

**Hal G. Rainey, Editor**

**Siri Terjesen**  
Indiana University, Bloomington

**Niels Bosma**  
**Erik Stam**  
Utrecht University, The Netherlands

## Theory to Practice **Advancing Public Policy for High-Growth, Female, and Social Entrepreneurs**

**Siri Terjesen** is a faculty member at Indiana University, Bloomington and visiting faculty at the Norwegian School of Economics, Norway. Her research on entrepreneurship and strategy has been published in leading journals, such as *Strategic Management Journal*, *Strategic Entrepreneurship Journal*, and *Entrepreneurship Theory and Practice*, and featured in international media. She is project director for the Global Entrepreneurship Development Index's Female Entrepreneurship Index and associate editor of *Academy of Management Learning and Education* and *Small Business Economics*.

**E-mail:** terjesen@indiana.edu

**Niels Bosma** is assistant professor at Utrecht University School of Economics, The Netherlands and research fellow at Vlerick Business School, Belgium. His research on entrepreneurship, institutions, and regional development has been published in leading academic journals. He has frequently been consulted by policy makers, ranging from local governments to the European Union and the Organisation for Economic Co-operation and Development. He is cofounder and coordinator of the Utrecht University Social Entrepreneurship Initiative and a board member of the Global Entrepreneurship Research Association, hosting the Global Entrepreneurship Monitor.

**E-mail:** n.s.bosma@uu.nl

**Erik Stam** is professor at the Utrecht University School of Economics. He has held positions at the University of Cambridge and the Netherlands Scientific Council for Government Policy. His research on entrepreneurship and development has been published in leading economics, geography, and management journals. He is associate editor of *Small Business Economics*.

In addition to his scientific work, he is frequently consulted by regional, national, and supranational policy makers and private sector organizations.

**E-mail:** e.stam@uu.nl

*Public Administration Review*, Vol. 76, Iss. 2, pp. 230–239. © 2015 by The American Society for Public Administration. DOI: 10.1111/puar.12472.

**Abstract:** Findings from a large and growing body of entrepreneurship research offer insights for public policy and public officials and managers. Entrepreneurship policy is defined as measures undertaken to stimulate entrepreneurship in a region or country. The authors discuss generalizations from empirical research on three types of entrepreneurship activity that are vital for inclusive, sustainable economic growth: high-growth (stressing economic impact), female (inclusive impact), and social (sustainable impact) entrepreneurship. High-growth firms make up a small share of all entrepreneurial activity but create the majority of economic growth. Compared to their male counterparts, female entrepreneurs are fewer in number (one-third of all entrepreneurs) and tend to start ventures with lower financial capital and growth expectations. Social entrepreneurs generally have high levels of education and pursue social objectives, often remedying market failures with innovative solutions. For each entrepreneurship type, the authors provide a definition, empirical generalizations, and implications for public policy.

### Practitioner Points

- A small group of high-growth firms provide the majority of new economic activities, hence policy makers are encouraged to focus on high-growth entrepreneurship rather than the creation of new firms and self-employment in general.
- To stimulate high-growth firms, governments use a wide range of policy instruments directed at finance, labor market regulations, investment in new knowledge, and opening up new markets.
- Public policy to support female entrepreneurship includes efforts to provide entrepreneurial education and training, entrepreneurial mentors and networks, and child care.
- There is no “one-size-fits-all” blueprint for social entrepreneurship policy because of the vast differences in social venturing prevalence as well as legal and regulatory frameworks, access to financial resources, markets, and training.
- Social entrepreneurship activity is facilitated by dedicated finance programs, which include community investment, program-related investment, and dedicated legal status.

Although scholars and policy makers have a natural tendency to disagree on issues related to economics, they are in remarkable agreement that entrepreneurial activity is essential for economic growth and development. This growing appreciation is mirrored by the manifold efforts of supranational, national, regional, and local policy makers to stimulate entrepreneurship in their economies. At the same time, entrepreneurship comes in many types and forms, and it is less clear what kind of policy should target which type of entrepreneurship. Policy makers’ desired impact is not always clear. For instance, current European Union (EU) policy aims for innovative, sustainable, and inclusive growth. This particular complication—that is, the need to specify what policies are needed to promote what types of entrepreneurship (and what kind of impact)—seems to feature far less prominently in policy circles, even

though the basic message was brought forward by William Baumol (1990) a quarter of a century ago. Baumol’s seminal article uses historical examples to illustrate how the allocation of entrepreneurship depends on institutional settings and how differences in allocations may lead to productive, unproductive, or even destructive outcomes for society.

Our article synthesizes insights from a large and growing yet often fragmented body of research to distill insights for public policy. We seek to answer two research questions: What empirical generalizations can we make from the now mature field of entrepreneurship research about three entrepreneurial activity types: high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship? Moreover, what implications can we draw for policy directed at these three types? We have systematically reviewed

research on each of these areas and summarized those areas where there are consistent findings.

Where possible, we focus on observations from research that involves more than a single country, as comparative multicountry research enables comparisons of different entrepreneurial ecosystems, institutions, and entrepreneurial prevalence rates across countries (including the source of these differences) and limits the likelihood of identifying results that cannot be generalized to other countries. These comparative studies are undertaken through large-scale, harmonized, multicountry efforts such as the Global Entrepreneurship Monitor (GEM), Eurobarometer, Organisation for Economic Co-operation and Development (OECD), and World Bank, and they can be particularly beneficial when attempting to develop best practice government policies and programs that support entrepreneurship and innovation (Terjesen, Hessels, and Li 2013).

We focus on insights related to three vital types of entrepreneurial activity that can lead to different kinds of impact: high-growth entrepreneurship (stressing economic impact), female entrepreneurship (inclusive impact), and social entrepreneurship (sustainable impact). The insights on these three types of entrepreneurial activity are organized around generalizations based on a large set of empirical findings (empirical regularities). We begin by defining and delimiting entrepreneurship policy.

### Entrepreneurship Policy

While there are various definitions of entrepreneurship, a consistent observation is that entrepreneurship is concerned with “something new.” The most dominant definition of the field of entrepreneurship studies, building on Schumpeter’s (1934) seminal work, is from Shane and Venkatamaran: “the scholarly examination of how, by whom, and with what effects opportunities to create future goods and services are discovered, evaluated, and exploited” (2000, 218). The individual–opportunity nexus is central in this definition. While there is no universally accepted definition of entrepreneurship policy (Hart 2003), many utilize Stevenson and Lundström’s definition of entrepreneurship policy as comprising “measures taken to stimulate more entrepreneurial behavior in a region or a country” (2001, 19). These policies can take the form of intervening on demand (i.e., entrepreneurial opportunities), supply (i.e., stimulating particular personal characteristics of potential entrepreneurs), supply of input factors to entrepreneurship (i.e., labor and capital), preferences (i.e., entrepreneurs’ values and attitudes), and entrepreneurs’ decision-making processes (Verheul et al. 2001; Stevenson and Lundström 2001). Others advocate a focus on the context of entrepreneurship in policy for an entrepreneurial economy (Thurik, Stam, and Audretsch 2013) or entrepreneurial ecosystems (Stam 2015). To successfully develop an entrepreneurial economy, policy must be “cohesive and pervasive,” spanning all facets of society rather than focusing only on the economic components (Audretsch, Grilo, and Thurik 2007).

