

# Exploring the Durability of Community Enterprises: a Qualitative Comparative Analysis

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## **Abstract**

With today's focus on 'smaller government' and 'bigger society', civil society is considered to be increasingly self-reliant and self-organizing. According to several authors, we are witnessing a fundamental change in civic engagement around public affairs, leading to new forms of community self-organization in which citizens shape and implement welfare services themselves. However, little is known about the durability of such community-driven initiatives, as a form of self-governance. This paper focuses on community enterprises (CEs) as an emerging form of self-governance by citizens in the field of urban regeneration. Due to their self-organizing and (largely) voluntary character CEs face considerable challenges to sustain their activities over time. Based on the literature we examine the presence and interplay of four key conditions for the durability of CEs: (access to) social capital, strong entrepreneurial community leadership, supportive relationships with institutional actors and a strong business model. While previous research has often examined these conditions individually, this paper contributes to the literature by systematically examining the interactive impact of these conditions upon the durability of CEs, using a qualitative comparative analysis (QCA) to study 12 cases. The main conclusion is that a high level of social capital (bonding, bridging, and linking capital) is a necessary, but not a sufficient condition for CE durability. Overall, strong entrepreneurial leadership and a strong business model, combined with social capital, is the most important recipe for durability. Of the seven 'success' cases, five adhere to this pattern. The evidence clearly shows that entrepreneurial leadership is conditional for a (strong) business model. The relationship between entrepreneurial leadership and durability is of a complex nature, depending on the presence of and interaction with other conditions. Social capital and at least a minimal level of support from key institutional players impact on the effectiveness of entrepreneurial leadership to make the business model effective. This underlines the importance of the interaction between different conditions in explaining the durability of CEs.

**Key words:** Community enterprises; durability; QCA; performance; entrepreneurial leadership, social capital

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## 1. Introduction

With today's focus on 'smaller government' and 'bigger society' (Kisby 2010), civil society is considered to be increasingly self-reliant and self-organizing. The number of community driven initiatives has surged in European states. In fact, a shift towards the community has been a marked trend the last two decades (Bailey, 2012; Healey, 2015; Edelenbos and Van Meerkerk, 2016). Neo-liberalism and welfare state retrenchment have shifted the economies of advanced western states and are reshaping the ways in which citizens, public, private and third sectors interact with each other. In the aftermath of the economic crisis, many European countries have or are implementing austerity measures and cuts in public policy, alongside longer trends of welfare retrenchment. To mitigate such challenges, entrepreneurial forms of active citizenship are considered as a new form of public management in Europe (Kleinhans, 2017). Citizens are expected to organize to fill in gaps left by government spending cuts in healthcare, education, and employment (Alford, 2009; Van Eijk and Steen, 2016).

Despite the expectations concerning active citizenship and community driven initiatives for co-producing or self-organizing public services (see for example Verhoeven and Tonkens, 2013), empirical evidence is very scarce (Igalla *et al.*, forthcoming). An important question concerns whether citizens are able to self-organize in the long run and to produce high-quality services or goods for the local community. Indeed, we lack in-depth insight into the actual performance and durability of contemporary community driven initiatives (Edelenbos *et al.*, 2016; Hearld *et al.*, 2015; Kleinhans, 2017). Such initiatives arise in various domains, varying from renewable energy production and organic farming to health care and affordable housing. This paper focuses on the domain of urban regeneration in the Netherlands, which was, until recently, characterised by a top-down, national policy framework and hundreds of millions of euros investment capital from housing associations and other actors. The abrupt termination of this policy framework and the associated funding followed shortly after a strongly increased emphasis on 'active citizenship' (Wagenaar and Van der Heijden, 2015), paving the way for community initiatives in which citizens collaborate to enhance the quality of deprived urban neighbourhoods by producing public goods or services for their communities (Bailey, 2012; Van Meerkerk *et al.*, 2013; Varady *et al.*, 2015). In this context, community enterprises have appeared in many Dutch deprived neighbourhoods, inspired by British experiences. Community Enterprises (CEs) are generally considered as a particular subset of social enterprises, focused on local community needs (see section 2 for further elaboration).

