Green-Works is “fundamentally uneconomic” meaning that it could not afford to pay for the benefits it receives as a social enterprise. Such benefits include unpaid work, from both the impressive board with its raft of heavyweight and wholly relevant skills including investment, human resources, facilities management, small company organisation and political and regulatory relationships - and from volunteers and the odd team from business schools. It has also been able to secure considerable *pro bono* work from a number of sources including, in laudably opportunistic style, work from its existing members. It also enjoys *ad hoc* discounts such as rate reductions, grants, some free advertising and disproportionate goodwill from editors leading to great press coverage. Governmental interest and support is also viewed as being very important in terms of publicity and validation (Table 3, line 4) with highlights including visits from The Right Hon Margaret Beckett MP and The Right Hon Stephen Timms MP) and, most recently, the Mayor of London Ken Livingstone naming Crooks as London’s Green Ambassador.

Social franchising is in the words of one manager, “really a key part of our capacity”. It, and other partnerships - with community groups and commercial operators - foster the unusual combination of high growth with low risk (Table 3, line 5). Warehousing charges from Green-Works’ self-run Woolwich operation alone are 51 per cent of costs, and therefore contracting out this area to partners and franchisees reduces the need for hefty investment in the other outlets, thereby facilitating rapid expansion. It also gives Green-Works a way of outsourcing, effectively, its employment and training agenda to experts.

Green-Works’ most important strategic partner - for now - is a commercial office relocation firm. It offers what it terms the ‘green package’, in effect contracting out the environmentalist element of the offering to Green-Works,

giving itself what Green-Works at least considers significant competitive advantage: “They were aware that if they didn’t get onto the environmental bandwagon one of their competitors would”, as one manager puts it. Apparently other charities and social enterprises feel that entering into such agreements is tantamount to a Faustian pact, an attitude briskly dismissed by Green-Works (Table 3, line 6).

Balancing supply with demand is a problem inherent in the entire business model (Table 3, line 7). Green-Works’ PR campaign to potential donors has been highly successful, and the fact that companies tend to plan their relocations six - seven years in advance also means that Green-Works benefits from a certain predictability in its supply. Yet this is no reason for complacency: unless the furniture can be sold on it will render the companies’ warehouses sclerotic. Out of all the methods of stimulating supply - addressing new segments as described by one manager (Table 3, line 8), finding new uses and improved marketing, social franchising is clearly the most attractive and predictable option. The option of large-scale supply of furniture to governmental departments advocated by Starik and Rands (1995) has not yet been addressed although some such departments have acted as donors (for instance The Lord Chancellor’s Department and the Department of Trade and Industry). The premiums paid by the organisations allow Green-Works to charge its customers extremely low prices for the furniture (see Table 3, line 9). This is the prime point of competitive advantage in this market, demonstrated overwhelmingly in a quantitative research programme Green-Works undertook in 2004.

Landfill is considered the major competitor for Green-Works in the donors’ market, and at a modest premium Green-Works offers the same one-stop service. It will operate out-of-hours working to accommodate them, as well as picking up the furniture and, of course, offering the added differentiation of the quantifiable CSR element of the offering. One manager drew a highly favourable comparison between Green-Works’ service in the latter area - for which he estimates firms pay a premium of around 10 per cent - and the CSR activities of one particular organisation that recently donated £25m to a single charity giving, the respondent estimated, a mere paragraph’s worth of coverage in the annual report. The CEO considers that the model is pivotal in delivering competitive advantage: it is unique, thus enabling Green-Works to secure first mover advantage in a newly created market where demand more or less by definition outstrips supply. His other ventures, which included a paper recycling business and an environmental consultancy, operate in established niches where competition is intense, plus the former relies on the material value of the paper. The value of the furniture Green-Works sells is more or less irrelevant to its business model; it is the service that matters which, if it is easy to use, is not particularly price sensitive (Bitner and Zeithmahl, 2003).