Overall, across all types of entrepreneurial activity, there are several broad implications for policy that are consistently supported across investigations in multiple countries, as highlighted in recent reviews

(Bosma 2013; Goduscheit 2014; Stam et al. 2009; Terjesen, Hessels, and Li 2013). These institutional foundations provide the structure of an entrepreneurial ecosystem—that is, there are few incentives for entrepreneurs to start productive ventures when the general business environment is unstable or too bureaucratic. These three broad implications coincide with the institutional pillars that Scott (1995) identifies: normative, cultural–cognitive, and regulative institutions. Scott argues that organizational structures reflect institutional forces of rules, myths, and shared understanding.

First, linking to the *normative* component, there is general support for the idea that a widespread awareness and acceptance of the benefits of entrepreneurship to society and to the economy will foster greater efforts to support entrepreneurs. Public policies that are directed at entrepreneurial awards, programs, and role models are generally successful at promoting entrepreneurship as a positive activity. National cultures that support entrepreneurial activity are more likely to have greater populations of entrepreneurs (Bosma 2013). Related activities include promoting entrepreneurship in the media, community events, and conferences; offering apprenticeships in small firms; and appointing government advocates for entrepreneurship.

Second, the *cultural-cognitive* component of building entrepreneurship capacity involves offering entrepreneurial education and the opportunity to learn from others. Entrepreneurship education should build on a strong foundation of education at primary, secondary, college, and postcollege levels, including a high level of mathematics and science education (Baumol et al. 2011). Entrepreneurship education is ongoing and involves both an emphasis on identification of entrepreneurial opportunities and subsequent action (within generic curricula) and the provision of business support services to entrepreneurs, including incubators, web portals, advisory services, and networking (targeted at potential entrepreneurs).

Third, as for the *regulative* component, a large body of research suggests that stronger legal, political, and economic institutional pillars enhance the quality of entrepreneurship. Rights and procedures can limit bureaucracy and create a stable business environment that is supportive of entrepreneurs. Better-quality legal systems lead to more venture capital activity (Bruton, Fried, and Manigart 2005; Cumming, Schmidt, and Walz 2010). Moreover, countries with certain taxes, business regulations (Acs, Desai, and Hessels 2008; Chowdhury, Terjesen, and Audretsch 2015; Van Stel, Storey, and Thurik 2007), and bankruptcy laws (Lee, Peng, and Barney 2007) are more likely to have higher levels of entrepreneurial activity. Bankruptcy laws that seek to resolve insolvencies, discharges, and restrictions are particularly helpful for stimulating entrepreneurship (Armour and Cumming 2008). From a tax perspective, start-up tax allowances and exemptions may be helpful for some entrepreneurs. Furthermore, the number of start-up procedures and the time it takes to establish a business are directly related to entrepreneurial activity: countries with fewer procedures and time requirements are more likely to have greater levels of entrepreneurship (Djankov et al. 2002). Generally, higher marginal income taxes are associated

---

Public policies that are directed at entrepreneurial awards, programs, and role models are generally successful at promoting entrepreneurship as a positive activity.

---

with lower levels of general economic activity but actually encourage entrepreneurial risk taking because as taxes increase, the government assumes the majority of the risk of entrepreneurial efforts (Baumol et al. 2011). When taxes are steeper and more progressive, the rewards for entrepreneurial activity decrease (Baumol et al. 2011). Individual income taxes are also important. There is an interaction between personal and corporate income tax rates such that individuals who start noncorporate ventures are incentivized until the personal tax rate exceeds the corporate tax rate, at which point the entrepreneur will switch to a corporate form (Baumol et al. 2011). Regulations that reduce non-wage-labor costs can allow for employee contracting—a common means through which entrepreneurs can contract employees or be contracted by others.

While these policy suggestions are quite broad, policy makers and public administrators need to discriminate among types of entrepreneurship and desired sectors such as high technology. That is, there are some types of entrepreneurship (self-employment, necessity based) that have limited impact on economic growth and development compared to other types such as ambitious high-growth entrepreneurship and social entrepreneurship. Taken together, these differences suggest that it is necessary to examine different types of entrepreneurship separately. We focus on three types of entrepreneurship that are prominent in current public policies around the world: high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship. By summarizing the state-of-the-art literature and providing implications for public policy, we show that stimulating each type of entrepreneurship requires a nuanced approach that encompasses different elements of an entrepreneurial ecosystem, taking into consideration the three aforementioned institutional components put forward by Scott (1995) as a starting point.

### High-Growth Entrepreneurship

Some types of entrepreneurship are more important for economic growth than other types. Research in recent decades has shown that a small group of high-growth firms is responsible for the majority of new economic activities (Davidsson, Delmar, and Wiklund 2006; Stam et al. 2011; Stam et al. 2009; Storey 1994; Wong, Ho, and Autio 2005). This research finding has fueled critiques of policies that support all types of entrepreneurship with the assumption that this broad strategy will always enhance economic growth (Nightingale and Coad 2014; Shane 2009; Stam 2008; Stam et al. 2011). Shane argues that “there is a lot of evidence that these policies lead people to start marginal businesses that are likely to fail, have little economic impact, and generate little employment” (2009, 148). Hence, policy makers are encouraged to focus on high-growth entrepreneurship rather than the creation of new firms and self-employment in general. High-growth entrepreneurs are key for innovative growth. High-growth entrepreneurship is defined here as the subset of entrepreneurs and firms that have realized a substantial increase in firm size (employees) or output (sales) over a number of years.

### Generalizations about High-Growth Entrepreneurship

We summarize the substantial empirical literature on high-growth entrepreneurship and high-growth firms with seven broad

generalizations (Coad et al. 2014; Davidsson, Delmar, and Wiklund 2006; Henrekson and Johansson 2010; Stam et al. 2011; Terjesen and Szerb 2008). First, job creation is highly concentrated among a few (high-growth) firms. Empirical research reveals that only a small share of a cohort of new firms create the majority of the new jobs. Second, in spite of the popular belief that small firms are the seedbed of high growth, a large body of research indicates that high-growth firms are often young but not necessarily small. If new firms are excluded, then the smallest firms account for the lowest rates of net job creation (Neumark, Wall, and Zhang 2011). Many studies find a negative effect of age on firm growth. Young firms rather

---

Firm growth is not something that happens to entrepreneurs: entrepreneurs who do not have the intention to grow their businesses are highly unlikely to see their businesses grow.

---

than small firms are responsible for the largest part of net job creation (Haltiwanger, Jarmin, and Miranda 2013). Third, high-growth firms do not appear to be more common in high-technology industries. In contrast to the Silicon Valley myth that high-growth firms are predominantly high-technology firms, most studies report high-growth firms in all industries, without a clear overrepresentation in high technology industries. Fourth, growth

intentions are a necessary but not sufficient condition for new firm growth. Firm growth is not something that happens to entrepreneurs: entrepreneurs who do not have the intention to grow their businesses are highly unlikely to see their businesses grow. Growth intentions seem to be almost a necessary condition that motivates entrepreneurs to seek opportunities for growth and to mobilize resources for growth. Fifth, it is very difficult to predict which firms will become high-growth firms. Even though growth intentions are a necessary condition, and in that respect an important predictor of firm growth, most entrepreneurs with growth intentions do not actually realize them (Stam et al. 2011), and most regression models on firm growth only explain a small fraction of the variation in growth rates (Coad 2009). Firm growth is likely to be largely a random process that remains hard to predict (Stam 2010). Sixth, firms' high growth is not persistent over time. It is extremely rare for firms to continually achieve high growth over their lifetimes: many high-growth firms are one-hit wonders (Daunfeldt and Halvarsson 2015; Hözl 2014), and growth setbacks are more the rule than the exception (Garnsey, Stam, and Heffernan 2006). Seventh, different growth indicators lead to different sets of high-growth firms. Growth might seem a homogenous phenomenon, but empirical studies indicate that the use of different growth indicators (employment, sales, productivity, and profits) selects different sets of high-growth firms. Some indicators are positively related over time, such as employment and sales (Coad et al. 2014), while others are negatively related, such as employment and productivity (Daunfeldt, Elert, and Johansson 2014).