While CEs have only been around for a short time in the Netherlands, many examples in other countries, in particular the United Kingdom, are rooted in long-standing initiatives that have significantly developed over time. Despite the scientific and societal relevance of CEs, there is

surprisingly little empirical research on community-based entrepreneurship in Western Europe (Bailey 2012; Pierre *et al.* 2014; Kleinhans, 2017). The existing body of knowledge provides several important conditions contributing to the 'success' and performance of CEs, though fragmentally addressed in different fields of research, such as urban planning and governance, community development research and public administration. In general terms, four key conditions are: entrepreneurial community leadership (e.g. Selsky and Smith, 1994; Purdue, 2001; Van Meerkerk *et al.*, 2013), a stimulating or co-producing relationship with key players in the institutional environment, such as local governments (Edelenbos *et al.*, 2016), substantial use of social capital (Somerville and McElwee, 2011; McKeever *et al.*, 2014) and a well-developed business model (Bailey, 2012; Kleinhans and Van Ham, 2017). However, in previous research, these conditions are often examined individually but not in conjunction, thus missing the larger picture. This paper contributes to the literature through a theoretical elaboration of the conditions and their interdependencies and, subsequently, by systematically examining their interactive, combined impact upon the unfolding practices of CEs. In view of their recent appearance in the Netherlands, concepts such as 'success' or 'sustainability' are inappropriate to interpret the joint influence of various conditions. Therefore, the term durability is coined to grasp this combined impact by analysing the factors that contribute to CEs' continuity or (prevent its) failure, and thus emphasize processes rather than 'static' outcomes. As such, this paper aims to theoretically and empirically examine and reveal the conditions behind the durability of CEs in the Netherlands. The main research question addressed here is: *to what extent are Dutch CEs durable and how does the interplay between various conditions affect the durability of CEs?*

By using fuzzy set qualitative comparative analysis (fsQCA) we systematically compare 12 Dutch CEs on a range of deduced conditions. In QCA, outcome (in this case: (non-)durability) and conditions are approached as sets. Cases can have different degrees of membership in a certain set. QCA focuses on configurations of conditions and not on net effects. It is plausible to assume that different combinations of factors can produce a (non-)durable community enterprise. By using this approach we can systematically examine which configurations of conditions lead to a durable CE. We can also detect whether some conditions are *necessary* (but not per se *sufficient*) and *sufficient* for durable CEs to emerge.

In the next section we conceptualize and discuss the durability of CEs. This is followed by a discussion of the four key conditions as mentioned in the literature. Subsequently, we discuss our approach and methods to examine the durability of CEs and the presence and interplay of different conditions. Section 5 presents the analysis and results, followed by conclusions and suggestions for further research in section 6.

## 2. Conceptualizing durable community enterprises

Community enterprises (CEs) are often described as a subset of social enterprises, but there are conceptual and empirical distinctions between the two types. CEs define their social purpose in relation to a defined population or sub-group living in a spatially defined area (Bailey, 2012, 4; Pierre *et al.* 2014, p. 253), whereas SEs are not by definition targeted towards a specific area. Unlike many SEs, CEs are built on strong local linkages and have democratic structures which enable involvement of organisational members in the management of the enterprise (Tracey *et al.* 2005, p. 335). Compared to the literature on SEs, the volume of work on CEs is still relatively limited. Based on the work of Pearce (2003), Tracey *et al.* (2005), Peredo and Chrisman (2006), Teasdale (2010), Somerville and McElwee (2011), Bailey (2012), Pierre *et al.* (2014) and Healey (2015), CEs can be roughly defined as businesses which are:

- established by people living and/or working in (spatially) defined communities;
- independent, not-for-private-profit organisations, which are managed and/or owned by community members;
- aiming to deliver (long-term) social benefits to local people., i.e. defined populations or subgroups, by providing specific goods or services;
- seeking to generate a surplus through (at least in part) engaging in trade in the marketplace or other economic activity, and reinvesting the surplus in the business or community;
- locally accountable and strongly committed to involving local people and other partners in their activities, through participatory and/or democratic decision-making processes.

While this multidimensional definition provides a basis for establishing the outputs and performance of CEs, it falls short of identifying the interrelationships between various conditions and their relative weights. In view of the recent appearance of CEs in the Netherlands and their strong embeddedness in local contexts, concepts such as of ‘success’ and ‘performance’ are inappropriate to interpret the joint impact of various conditions. What entails success in one case may not have any meaning in a different case. Sustainability is neither a good option for our purposes. Previous research has argued that social enterprise policy “embodies a discourse about sustainability, in conjunction with a meta-narrative of the market, which is dominated by the culture and ethos of competition and profitability that is associated with corporate business. This in contrast to the culture and ethos of community-based social entrepreneurs, who prioritise collaboration and cooperation above competition”

(Wallace, 2005, p. 78). Instead, we coin the term **durability** to grasp the interrelationships between various conditions. In the Cambridge Business English Dictionary, durability is defined as:

1. The fact of something continuing to be used without getting damaged;
2. The fact of something continuing without failing.