Table 3: Meeting the economic challenges

Theme	Comment
Start-up capital and funding	<p>1. “We had real trouble, despite the fact that I had an exceptionally long track record with the bank; 25 years of banking with them. Couldn’t even get a £500 overdraft. Quite ludicrous.” (CEO)</p> <p>2. “You find that actually [a grant] has got a curved end on it which says, we need these outputs, and you start to achieve a completely different set of outputs to the ones that you originally set out on.” (CEO)</p> <p>3. “Our daily operations are now entirely funded by commercial activity ... [since] Green-Works is unashamedly trying to make a buck.” [The reason?] “We’ve got to grow and try and make some money to grow some more ... there’s more [furniture] out there, we want to divert more ... from landfill.” (CEO)</p>
Benefits of being a social enterprise	<p>4. “... we’re getting into a whole series of government-based documents, I don’t know how many times we’ve featured in the DEFRA* stuff...” (Manager)</p>
Reducing risk	<p>5. “... if business dries up ... with us, ok we’re in breach of contract but we can wind things down without a financial knock-on effect.” (Manager)</p>
The advantages of partnerships	<p>6. “I think a lot of these wishy-washy airy-fairy very cuddly charitable organisations they think that they have to take the world on themselves, whereas you can take the world on yourself but if you happen to have an underbelly of partners and sub-contractors and such like to allow you to do that...” (Manager)</p>
Supply outstrips demand	<p>7. “... to get one [major UK bank] you need about a thousand community organisations [or other customers].” (Manager)</p>
Extending the customer base	<p>8. “... it’s a self-regulating market in the sense that only so many people want second-hand chairs, but initially it was schools, charities, hospitals, that sector, but in order to be able to get shot of more of the furniture... we’ll take on small business - basically, anyone.” (Manager)</p>
Revenue streams	<p>9. “[Income is] loaded to the corporate side, which is an ethical decision.” (Manager)</p>

* DEFRA: Department of Environment Food and Rural Affairs

A balancing act

Balancing the triptych of social, environmental and economic goals, along with changes in the external environment, emerge as the key challenges faced by Green-Works plus, crucially, managing scarce resources and quality.

Whilst Green-Works, particularly in its official documents, claims to espouse classic Triple Bottom Line values, there is clear agreement amongst its management team that its principal goal is environmental sustainability. This is in part a function of the size of the company, which, certainly in the early days, needed to more or less outsource its social agenda completely to partners with core competences in employment and training of disadvantaged people, partly in order to ensure its own economic viability (see Table 4, line 1). The focus on green matters is echoed in the staff motivations unearthed: two out of the four senior managers interviewed state that they are motivated primarily by environmentalism, with the other two focused respectively on helping the community and working for (and learning from) an entrepreneur.

There is some tension about Green-Works' commerciality within the business (Table 4, line 3), indicative of a feeling from one manager - ironically the least idealistic - that the balance has tipped too far towards making money. However, the comments from another (Table 4, line 4) make an interesting distinction, emphasising that bottom line profitability is not the end-game - it is helping to reduce waste which acts as a clear lodestar for the company, potently expressed by the CEO:

“I would be in many ways thrilled if one of two things happened. One, that the corporate sector suddenly became less wasteful... if we had a small part in that, by highlighting the waste, they suddenly decided, this is crazy. If GW could do it we could do it internally... Or, if the rest of the waste management industry could catch up and say, we can out-Green-Works Green-Works, we'll do it commercially, then I would really have achieved sustainability. And we would be out of business.”