### Public Policy for High-Growth Entrepreneurship

High-growth entrepreneurship occupies a central position in many public policies, although there is no clear evidence of policy success (Lerner 2009; Mason and Brown 2013). The empirical finding that high-growth entrepreneurship is important for aggregate economic performance does not suffice as a rationale for (successful) government intervention. The most explicit policies are related to finance, with the underlying idea that there are substantial market failures in the provision of financial resources to (potential) high-growth firms. These market failures lead to significant liquidity constraints.

Governments have aimed to solve these with a wide range of policy instruments such as public–private microfinance schemes and credit loan guarantee schemes. Other financing resources include the creation of networks of business angels, public–private venture capital, and the creation of specific initial public offering markets (see Audretsch and Elston 2006; Stam et al. 2009). In addition, governments can take action with respect to labor market regulations in order to enable job reallocation toward high-growth firms, invest in new knowledge as a source of new opportunities for high-growth entrepreneurship, and open up markets (e.g., of public demand) to be supplied by high-growth entrepreneurs (Stam et al. 2009).

The seven generalizations can be used as an initial legitimization of public policies for high-growth entrepreneurship (see Autio, Kronlund, and Kovalainen 2007), but they also place doubt on the adequacy of these policies because potential high-growth entrepreneurship is hard to target in advance, and it is unlikely to be growth persistent. This observation has led to the conclusion that policies for high-growth entrepreneurship are perhaps misguided and that the best that governments can do is to make sure that the conditions enabling high-growth entrepreneurship are put into place. In other words, governments should not have entrepreneurship policies but rather policies for an entrepreneurial economy (Stam and Bosma 2015; Thurik, Stam, and Audretsch 2013). This has recently been mobilized under the heading of “entrepreneurial ecosystems” (Bell-Masterson and Stangler 2015; Feld 2012; Stam 2015). The key ingredients of an entrepreneurial ecosystem approach are that (1) entrepreneurial leaders are central in taking initiative for creating an ecosystem and keeping it healthy and (2) governments have important roles to play for ensuring that a broad range of elements in the ecosystem are present, of sufficient quality, and interacting.

### **Female Entrepreneurship**

Generally, higher levels of women’s participation in the labor market are associated with higher levels of national economic and social development (United Nations 2013). Certainly, increased levels of female entrepreneurial activity are associated with economic growth (Terjesen and Amorós 2010) and stronger communities and business ecosystems. Around the world, women make up approximately one-third of all new entrepreneurs and one-fourth of all established business owners; however, this level varies significantly across countries, with the largest gender gaps in conservative Islamic countries and the smallest gaps in Asian countries (Terjesen and Elam 2009). We examine some generalizations about female entrepreneurs and outline some general implications for public policy.

#### **Generalizations about Female Entrepreneurs**

The large body of research on female entrepreneurs has generated a few consistent findings (Jennings and Brush 2013). Certainly, we have evidence, worldwide, that women are far less likely to be involved in entrepreneurship than men (Bosma 2013). Women’s firms have lower levels of initial financial capital compared to men’s and operate with lower overall levels of debt and equity (Jennings and Brush 2013). Women entrepreneurs’ financial capital is also less likely to come from formal, external sources or from angel and

---

Women entrepreneurs are generally more likely than their male counterparts to have higher levels of education and ventures in service industries, aspire to lower growth expectations, and be motivated by noneconomic goals.

---

venture capital investors. Women’s ventures are overrepresented in the retail and personal service sectors and underrepresented in manufacturing, extraction, and business services (Bosma 2013). Female entrepreneurs’ firms are less likely to be based outside the home and to focus on export markets. Women entrepreneurs are generally more likely than their male counterparts to have higher levels of education and ventures in service industries, aspire to lower growth expectations, and be motivated by noneconomic goals. Women

and men entrepreneurs have similar levels of innovation and focus on delivering high value to their customers. Furthermore, compared to men, women are less focused on market reach, competition, and business valuation. Taken together, the differences between male and female entrepreneurial activity do not disadvantage women but reflect underlying economic participation and business growth in societies (Terjesen and Elam 2012). That is, compared to men, women are disadvantaged in their ability to access the labor market, including their access to entrepreneurial roles.

#### **Public Policy for Female Entrepreneurship**

A large body of research has sought to understand why there are higher levels of female entrepreneurship in certain countries (Alsos, Ljunggren, and Hytti 2013; Jennings and Brush 2013; OECD 2004; Terjesen, Hessels, and Li 2013). This research generally points to policy implications directed at individual and environmental components that concern women’s roles in their family, human capital, and social capital.

One category of policy implications concerns how women operate in the context of the family. Higher levels of female entrepreneurship are related to greater provision of child care services and generous family leave (Terjesen and Elam 2012). Taken together with the finding that women tend to start their ventures later (ages 35 to 40), presumably after childbearing and early child care (Bosma 2013), there is a substantial need for policies that help women care for their children so that they can direct a larger share of their energies toward starting and growing a business.

A second general set of policy initiatives relates to human capital in terms of providing women with greater levels of education and training (and confidence in these entrepreneurial skills). This knowledge can be disseminated through women’s business centers, information seminars, and web-based portals (OECD 2004). Policy initiatives can also be directed toward expanding social capital in terms of facilitating access to entrepreneurial mentors, networks, and exposure. Taken together, these efforts help women develop confidence and see and pursue opportunities, as well as enhance cooperation and partnerships within national and international networks in a global economy (OECD 2004). These activities may also reduce women’s fear of entrepreneurial failure, which is a major barrier to initial and sustained entrepreneurial activity (Bosma 2013).

A third set of initiatives focus on eliminating discriminatory processes for women. In some countries, women’s property rights are severely constrained. For example, some countries have women-specific requirements such as requiring men to cosign loans. There is



also cross-country variance in the extent to which women's freedom to work and travel is restricted by family arrangements and religious beliefs (Terjesen and Elam 2012). Taken together, this suggests that in order to succeed as entrepreneurs, women require equal rights and freedoms to conduct business. More advanced economies also have barriers for women; however, these are more subtle (Terjesen and Elam 2012). For example, the vast majority of venture capitalists in the United States are men, who, in turn, tend to favor male entrepreneurs (Greene et al. 2001). Furthermore, female entrepreneurs have fewer males in their networks (Klyver and Terjesen 2007).

A final recommendation is to incorporate a women's entrepreneurial dimension in the formation of all policies related to small and medium-sized enterprises (SMEs). The OECD (2004) suggests that this action can be achieved by ensuring that the impact on women's entrepreneurship is taken into account at the design stage. The OECD's specific suggestions include a periodic evaluation of the impact of SME policies on women-owned enterprises, including whether women actually take advantage of these new policies and to what extent the policies are effective.