Especially the second meaning recognises that a CE may continue to exist, even if not all conditions are favourable towards its development, but also that CEs, like any other business, may fail for various reasons. In this paper, durability is considered a multidimensional concept which refers to the ability of community enterprises to keep their business and community activities running in relation to meeting local needs (Hearld *et al.*, 2015). Moreover, the aforementioned definitions of durability remind us of the fact that we are studying “not a steady state that exists at any given point in time but [...] a multifaceted, continuous, cyclical process of organizational reflection, decision making, and change that takes into account the collaborative’s original goals and population(s) of focus as well as the evolution of needs in the community and the context in which the collaborative operates.” (Hearld *et al.*, 2016: 164).

Assessing the durability of CEs is not straightforward and the relationship between conditions and durability depends upon the indicators used to assess durability. Although empirical literature on durability of CEs is extremely scarce, the wider literature on social enterprise (of which CE is a particular form) does report diverse indicators on the successful emergence, performance and continuity of (community-based) social enterprises. In this respect, Bagnoli and Megali (2011) make a useful distinction between financial-economic performance, social effectiveness and institutional legitimacy for assessing the performance of social enterprises (SEs), including CEs. *Financial-economic performance* is important to measure efficiency and profitability to verify entrepreneurship as a basic component of assessing overall effectiveness (Ritchie & Kolodinsky, 2003). *Social effectiveness* refers to the capability of SEs to answer to the social purpose for which they have been established. This is a key dimension, as both SEs and CEs are established for purposes other than private profit. If CEs are not considered responsive to local needs, their *raison d’être* comes into question. Finally, Bagnoli and Megali’s notion of *institutional legitimacy* refers to conformity with law and mission statement.

We use these different components to assess the (non-)durability of CEs. Because we are not only interested in the performance of CEs, but also in their capacity to continue the enterprise, we extend these dimensions to fit our research purposes (see also section 4 on operationalization). We therefore include organizational capacity as a dimension to assess whether the CE is able to keep its organization running and to continue their activities. Furthermore, we extend the dimension of legitimacy to include the public recognition of institutional players and key stakeholders. We therefore also include

an assessment of the CEs' flexibility in adapting to changing needs and target groups, which is an indispensable feature for their continued activities.

### **3. Conditions for durable community enterprises**

Previous research on CEs reports several important conditions for realizing durable enterprises. In this paper we claim that a combination or an interaction of these conditions are important to realize a durable CE, although different configurations of conditions may equally result into a durable CE (this is called equifinality). We have identified four key conditions from the literature and discuss these in the following subsections.

#### **3.1 (Access to) strong social capital**

Several scholars have discussed CEs in the context of social capital. In broad terms, social capital refers to resources that are accessible through social interactions and networks, reciprocity, norms and mutual trust (Bourdieu, 1986; Portes, 1998; Putnam, 2000). Somerville and McElwee (2011, 323) have argued that community enterprises can be understood in terms of capital that is simultaneously economic, social and cultural, by creating wealth, developing community and transforming local culture. McKeever *et al.* (2014, 417) conclude that:

*While it [social capital] is a socio-relational artefact produced in interactions, it resides within a network of connections to the social context. Social capital provides a platform where mutuality is constructed and valued, and which informs and conditions social interaction. Conforming to the properly understood ways of carrying out business, that is by 'adhering to' the dominant etiquettes and protocols of the habitus, entrepreneurs are 'allowed' to develop and maintain mutuality, credibility and legitimacy within the collective.*

Considering that social networks and connections are the main mechanism with which social capital can be accessed, it follows that social networks play a crucial role in the functioning of CEs. While "community enterprise [...] can harness social capital in local communities and use it to achieve positive outcomes through mobilizing volunteers, board members and paid staff" (Bailey, 2012, 30), the existence of CEs is both a process and outcome of social capital (McKeever *et al.* 2014, 417).