Marketing, given the inevitable scarce resources, is a major challenge. Public Relations (PR), including competing for numerous awards, was for some time Green-Works' principal marketing strategy, largely because it can be extremely cheap to execute, crucial given the need to keep costs down. It has worked extremely well in attracting new corporate donors. Award-winning, despite some cynicism within the company, often generates cash, but also the sort of validating exposure that can really build company reputations and, one assumes, assuage doubts from both donors and customers about Green-Works' credibility. 'The Cult Of Colin' is being promoted assiduously to take full advantage of the CEO's undoubted ability as a fine front-man. However, these successes tend to

impact most significantly on the donors rather than the customers, for whom there may still be some resistance to buying second hand furniture. One customer's comment captured in Green-Works' quantitative research programme - "Before buying from expensive catalogues think - Green Works!" does not seem to be exactly ringing in the ears of his peers.

The same scarce resources that affect Green-Works' marketing strategy also pose problems in human resources. Green-Works is particularly vulnerable to the departure of key staff, especially given that procedures, even price lists, let alone organisational learning, often exist solely in the mind of the relevant manager. The staff, as was mentioned previously, feel that consolidation, in terms of human resources, is required, if nothing else to stop them "running round like headless chickens... and human resource is only ever paid for by more cash", as one manager put it. Yet this is cash that is generated, given Green-Works' reluctance to take on grants, by yet more growth, thereby necessitating more management time and creating a vicious circle.

Finally, scarce resources cause problems when managing quality. The Woolwich operation suffered significant problems in this area - although they are now being resolved - the result of which was furniture that was at times dirty and even broken primarily because of staff shortages. As well as reducing the likelihood of word-of-mouth marketing through customer advocacy, this could have posed serious problems for the power of the Green-Works' brand, a crucial asset that has been developed very successfully and is a vital ingredient in the organisation's franchising package. However, in order to overcome these problems the CEO has taken hard decisions - including sacking an under-performing member of staff, which he did kindly but firmly and with no unworldliness about possible comeback (the warehouse manager was instructed to change the locks).

The quality of the service offered to the organisations is not in doubt as evidenced by a typical comment from a donor (Table 4, line 5). This may be indicative of some pragmatism in resource allocation and priorities given the fact that revenue from this source outstripped that from the customers by more than five to one in 2003/4. It has created a degree of tension between the management and the franchisees (Table 4, lines 6 and 7). Overall, perhaps the management of quality is best epitomised by one ethnographic observation noting the CEO's crepuscular metamorphoses from eco-warrior in full cycling kit to a slicker in a well-cut suit and back again. It is hard not to form the impression that this willingness to embrace the symbols of classical perceptions of business efficiency is a metaphor for the essence of Green-Works' success.