### **Social Entrepreneurship**

While the definition of social entrepreneurship is debated (Short, Moss, and Lumpkin 2009), seminal scholarship highlights that social entrepreneurs are private sector citizens who seek to make "catalytic changes" in the public sector agenda (Waddock and Post 1991, 393). We follow Guo and Bielefeld in defining social entrepreneurship as "the pursuit of social objectives with innovative methods, through the creation of products, organizations, and practices that yield and sustain social benefits" (2014, 1). The term might be broadened to include public sector entrepreneurship and nonprofits that exhibit entrepreneurial activity while focusing on social missions (Bielefeld 2015); however, we view public entrepreneurship as a somewhat distinct field focused on entrepreneurship within the public sector in which the public entrepreneur is one "who contributes to building a public organization or increasing its ability to deliver services and create value" (Bernier and Hafsi 2007, 489). Thus, social entrepreneurs explicitly seek to address market failures across many sectors and to solve other problems in society, including problems that concern the government (Austin, Stevenson, and Wei-Skillern 2006; Bielefeld 2015). Growing policy, practitioner, and scholarly interest in social entrepreneurs and an increasing number of organizations, events, awards, and celebrations put successful social entrepreneurs in the spotlight (e.g., Kickul et al. 2012; Morris, Webb, and Franklin 2011; Schwab Foundation 2014; Short, Moss, and Lumpkin 2009). The recent worldwide economic crisis and the rising attention to inequalities and well-being (OECD 2013a) vis-à-vis gross domestic product per capita have only added to this trend.

Being a young academic field, research on social entrepreneurship was, until recently, based on case studies and later on large surveys in particular countries (e.g., Korosec and Berman 2006). These research methods enrich the academic knowledge of the phenomenon but do not allow us to make generic, causal inferences. In 2009, the Global Entrepreneurship Monitor developed the first cross-national study of social entrepreneurship, surveying more than 150,000 individuals in 48 countries (Lepoutre et al. 2013; Terjesen et al. 2012). This study provided the first comparative analysis of

the prevalence and types of social entrepreneurship activity around the world and has spurred empirical research that links institutional settings to observed social entrepreneurial behavior (Bacq, Hartog, and Hoogendoorn 2013; Estrin, Mickiewicz, and Stephan 2013; Hechavarría et al. 2015; Nissan, Castaño, and Carrasco 2012; Stephan, Uhlaner, and Stride 2015). Whereas the qualitative case studies in particular emphasize "institutional voids" as an enhancer of social entrepreneurship (see, e.g., Mair and Marti 2009, who elaborate on the absence of institutions in Bangladesh and the opportunities this brings for social entrepreneurship), the cross-national quantitative analyses so far have documented evidence for the notion that social entrepreneurs also prosper in strong institutional settings in which social entrepreneurship is enhanced with supportive regulation, education, and training opportunities as well as the existence of cultures that trigger prosocial behavior. This aligns with the "institutional support" perspective (see Stephan, Uhlaner, and Stride 2015).

### **Generalizations about Social Entrepreneurship**

As the empirical literature in social entrepreneurship is in an emergent phase, generalizations are still scarce. The GEM study provides seminal evidence of the level and scope of social entrepreneurship across the globe. First, we now know that the overall prevalence rate of social entrepreneurship activity around the world ranges between 0.5 percent and 5 percent of the population ages 18 to 64 (Lepoutre et al. 2013; Terjesen et al. 2012). This variation across countries occurs within each phase of economic development. In the world's poorest countries, young people (18 to 24) are least likely to be social entrepreneurs; however, in the world's richest countries, this age group is most likely to be starting social ventures. Second, social ventures are found in the following sectors (from most to least common): social services, culture and recreation, development and housing, education and research, environment, health, philanthropic intermediaries and voluntarism promotion, law, advocacy and politics, religion, business and professional associations, unions, and international. Third, the primary funding source of social ventures is the individual entrepreneur and his or her friends and family. Just like traditional businesses, survival chances in the first few years after the social start-up are slim. For social entrepreneurs, it may be possible to start a business with modest start-up capital (usually obtained from the personal network and increasingly through crowdfunding), but scaling up social ventures tends to be problematic and requires careful thought in developing viable business models. Fourth, individuals with higher levels of education (e.g., college and graduate school) tend to be more likely to start social ventures. Individuals who start social ventures are also likely to be employed part time, full time, or as students. Fifth, males are more likely to start social ventures than females; however, the gap in social entrepreneurship prevalence is not as high as with traditional commercial entrepreneurship. The male/female ratio of social entrepreneurship varies tremendously across countries. Compared to men, women are more likely to start social ventures in the following countries: Malaysia, Lebanon, Russia, Israel, Iceland, and Argentina.

### **Public Policy for Social Entrepreneurship**

An emerging body of research investigates public policy for social entrepreneurship, considering how to create a sustainable social venturing sector (e.g., Chui, Dewhurst, and Pollak 2013; OECD 2013b; Wolk 2007, 2008). The major challenge is that there are

few consistent research findings. There is no “one-size-fits-all” blueprint for social entrepreneurship because of the vast differences in social venturing prevalence as well as legal and regulatory frameworks, access to financial resources, markets, and training. A recent study provides an initial mapping of social enterprises and national ecosystems for social entrepreneurship for the EU member states (European Commission 2014).

The first set of consistent findings surrounds the overall level of development of a country. While theory suggests that higher levels of market failures and institutional voids may lead to greater engagement in social entrepreneurship, this is not evident in the data. What is evident in the data is the theory from Mair (2010) that individuals who live in countries with higher levels of economic and social development are better positioned to seek to develop social ventures. This is evident in the high rates of social entrepreneurship in the United States, the Caribbean, and Latin America. Countries characterized by postmaterialism and socially supportive cultures host more social entrepreneurs, also after controlling for individual effects such as educational levels (Stephan, Uhlaner, and Stride 2015). Furthermore, among social entrepreneurs, postmaterialism is associated with a greater focus on social and environmental goals as opposed to economic goals (Hechavarría et al. 2015). This suggests that increasing the level of social and economic development—a no-regret policy in general—will foster higher levels of social entrepreneurship.

A second body of research examines how to create sustainable social ventures (e.g., Nicholls 2006; Schwab Foundation 2013). There is growing evidence that, like traditional ventures, social ventures are more likely to survive if their entrepreneurs have prior relevant entrepreneurship and sector experience. Aspiring social entrepreneurs can develop these skills through education, training, and networks and sometimes utilize incubators and growth accelerators. Another important component of this work is that social enterprises must be able to reach their markets. This may require putting into place public procurement policies that do not discourage social enterprises that generally tend to be small and therefore experience difficulties to compete in public procurement.

A third concern of policy is social ventures’ funding. A number of dedicated finance programs have become available in the last decade, ranging from community investment (directly into community-based organizations) to program-related investment by charities, trusts, and foundations. The OECD (2013b) considers some of the most promising venture sources to include investments in ethical opportunities, venture philanthropy over the long term, patient capital, institutional investment, individual investment, ethical or social capital markets, and crowdfunding. An example of crowdfunding is Kiva, an online nonprofit that allows individuals to loan or donate funds to entrepreneurs around the world. Finally, social impact bonds have recently emerged as an innovative type of financing for social entrepreneurs. In a social impact

---

There is no “one-size-fits-all” blueprint for social entrepreneurship because of the vast differences in social venturing prevalence as well as legal and regulatory frameworks, access to financial resources, markets, and training.