The literature on social capital generally distinguishes between three types, i.e. bonding, bridging and linking social capital (see e.g. Putnam, 2000; Woolcock, 2001). This distinction is also relevant in the context of CEs. Their initial and primary organisational base may be rooted in *bonding* social capital, i.e. social capital derived from strong ties between neighbours, friends and association members

providing support and reinforce existing networks. However, reaching out in the wider community may require building bridges, i.e. using social networks to connect to other people outside the CE community, to other networks, and other communities: *bridging capital*. Because CEs never work in isolation but usually co-operate with local actors, building relationships with other organisations are crucial to CEs (Somerville and McElwee, 2011; Bailey, 2012; Healey, 2015; Kleinhans, 2017), thus emphasizing *linking capital*. This linking capital can be important for getting support from institutional key players, which we elaborate as a separate condition (see section 3.3). Both Bourdieu (1986) and Portes (1998) have emphasised the importance of distinguishing the resources themselves from the ability to obtain them by virtue of membership in social structures.

Although several authors conceive social capital as a key or even necessary condition for CEs to sustain their activities (REFS) – it is generally not seen as a sufficient condition (e.g. Dale and Newman, 2010). In building a durable CE with sufficient organizational and institutional resources, social capital has to be mobilised and transformed into specific organizational and/or institutional resources, assets and support (Chaskin, 2001). Strong entrepreneurial community leadership can play a key role in this.

### **3.2 Strong entrepreneurial community leadership**

According to the literature, entrepreneurial community leadership is an important condition for CEs enterprises to sustain (e.g. Purdue, 2001; Varady *et al.*, 2015). Selsky and Smith (1994) have described community entrepreneurship as a type of leadership that is appropriate for practicing social change. They assert that “community-based social change settings are highly dynamic and complex. They are characterized by diverse interests, temporary and fluid alliances, and fast-paced and equivocal events that confound traditional leadership concepts” (Selsky and Smith, 1994, 277).

Community leadership is a layered concept. Different activities and characteristics of competent community leaders are stressed in the literature (Selsky and Smith, 1994; Kirk and Shutte, 2004; Purdue, 2001; Maton and Salem, 1995). Moreover, community leadership activities are likely to be performed by different people. In general, a distinction can be made between three key types of activities (cf. Selsky and Smith, 1994): 1) activities oriented at community-building and mobilizing, 2) building collaborative and strategic alliances with institutional power holders and 3) entrepreneurial activities oriented at detecting chances and developing new projects.

A first key characteristic of community leadership is being inspirational and motivational (e.g. Maton and Salem, 1995). Community leaders who can inspire others are able to mobilise resources and commitment from residents and organizations in the community. This mobilizing is about their skills and investments in connecting different community members and groups in order to develop

collective capacity. For CEs to grow and become durable, they need an organizational staff and a certain base of volunteers on which they can build. Both Purdue (2001) and Selsky and Smith (1994) emphasize transformational leadership skills in this respect. According to Maton and Salem (1995, 652) inspirational, shared and committed leadership "helps to generate needed organizational resources, maintain stability within the organization, and respond to changing environmental conditions, thus allowing the community setting to remain an effective and viable organizational entity over time".

The second type of activities stresses the role of community leaders in mobilising resources outside the community, from other organizations which hold a power base. Much literature on community development and leadership stresses the importance of community based organizations to build alliances, get support and leverage resources from their institutional environment (Purdue, 2001; Van Meerkerk *et al.*, 2013; Varady *et al.*, 2015). CEs do not operate in an institutional vacuum and are often dependent on support from and collaboration with governmental organizations and other professional organizations. An important activity of community leaders is building linkages to such big players as funding agencies, local authorities and private companies (Purdue, 2001; Welter *et al.*, 2008). The connecting and boundary-spanning activities of community leaders helps CEs in collecting relevant information, gaining resources from and coordinate activities with institutional players (Kirk and Shutte, 2004; Van Meerkerk *et al.*, 2013). Moreover, this can also enlarge opportunities for CEs to develop new projects. According to Selsky and Smith (1994) CEs are operating in a turbulent environments with scarce resources. Building alliances and striving for collaborative advantage with public and private actors can help CEs to survive.