Table 4: Balancing goals and resources

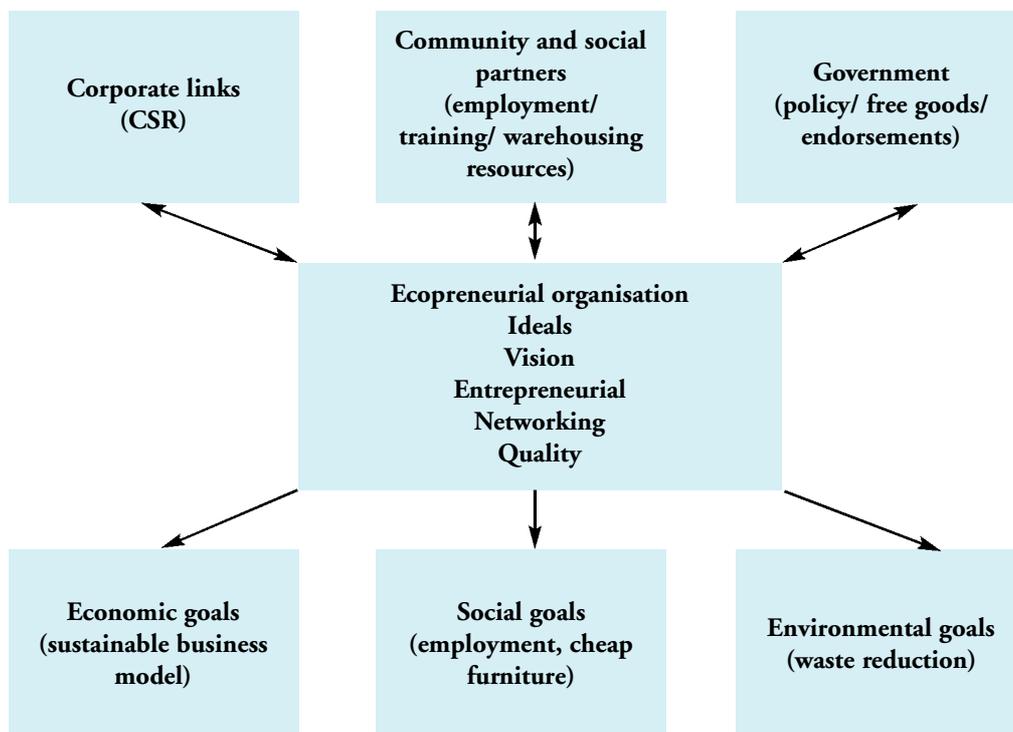
Theme	Comment
Outsourcing the social element	1. “GW has a few jobs at the warehouse but there's not much training in place, there's no procedure for, right, we're going to go out and get some people who are desperately unemployable, we have people who could probably be employed somewhere else... Now we've got a warehouse, and we've got, it's operational and running smoothly, we can start looking at that...” (Manager)
Tensions about commerciality	2. “... the phrase 'it's a numbers game' has kind of cropped up far more often in the last six months than it has in the first 24 and for a social enterprise it should never be a numbers game.” (Manager) 3. “As a business, i think we've already crossed the bridge int he sense in that people view us - other social enterprises, other charities, are very wary of this big commercial beast that we are.” (Manager) 4. “[Green-Works] is a pretty commercially-minded but not financially motivated organisation... we're not after a great return on capital or anything like that...” (Manager)
Managing quality	5. “They are savvy and street-smart and seem very well organised and pleasant to deal with.” (comment from a donor) 5. “We, bar none, have said we'll do something and we've done it. The internal mechanics of doing it have sometimes been painful, but... On time, on budget, that's why we're very commercially orientated because I work to things like on time and on budget. A community organisation doesn't talk like that, doesn't think like that.” (comment from Green-Works manager)
... And the tensions it can create	7. “We appreciate that corporate members are 'customers' for the scheme, but we feel that they sometimes get the 'kid glove' treatment, which means in practice that unnecessary pressure is put on the warehouse to cope with schedules dictated by the corporates.” (comment from a community partner)

Conclusions

The aim of this study was to discover whether Green-Works is a viable business that retains the core values that motivated its creation in the first place - and if so, how this is achieved. The researcher has found that it is indeed a viable business that retains its strong sense of mission. At the heart of its success to date is its essential entrepreneurialism and its embeddedness in the social, environmental, political and regulatory system (Mair and Marti, 2004). Figure 4 below illustrates the business model.

Lying at the centre of the model is the ecopreneurial organisation. Its *modus operandi* is still largely shaped by the entrepreneurialism of the founding CEO. Through the combined alchemy of his entrepreneurialism, ideals, vision, ingenuity, networking and knowledge of people and the market, the base elements of CSR, environmental and community issues (for instance waste of both resources and people) and governmental involvement (regulation and the desire to propagate certain goals through social enterprise) he has succeeded in creating a viable business that also provides tangible environmental and community benefits. In short, he is a consummate entrepreneur. His idealistic values, which in other circumstances may have been a hindrance, have been transformed by entrepreneurial flair into valuable assets that form an integral part of Green-Works' economic success.