---

---

There is growing evidence that, like traditional ventures, social ventures are more likely to survive if their entrepreneurs have prior relevant entrepreneurship and sector experience.

---

bond, social entrepreneurs, investors, and policy makers develop a joint partnership. Returns on investments are only paid to the extent that social entrepreneurs succeed in the goals set out up front—goals that result in savings for the governments. A prominent example deals with successfully reintegrating delinquents into the labor market and hence limiting the costs associated with reoffenses (Disley and Rubin 2014). While this type of finance appears to be promising, it is not without challenges and critiques (McHugh et

al. 2013). An important issue is that social entrepreneurs must be able to demonstrate their realized social impact to the stakeholders, including impact investors. If they can do this, it might not just satisfy their current stakeholders but also be a key market instrument for attracting new customers. Hence, enabling expertise and knowledge sharing on social impact measurement can be an important focus for policies oriented at ambitious social entrepreneurs.

A fourth pillar of policy implications concerns legal and regulatory frameworks. Several countries are offering a dedicated legal status for social entrepreneurship that recognizes the duality between social and economic objectives; for example, in the United States, social entrepreneurs can register a 501(c)(3) organization. These legal statuses relax the sometimes stringent or even legally binding rules that the entrepreneur should solely act in the interest of shareholders, which could prevent the social entrepreneur from meeting his or her social objectives. Some countries also have tax incentives that are designed to reward the initiatives, for example, by reducing VAT (value-added tax). Belgium, for instance, reduces VAT by 6 percent for social economy initiatives and offers a tax exemption up to certain limits. Certainly, the regulatory burdens should not be too onerous, and they should enable ventures to focus on both social and economic activities, as well as on medium- and long-term sustainability in the market.

## Conclusions

This review has elaborated on the empirical generalizations from research and on public policies for three important types of entrepreneurial activity: high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship. Table 1 summarizes the empirical generalizations and public policy implications. There is no “one-size-fits-all” entrepreneurship policy. We believe that in addition to taking into account the specific context of public policy, it is necessary to consider the distinct nature of different types of entrepreneurship in order to realize effective public policies.

Public policy often concerns changing the conditions of actors in society in order to improve prosperity. We have discussed high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship because these three distinct types are important means for innovative, inclusive, and sustainable growth.

Despite the fact that we have provided a substantial set of empirical generalizations about high-growth entrepreneurship, female

**Table 1** Generalizations about High-Growth, Female, and Social Entrepreneurship

**High-Growth Entrepreneurship:** Entrepreneurs and firms that have realized a substantial increase in firm size (employees) or output (sales) over a number of years

- Job creation is highly concentrated among a few (high-growth) firms.
- High-growth firms are often young but not necessarily small.
- High-growth firms do not appear to be more common in high-technology industries.
- Growth intentions are a necessary but not sufficient condition for new firm growth.
- It is very difficult to predict which firms will become high-growth firms.
- Firms' high growth is not persistent over time.
- Different growth indicators lead to different sets of high-growth firms.

**Implications for High-Growth Entrepreneurship Policy:**

- As availability of financing is often an important factor, governments have used a wide range of policy instruments, including public-private microfinance and credit loan guarantee schemes.
- Other financing outlets include business angel networks, public-private venture capital, and initial public offerings.
- Governments have also changed labor market regulations in order to reallocate jobs toward high-growth firms, invest in new knowledge as a source of high-growth entrepreneurship, and open up markets.
- Many policies for high-growth entrepreneurship are misguided; the best that governments can do is to ensure that the contextual conditions for high-growth entrepreneurship are in place by feeding a healthy entrepreneurial ecosystem.

**Female Entrepreneurship:** Women who pursue careers as entrepreneurs or own new businesses

- Women make up one-third of all new entrepreneurs and one-fourth of established business owners, although the gender gap varies across countries.
- Women's firms have lower levels of initial financial capital compared to men's.
- Women entrepreneurs' financial capital is less likely to come from formal, external sources or from angel or venture capital investors.
- Women's ventures are overrepresented in the retail and personal service sectors.
- Women entrepreneurs are generally more likely than their male counterparts to have higher levels of education and ventures in service industries, have lower growth expectations, and be motivated by noneconomic goals.
- Women are less focused on market reach, competition, and business valuation.

**Implications for Female Entrepreneurship Policy:**

- Higher levels of female entrepreneurship can be found in countries with greater provision of child care services and generous family leave.
- Policy initiatives can also be directed to expanding social capital in terms of facilitating access to entrepreneurial mentors, networks, and exposure.
- Initiatives should also eliminate discriminatory processes, thereby allowing women to access equal rights and freedoms to conduct business.
- Policy initiatives should take into account the impact on women's entrepreneurship in the design stage.

**Social Entrepreneurship:** Individuals who pursue social objectives with innovative methods through the creation of products, organizations, and practices that yield and sustain social benefits

- Social entrepreneurs explicitly seek to address market failures across many sectors and to solve other societal problems, including those that concern the government.
- The overall prevalence rate of social entrepreneurial activity around the world ranges from 0.5 percent to 5 percent of the population ages 18 to 64.
- Social ventures are found in the following sectors (from most to least common): social services, culture and recreation, development and housing, education and research, environment, health, philanthropic intermediaries and voluntarism promotion, law, advocacy and politics, religion, business and professional associations, unions, and international.
- Social ventures are primarily funded by the individual entrepreneur and his or her friends and family.
- Just like traditional businesses, survival chances in the first few years after the social start-up are slim.
- Social entrepreneurs often rely on modest start-up capital (usually obtained from the personal network and increasingly through crowdfunding) but experience many problems when scaling ventures.
- Individuals with higher levels of education (e.g., college and graduate school) and employment (part time or full time) or student status tend to be more likely to start social ventures.
- Males are more likely to start social ventures than females; however, the gap in social entrepreneurship prevalence is not as high as with traditional commercial entrepreneurship and varies substantially across countries.

**Implications for Social Entrepreneurship Policy:**

- There is no "one-size-fits-all" blueprint for social entrepreneurship because of the vast differences in social venturing prevalence as well as legal and regulatory frameworks, access to financial resources, markets, and training.
- Individuals who live in countries with higher levels of economic and social development are better positioned to seek to develop social ventures, thus increasing the level of social and economic development—a no-regret policy in general—will foster higher levels of social entrepreneurship.
- As social ventures are more likely to survive if their entrepreneurs have prior relevant entrepreneurship and sector experience, policy efforts can seek to help aspiring social entrepreneurs develop these skills through education, training, and networks and sometimes utilize incubators and growth accelerators.
- Public procurement policies can encourage social enterprises that generally tend to be small and therefore experience difficulties to compete in public procurement.
- There are many promising venture sources, including venture philanthropy, institutional investment, individual investment, ethical or social capital markets, and crowdfunding.
- Policy-oriented measures can help social entrepreneurs measure social impact.
- Countries may choose to implement a dedicated legal status for social entrepreneurship that recognizes the duality between social and economic objectives.
- Regulatory burdens should not be too onerous and should enable ventures to focus on both social and economic activities, as well as on medium- and long-term sustainability in the market.

entrepreneurship, and social entrepreneurship, entrepreneurship involves a process that is far from fully comprehensible, often generates unexpected outcomes, and can have varying impacts on multiple levels. Furthermore, given the dynamic nature of entrepreneurship, these generalizations are likely to change with time. However, we can learn from previous policies what worked in particular contexts and from research into the specific types of entrepreneurship in order to determine the necessary conditions

for emergence. For public policy, this means that an institutional design approach is needed in order to affect the context of entrepreneurship (Stam and Nooteboom 2011). For example, gendered institutions, both formal and informal (North 1990), are the fundamental cause of females having dissimilar probabilities of pursuing entrepreneurial activities compared to men (Elam and Terjesen 2010; Pathak, Goltz, and Buche 2013; Terjesen et al. 2015). These gendered institutions have downstream effects on education,

networks, access to finance, and services for female entrepreneurs. This means that changing institutions should be at the top of the policy agenda for female entrepreneurship. An institutional design approach can be used as a cornerstone for developing ecosystems for high-growth entrepreneurship (Stam 2015) and social entrepreneurship (Colander and Kupers 2014). This would change entrepreneurship policy into policy for an entrepreneurial economy (Thurik, Stam, and Audretsch 2013), as manifested in high levels of high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship.

Future research needs to delve more deeply into how institutions, not only as a generic category but also more often very specific ones (the devil is often in the institutional details), affect the elements of the entrepreneurial ecosystems for high-growth entrepreneurship, female entrepreneurship, and social entrepreneurship. This research will provide insight into the mechanisms enabling or constraining types of entrepreneurship. However, this “global knowledge” needs to be combined with local knowledge on how policy makers change institutions and how this is perceived by different types of entrepreneurs. This necessitates that scholars of entrepreneurship and public administration engage with policy makers and entrepreneurs in order to understand the key problems in society and how to design research that matters for realizing innovative, sustainable, and inclusive growth and, ultimately, to disseminate the research findings to the relevant communities (Van de Ven 2007). Such engaged scholarship seems to be in short supply, and remedying this would lead not only to better policies but also to better and more relevant research.

## References

- Acs, Zoltan J., Sameeksha Desai, and Jolanda Hessels. 2008. Entrepreneurship, Economic Development and Institutions. *Small Business Economics* 31(3): 219–34.
- Alsos, Gry Agnete, Elisabet Ljunggren, and Ulla Hytti. 2013. Gender and Innovation: State of the Art and a Research Agenda. *International Journal of Gender and Entrepreneurship* 5(3): 236–56.
- Armour, John, and Douglas Cumming. 2008. Bankruptcy Law and Entrepreneurship. *American Law and Economics Review* 10(2): 303–50.
- Audretsch, David B., and Julie Ann Elston. 2006. Can Institutional Change Impact High-Technology Firm Growth? Evidence from Germany's Neuer Markt. *Journal of Productivity Analysis* 25(1): 9–23.
- Audretsch, David B., Isabel Grilo, and Roy A. Thurik. 2007. Explaining Entrepreneurship and the Role of Policy: A Framework. In *Handbook of Research on Entrepreneurship Policy*, edited by David B. Audretsch, Isabel Grilo, and Roy A. Thurik, 1–17. Cheltenham, UK: Edward Elgar.
- Austin, James, Howard Stevenson, and Jane Wei-Skillern. 2006. Social and Commercial Entrepreneurship: Same, Different, or Both? *Entrepreneurship Theory and Practice* 30(1): 1–22.
- Autio, Erkko, Marthius Kronlund, and Anna Kovalainen. 2007. *High-Growth SME Support Initiatives in Nine Countries: Analysis, Categorization and Recommendations*. Edita, Finland: Edita Publishing.
- Bacq, Sophie, Chantal Hartog, and Brigitte Hoogendoorn. 2013. A Quantitative Comparison of Social and Commercial Entrepreneurship: Toward a More Nuanced Understanding of Social Entrepreneurship Organizations in Context. *Journal of Social Entrepreneurship* 4(1): 40–68.
- Baumol, William J. 1990. Entrepreneurship: Productive, Unproductive, and Destructive. *Journal of Political Economy* 98(5): 893–921.
- Baumol, William J., Robert E. Litan, Carl J. Schramm, and Robert J. Strom. 2011. *Innovative Entrepreneurship and Policy: Toward Initiation and Preservation of Growth*. In *The Economics of Small Businesses*, edited by Giorgio Calcagnini and Ilario Favaretto, 3–23. Berlin: Springer-Verlag.
- Bell-Masterson, Jordan, and Dane Stangler. 2015. *Measuring an Entrepreneurial Ecosystem*. Kansas City, MO: Ewing Marion Kauffman Foundation. <http://www.kauffman.org/what-we-do/research/2015/03/measuring-an-entrepreneurial-ecosystem> [accessed September 18, 2015].
- Bernier, Luc, and Taïeb Hafi. 2007. The Changing Nature of Public Entrepreneurship. *Public Administration Review* 67(3): 488–503.
- Bielefeld, Wolfgang. 2015. Advancing Public Good through Entrepreneurship. In *Handbook of Public Administration*, 3rd ed., edited by James L. Perry and Robert K. Christensen, 251–70. San Francisco: Jossey-Bass.
- Bosma, Niels S. 2013. The Global Entrepreneurship Monitor (GEM) and Its Impact on Entrepreneurship Research. *Foundations and Trends in Entrepreneurship* 9(2): 143–248.
- Bruton, Garry D., Vance H. Fried, and Sophie Manigart. 2005. Institutional Influences on the Worldwide Expansion of Venture Capital. *Entrepreneurship Theory and Practice* 29(6): 737–60.
- Chowdhury, Farzana, Siri Terjesen, and David Audretsch. 2015. Varieties of Entrepreneurship: Institutional Drivers across Entrepreneurial Activity and Country. *European Journal of Law and Economics* 40(1): 121–48.
- Chui, Michael, Martin Dewhurst, and Lindsay Pollak. 2013. Building the Social Enterprise. *McKinsey Quarterly* 4: 8–11.
- Coad, Alex. 2009. *The Growth of Firms: A Survey of Theories and Empirical Evidence*. Cheltenham, UK: Edward Elgar.
- Coad, Alex, Paul Nightingale, Sven-Olov Daunfeldt, Werner Hölzl, and Dan Johansson. 2014. High-Growth Firms: Introduction to the Special Section. *Industrial and Corporate Change* 23(1): 91–112.
- Colander, David, and Roland Kupers. 2014. *Complexity and the Art of Public Policy: Solving Society's Problems from the Bottom Up*. Princeton, NJ: Princeton University Press.
- Cumming, Douglas, Daniel Schmidt, and Uwe Walz. 2010. Legality and Venture Capital Governance around the World. *Journal of Business Venturing* 25(1): 54–72.
- Daunfeldt, Sven-Olov, Niklas Elert, and Dan Johansson. 2014. The Economic Contribution of High-Growth Firms: Do Policy Implications Depend on the Choice of Growth Indicator? *Journal of Industry, Competition and Trade* 14(3): 337–65.
- Daunfeldt, Sven-Olov, and Daniel Halvarsson. 2015. Are High-Growth Firms One-Hit Wonders? Evidence from Sweden. *Small Business Economics* 44(2): 361–83.
- Davidsson, Per, Frederic Delmar, and Johan Wiklund. 2006. Entrepreneurship as Growth; Growth as Entrepreneurship. In *Entrepreneurship and the Growth of Firms*, edited by Per Davidsson, Frederic Delmar, and Johan Wiklund, 21–38. Cheltenham, UK: Edward Elgar.
- Disley, Emma, and Jennifer Rubin. 2014. Phase 2 Report from the Payment by Results Social Impact Bond Pilot at HMP Peterborough. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/325738/peterborough-phase-2-pilot-report.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/325738/peterborough-phase-2-pilot-report.pdf) [accessed September 18, 2015].
- Djankov, Simeon, Rafael La Porta, Florencio Lopez-De-Silanes, and Andrei Shleifer. 2002. The Regulation of Entry. *Quarterly Journal of Economics* 117(1): 1–37.
- Elam, Amanda B., and Siri Terjesen. 2010. Gendered Institutions and Cross-National Patterns of Business Creation for Men and Women. *European Journal of Development Research* 22(3): 331–48.
- Estrin, Saul, Tomasz Mickiewicz, and Ute Stephan. 2013. Entrepreneurship, Social Capital, and Institutions: Social and Commercial Entrepreneurship across Nations. *Entrepreneurship Theory and Practice* 37(3): 479–504.
- European Commission. 2014. A Map of Social Enterprises and Their Ecosystems in Europe. <http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2149> [accessed September 19, 2015].
- Feld, Brad. 2012. *Startup Communities: Building an Entrepreneurial Ecosystem in Your City*. Hoboken, NJ: Wiley.