Figure 4: A model for combining social and ecological entrepreneurship



An integral part of Green-Works' success is its staff's ability to form symbiotic relationships with a range of organisations. Amongst the most important are those it has forged with its corporate donors, for whom it has addressed the market for CSR benefits by presenting a duality of environmental and social outcomes. This therefore supersedes the more common route of green procurement, providing the opportunity for a more multi-layered commitment to CSR on the part of the donors. Crucially, too, it deliberately incorporates just those measurable CSR outputs that the UK's Chancellor, Gordon Brown, has called for (DTI, 2004a). By incorporating these outcomes into the notion of quality, the firms are charged a premium, thus changing the rules of the game (Hamel, 2000) in the field of social enterprise. This subversion of the traditional pricing model then benefits the customers, to whom Green-Works can then afford to offer extremely low prices. That the donor-orientated element of the operation - from which Green-Works derives the vast majority of its income - is a service renders the exercise even less price-sensitive especially since the donors report such ease of use (Bitner and Zeithmahl, 2003). It has also secured considerable expertise and networking opportunities from the corporate community through its well-chosen board.

Also of vital importance are Green-Works' relationships with its community partners and franchisees. Through the latter it has established a business model that is new to the UK, namely a franchised social enterprise. This model facilitates rapid dissemination of the environmental and social vision via relatively risk-free growth, whilst minimising acquisition of expensive assets and leaving the employment and training of disadvantaged people - for the time being - to these experts.

The governmental relationships, built up by Crooks, and also by his managers, have gained Green-Works both media coverage through ministerial visits and award winning, and endorsement through, for example, DEFRA documentation. Furniture donations have also been made, but as yet the contacts have not been capitalised upon to create opportunities of the large-scale contracts advocated by Starik and Rands (1995) for furniture sales. Probably the key benefit from this source that Green-Works enjoys is the government's zeal in promoting CSR as part of its environmental and social policy.

Crooks' leadership style is that of a strategic visionary, with an in-depth understanding of the waste industry that he uses as a springboard for innovation (Westley and Mintzberg, 1989). Just as Keogh and Polonsky (1998) predict, Crooks' vision is driven by his commitment - to waste reduction - and engenders the company-wide commitment deemed necessary for entrepreneurial success (Man, Lau and Chan, 2002).

Crooks claims to hate waste, whether of redundant office furniture or of people's lives. His vision is that his overarching dream of reducing the UK's landfill

burden is also an opportunity to create jobs for disadvantaged people. That this has enabled him to start to grow a potentially large-scale new stream of business is a manifestation of its founder's essential entrepreneurialism - an ability to spot opportunities where others see just waste. Green-Works' primary goal is to therefore reduce the country's landfill burden: an unequivocal and measurable environmental mission unfettered by potential controversy about global warming. This acts a lodestar for determining the company's overall direction and indeed its culture, thus negating any suspicion of the tension between ethics and entrepreneurialism highlighted by Morris, Schindehutte, Walton and Allen (2002). Nonetheless, as a secondary goal - the social goal - community benefits are an integral part of the offering. As well as offering not-for-profits high quality furniture at very low prices, Green-Works has learnt from its partners' expertise in delivering employment and training and is planning to improve its activities in this area.

Economic viability is attained largely through Green-Works' status as a social enterprise securing it a range of free goods, its lack of investment in assets facilitated by social franchising which together with an ingenious and novel pricing model allow it to leap-frog the ecopreneur's usual cash-flow problems. The latter is somewhat akin to the suggestion of Seelos and Mair (2004) that social enterprises may flourish in partnership with corporations since the advance payment of membership fees functions rather like an interest-free loan. Also beneficial is the fact that it occupies a monopoly in its donors' market, which along with other factors such as the quality of service offered permits it to charge a premium (Carreras and Archbold, 2002). Effective use of its undoubtedly scarce resources is also key to ensuring economic viability. The marketing strategy largely consists of PR activity including the promotion of the conveniently alliterative 'Cult of Colin'. This follows the same path as that taken by The Body Shop, another environmentally sensitive organisation with a charismatic leader (Robbins, 2001). The focus on ensuring a high quality of service to the donors makes sense given that income from this area accounts for 72 per cent of Green-Works' income.