- Garnsey, Elizabeth, Erik Stam, and Paul Heffernan. 2006. New Firm Growth: Exploring Processes and Paths. *Industry and Innovation* 13(1): 1–20.
- Goduscheit, Rene C. 2014. *State of the Art in Entrepreneurship Research: A Policy-Oriented Review with Particular Emphasis on the Gender Perspective and the Norwegian Context*. Copenhagen, Denmark: DAMVAD.
- Greene, Patricia G., Candida G. Brush, Myra M. Hart, and Patrick Saporito. 2001. Patterns of Venture Capital Funding: Is Gender a Factor? *Venture Capital* 3(1): 63–83.
- Guo, Chao, and Wolfgang Bielefeld. 2014. *Social Entrepreneurship: An Evidence-Based Approach to Creating Social Value*. San Francisco: Jossey-Bass.
- Haltiwanger, John, Ron S. Jarmin, and Javier Miranda. 2013. Who Creates Jobs? Small versus Large versus Young. *Review of Economics and Statistics* 95(2): 347–61.
- Hart, David M. 2003. *The Emergence of Entrepreneurship Policy: Governance, Start-Ups, and Growth in the U.S. Knowledge Economy*. Cambridge, UK: Cambridge University Press.
- Hechavarria, Diana M., Siri Terjesen, Amy Ingram, Rachida Justo, Amanda Elam, and Maija Renko. 2015. Taking Care of Business: The Impact of Culture on the Blended Value Creation Goals of Female Entrepreneurs. Paper presented at the 35th Babson College Entrepreneurship Research Conference, Babson Park, MA, June 10–13.
- Henrekson, Magnus, and Dan Johansson. 2010. Gazelles as Job Creators: A Survey and Interpretation of the Evidence. *Small Business Economics* 35(2): 227–44.
- Hölzl, Werner. 2014. Persistence, Survival, and Growth: A Closer Look at 20 Years of Fast-Growing Firms in Austria. *Industrial and Corporate Change* 23(1): 199–231.
- Jennings, Jennifer E., and Candida G. Brush. 2013. Research on Women Entrepreneurs: Challenges to (and from) the Broader Entrepreneurship Literature? *Academy of Management Annals* 7(1): 661–713.
- Kickul, Jill, Siri Terjesen, Sophie Bacq, and Mark Griffiths. 2012. Social Business Education: An Interview with Nobel Laureate Muhammad Yunus. *Academy of Management Learning and Education* 11(3): 453–62.
- Klyver, Kim, and Siri Terjesen. 2007. Entrepreneurial Network Composition: An Analysis across Venture Development Stage and Gender. *Women in Management Review* 22(8): 682–88.
- Korossec, Ronnie L., and Evan M. Berman. 2006. Municipal Support for Social Entrepreneurship. *Public Administration Review* 66(3): 448–62.
- Lee, Seung-Hyun, Mike W. Peng, and Jay B. Barney. 2007. Bankruptcy Law and Entrepreneurship Development: A Real Options Perspective. *Academy of Management Review* 32(1): 257–72.
- Lepoutre, Jan, Rachida Justo, Siri Terjesen, and Niels Bosma. 2013. Designing a Global Standardized Methodology for Measuring Social Entrepreneurship Activity: The Global Entrepreneurship Monitor Social Entrepreneurship Study. *Small Business Economics* 40(3): 693–714.
- Lerner, Josh. 2009. *Boulevard of Broken Dreams: Why Public Efforts to Boost Entrepreneurship and Venture Capital Have Failed—And What to Do about It*. Princeton, NJ: Princeton University Press.
- Mair, Johanna. 2010. Social Entrepreneurship: Taking Stock and Looking Ahead. In *Handbook of Research on Social Entrepreneurship*, edited by Alain Fayolle and Harry Matlay, 15–28. Cheltenham, UK: Edward Elgar.
- Mair, Johanna, and Ignacio Marti. 2009. Entrepreneurship in and around Institutional Voids: A Case Study from Bangladesh. *Journal of Business Venturing* 24(5): 419–35.
- Mason, Colin, and Ross Brown. 2013. Creating Good Public Policy to Support High-Growth Firms. *Small Business Economics* 40(2): 211–25.
- McHugh, Neil, Stephen Sinclair, Michael Roy, Leslie Huckfield, and Cam Donaldson. 2013. Social Impact Bonds: A Wolf in Sheep's Clothing? *Journal of Poverty and Social Justice* 21(3): 247–57.
- Morris, Michael H., Justin W. Webb, and Rebecca J. Franklin. 2011. Understanding the Manifestation of Entrepreneurial Orientation in the Nonprofit Context. *Entrepreneurship Theory and Practice* 35(5): 947–71.
- Neumark, David, Brandon Wall, and Junfu Zhang. 2011. Do Small Businesses Create More Jobs? New Evidence for the United States from the National Establishment Time Series. *Review of Economics and Statistics* 93(1): 16–29.
- Nicholls, Alex. 2006. *Social Entrepreneurship: New Models of Sustainable Social Change*. Oxford, UK: Oxford University Press.
- Nightingale, Paul, and Alex Coad. 2014. Muppets and Gazelles: Political and Methodological Biases in Entrepreneurship Research. *Industrial and Corporate Change* 23(1): 113–43.
- Nissan, Edward, Maria-Soledad Castaño, and Inmaculada Carrasco. 2012. Drivers of Non-Profit Activity: A Cross-Country Analysis. *Small Business Economics* 38(3): 303–20.
- North, Douglass C. 1990. *Institutions, Institutional Change and Economic Performance*. New York: Cambridge University Press.
- Organisation for Economic Co-operation and Development (OECD). 2004. Women Entrepreneurship: Issues and Policies. <http://www.oecd.org/cfe/smes/31919215.pdf> [accessed September 19, 2015].
- . 2013a. *OECD Framework for Statistics on the Distribution of Household Income, Consumption and Wealth*. Paris: OECD.
- . 2013b. Policy Brief on Social Entrepreneurship: Entrepreneurial Activities for Europe. [http://www.oecd.org/cfe/leed/Social%20Entrepreneurship%20policy%20brief%20EN\\_FINAL.pdf](http://www.oecd.org/cfe/leed/Social%20Entrepreneurship%20policy%20brief%20EN_FINAL.pdf) [accessed September 18, 2015].
- Pathak, Saurav, Sonia Goltz, and Mari W. Buche. 2013. Influences of Gendered Institutions on Women's Entry into Entrepreneurship. *International Journal of Entrepreneurial Behaviour and Research* 19(5): 478–502.
- Schumpeter, Joseph A. 1934. *The Theory of Economic Development: An Inquiry into Profits, Capital, Credit, Interest, and the Business Cycle*. Cambridge, MA: Harvard University Press.
- Schwab Foundation for Social Entrepreneurship. 2013. Breaking the Binary: Policy Guide to Scaling Social Innovation. <http://www.weforum.org/reports/breaking-binary> [accessed September 18, 2015].
- Scott, William R. 1995. *Institutions and Organizations*. Thousand Oaks, CA: Sage Publications.
- Shane, Scott. 2009. Why Encouraging More People to Become Entrepreneurs Is Bad Public Policy. *Small Business Economics* 33(2): 141–49.
- Shane, Scott, and Senkaran Venkataraman. 2000. The Promise of Entrepreneurship as a Field of Research. *Academy of Management Review* 25(1): 217–26.
- Short, Jeremy C., Todd W. Moss, and G. Tom Lumpkin. 2009. Research in Social Entrepreneurship: Past Contributions and Future Opportunities. *Strategic Entrepreneurship Journal* 3(2): 161–94.
- Stam, Erik. 2008. Entrepreneurship and Innovation Policy. In *Micro-Foundations for Innovation Policy*, edited by Bart Nooteboom and Erik Stam, 135–72. Amsterdam: Amsterdam University Press.
- . 2010. Growth beyond Gibraltar: Firm Growth Processes and Strategies. *Small Business Economics* 35(2): 1–7.
- . 2015. Entrepreneurial Ecosystems and Regional Policy: A Sympathetic Critique. *European Planning Studies* 23(9): 1759–69.
- Stam, Erik, and Niels S. Bosma. 2015. Local Policies for High-Growth Firms. In *The Oxford Handbook of Local Competitiveness*, edited by David B. Audretsch, Allen N. Link, and Mary Lindenstein Walshok, 286–305. Oxford, UK: Oxford University Press.
- Stam, Erik, Chantal Hartog, André van Stel, and Roy Thurik. 2011. Ambitious Entrepreneurship, High-Growth Firms and Macroeconomic Growth. In *The Dynamics of Entrepreneurship: Evidence from Global Entrepreneurship Monitor Data*, edited by Maria Minniti, 231–49. New York: Oxford University Press.
- Stam, Erik, and Bart Nooteboom. 2011. Entrepreneurship, Innovation and Institutions. In *Handbook of Research on Innovation and Entrepreneurship*, edited

- by David B. Audretsch, Oliver Falck, and Stefan Heblich, 421–38. Cheltenham, UK: Edward Elgar.
- Stam, Erik, Kashifa Suddle, Jolanda Hessels, and André van Stel. 2009. High-Growth Entrepreneurs, Public Policies, and Economic Growth. In *Public Policies for Fostering Entrepreneurship*, edited by João Leitão and Rui Baptista, 91–110. New York: Springer.
- Stephan, Ute, Lorraine M. Uhlaner, and Christian B. Stride. 2015. Institutions and Social Entrepreneurship: The Role of Institutional Voids, Institutional Support, and Institutional Configurations. *Journal of International Business Studies* 46(3): 308–31.
- Stevenson, Lois, and Anders Lundström. 2001. *Patterns and Trends in Entrepreneurship/SME Policy and Practice in Ten Economies*. Stockholm: Elanders Gotab.
- Storey, David J. 1994. *Understanding the Small Business Sector*. London: International Thomson Business Press.
- Terjesen, Siri, and José Ernesto Amorós. 2010. Female Entrepreneurship in Latin America and the Caribbean: Characteristics, Drivers and Relationship to Economic Development. *European Journal of Development Research* 22(3): 313–30.
- Terjesen, Siri, and Amanda Elam. 2009. Transnational Entrepreneurs' Venture Internationalization Strategies: A Practice Theory Approach. *Entrepreneurship Theory and Practice* 33(5): 1093–1120.
- . 2012. Women Entrepreneurship: A Force for Growth. In *International Trade Forum* 48(2): 16.
- Terjesen, Siri, Diana Hechavarria, Pekka Stenholm, Malin Brannback, and Stefan Lang. 2015. More than Words: The Impact of Linguistic Structures on Female Entrepreneurial Activity. Paper presented at the European International Business Academy Conference, Uppsala, Sweden.
- Terjesen, Siri, Jolanda Hessels, and Dan Li. 2013. Comparative International Entrepreneurship Research: A Review and Research Agenda. *Journal of Management*. Published electronically on May 1. doi:0149206313486259.
- Terjesen, Siri, Jan Lepoutre, Rachida Justo, and Niels Bosma. 2012. Global Entrepreneurship Monitor Report on Social Entrepreneurship. <http://www.academia.edu/3483724/>
- Global\_Entrepreneurship\_Monitor\_Social\_entrepreneurship\_study [accessed September 19, 2015].
- Terjesen, Siri, and László Szerb. 2008. Dice Thrown from the Beginning? An Empirical Investigation of Determinants of Firm Level Growth Expectations. *Estudios de Economía* 35(2): 153–78.
- Thurik, Roy, Erik Stam, and David Audretsch. 2013. The Rise of the Entrepreneurial Economy and the Future of Dynamic Capitalism. *Technovation* 33(8–9): 302–310.
- Tiessen, James H. 1997. Individualism, Collectivism, and Entrepreneurship: A Framework for International Comparative Research. *Journal of Business Venturing* 12(5): 367–84.
- United Nations. 2013. UN Women. <http://www.unwomen.org/en/about-us/about-un-women> [accessed September 20, 2015].
- Van de Ven, Andrew H. 2007. *Engaged Scholarship: A Guide for Organizational and Social Research*. Oxford, UK: Oxford University Press.
- Van Stel, André, David J. Storey, and A. Roy Thurik. 2007. The Effect of Business Regulations on Nascent and Young Business Entrepreneurship. *Small Business Economics* 28(2–3): 171–86.
- Verheul, Ingrid, Sander Wennekers, David Audretsch, and Roy Thurik. 2001. An Eclectic Theory of Entrepreneurship: Policies, Institutions and Culture. Discussion Paper no. 01-030/3, Tinbergen Institute. <http://papers.tinbergen.nl/01030.pdf> [accessed September 18, 2015].
- Waddock, Sandra A., and James E. Post. 1991. Social Entrepreneurs and Catalytic Change. *Public Administration Review* 51(5): 393–401.
- Wolk, Andrew M. 2007. Social Entrepreneurship and Government: A New Breed of Entrepreneurs Developing Solutions to Social Problems. In *The Small Business Economy: A Report to the President 2007*, 151–212. Washington, DC: U.S. Small Business Association.
- . 2008. Advancing Social Entrepreneurship: Recommendations for Policy Makers and Government Agencies. <http://www.aspeninstitute.org/sites/default/files/content/docs/pubs/AdvSocEntrp%20FINAL.pdf> [accessed September 18, 2015].
- Wong, Poh Kam, Yuen Ping Ho, and Erkkö Autio. 2005. Entrepreneurship, Innovation and Economic Growth: Evidence from GEM Data. *Small Business Economics* 24(3): 335–50.