Balancing this economic viability with the environmental and social goals, mentioned by Menon and Menon (1997), has been achieved through the business model itself. Reuse is an engine for jobs - and the management of those jobs has been outsourced to companies with proven expertise in this area. A management team that also reflects the three values - with a bias towards environmentalism - may just be a happy coincidence.

Yet Crooks' blatantly commercial approach should, according to Walley and Taylor (2002), be at odds with his mission. They suggest that for ecopreneurs economic and sustainability orientation are, literally, poles apart. However, if Leibenstein (1968) is right, entrepreneurs have a nose for slack in the system and a desire to do something about it: this is their basic function. Crooks' near-

obsession with waste reduction and his ability to see value where others do not - in redundant office furniture - shows some motivational fit with Leibenstein's concept of entrepreneurialism. Ecopreneurship might be even more natural offshoot of entrepreneurship than had been thought.

Anderson (1998, p:138) concluded that that entrepreneurship is a "splendid vehicle" for social change. This research builds upon his and other work and suggests that social entrepreneurship using a franchising model is a very effective way of large-scale dissemination of an individual's environmental vision. Crooks thinks that the micro-industry Green-Works represents is close to becoming a norm; this in tandem with his missionary motivation resonates with speculation from Carroll (1997) that industries are often founded by evangelical individuals dedicated to a vision of a better world. If Green-Works really is able to keep delivering its lofty triptych of environmental, social and economic goals it could become an avatar for the waste industry, for social franchising in the not-for-profit world, for the provision of CSR solutions and indeed for any commercially-minded social enterprise with an appetite for growth.

Limitations and scope for further research

This investigation has several clear limitations. First, the fact that it was carried out within a single organisation means that its generalisability may be limited. This may have created a second limitation in that comparison with another similar organisation may have allowed the researchers to critique Green-Works more effectively. Third, the study reflects only a model that has evolved in part through policies and business trends that are specific to the UK.

Such limitations could inform the basis for future research. Comparisons between Green-Works and other ecopreneurial business models could be investigated, both within and outside the UK. It would be particularly fascinating to establish whether the researchers' findings of the natural fit between environmentalism and entrepreneurialism are to be found elsewhere, or whether the tension between the two that makes more intuitive sense is the prevailing norm. Finally, given the success of the duality of Green-Works' offering, it might be interesting to establish whether purely social entrepreneurs could secure competitive advantage from adding an environmental element to their offering, and vice versa.

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APPENDIX

Key to original research questions:

STRGY: What are the strategies of this organisation and how are they created?

ETHC: How does the organisation fulfil its ethical mandate?

ECN: How does it maintain economic viability?

CHL: What other key challenges does it face?

Interview guide and links to original research questions

- Q1 What are the organisation's major goals?
Research questions: STRGY
Prompts: evolution of model, decision-making processes, time horizons, opportunism vs planning
- Q2 What do you think gives you competitive advantage?
Research questions: STRGY, CHL
Prompts: governmental relations, skills, unpredictable market, processes
- Q3 How do you measure performance?
Research questions: STRGY, ETHC, ECN
- Q4 How important is growth to Green-Works?
Research questions: STRGY, ECN
Prompts: funding/start-up capital, importance of regulations/instruments/ CSR, social franchising
- Q5 How do you manage supply and demand?
Research questions: ECN
Prompts: fluctuations, effects of publicity
- Q6 Apart from the things we've already mentioned what are the key challenges you face?
Research questions: CHL
Prompts: small team, risk of green-washing, leadership styles, balancing wide range of demands
- Q7: Do you think that Green-Works operates in a way that is different to its non-sustainable counterparts?
Research questions: STRGY, CHL
Prompts: culture, integration of management and staff, having to be greener than green
- Q8 Describe your marketing policy
Research questions: STRGY, CHL
Prompts: tight budgets, word of mouth, awards, education, commercialism vs ethics