The third characteristic of community leadership in relation to CEs concerns recognizing and exploiting entrepreneurial opportunities (Renko *et al.*, 2015). Especially in an environment of scarce resources, identifying opportunities and exploring new avenues for resource acquisition while at the same time meeting community needs can be of vital importance for community enterprises (cf. Bailey, 2012). This obviously requires specific entrepreneurial skills. Key characteristics of entrepreneurial leaders are an opportunity-focus, risk-taking attitude, flexibility and creativity (Renko *et al.*, 2015). Entrepreneurial leaders seek new ways of working, seek opportunities in face of risk, and are not likely to support the status quo. According to Renko *et al.* (2015: 57) "Entrepreneurial opportunity is the possibility to introduce innovative (rather than imitative) goods/ services to a marketplace". Identifying new ways of delivering services is often mentioned as key asset of CEs (Bailey, 2012).



### 3.3 Supportive relationships with institutional key players

As noted previously, CEs are strongly embedded in governmental environments (e.g. Fawcett *et al.*, 1995; King and Cruickshank, 2012; Edelenbos *et al.*, 2016; Kleinhans, 2017). Although autonomy and self-organization are important characteristics in the definition of CEs (see section 2), they often have to invest in collaboration and negotiation with a variety of actors to realize their objectives, to gain legitimacy or to leverage financial (or other kinds of) support. In the context of urban regeneration, CEs often strive to deliver certain services and activities for the local community for which they are dependent on the support of vested players, whether this means active or (only) passive support. Especially CEs which interfere with institutionalized processes of service delivery or policy and decision-making have to invest in collaboration and negotiation with institutions of representative democracy to get room for their initiative (Van Meerkerk and Edelenbos, 2016). Others just may rely on support for getting started or for gaining assets (Bailey, 2012). In their comparative case study on 10 'successful' CEs in different South-American countries, Seixas and Berkes (2010) found that these CEs tend to rely on collaborative and supportive relationships with a large array of support groups, often including different government organizations. These organizations provide a range of services and support functions for CEs, including start-up funds, institution building, business networking and marketing, innovation and knowledge transfer, and technical training.

Different modes of interaction and different types of supportive relationships can emerge with the institutional environment of CEs. To sharpen our analysis we focus on the attitude and behaviour of key players in the institutional environment of CEs (see also Edelenbos *et al.*, 2016). Hence, we are not focusing on the governance regime or system level in which relationships between actors emerge (cf. Emerson *et al.*, 2012). Key players possess critical resources, such as regulatory power, financial resources, (relevant) assets in the community or expertise (Koppenjan and Klijn, 2004). The nature and level of support is strongly related to how these actors position themselves towards CEs.

Support can be expressed in different ways. This can range from allowance, counselling and stimulation (e.g. in the form of a start-up grant) as rather passive forms of support, towards co-production and intensive collaboration as active forms of support (Edelenbos *et al.*, 2016; Kleinhans & Van Ham, 2017). Moreover, the absence of conflict with or non-interference by key players is important for CEs to succeed with their activities and to grow.

Several studies show that the active management of boundary issues between key players and citizen initiatives is an important element in realizing a trustful and good relationships, providing room for collaboration and innovation (Van Meerkerk, 2014). This responsiveness of key players can be important for CEs, as to realize opportunities and countering threats to the organization. Various case

studies on citizen initiatives show that the quality of boundary spanning between citizen initiatives and the (internal organization of the) local government is an important factor in mobilizing resources, vital collaboration and co-ordination between citizen initiatives and local government (Edelenbos *et al.*, 2016; Van Meerkerk *et al.*, 2013; Kleinhans, 2017). Government officials interacting with CEs, often encounter resistance within their own organization whilst trying to take initiatives forward. Furthermore, citizen initiatives often cross the boundaries of policy domains and organizational units, making it difficult to gain resources or to collaborate effectively with (different departments within) local governments. How the relationship evolves and whether supportive and collaborative or co-producing relationships emerge is partly dependent on the boundary spanning qualities of government officials.

### **3.4 Strong business model**

In section 2, we defined CEs, including a business component. CEs seek to generate a surplus through (at least in part) engaging in trade in the marketplace or other economic activities, and reinvesting the surplus in the community. The business model of a CE may include the following components (Bailey, 2012, Varady *et al.*, 2015; Kleinhans & Van Ham, 2017):

- The use of assets, i.e. buildings, land or other resources from which a (preferably steady) revenue can be extracted (such as renting out spaces for business). However, asset transfer from local governments to CEs faces many barriers, such as a perceived lack of appropriate assets for transfer, concerns that community groups cannot secure the necessary funding, a desire for flexibility in asset management leading to a reluctance to make assets available, and the challenge of effectively quantifying social value (Gilbert, 2016, p.5).
- Services or facilities offered to generate revenues (for an overview, see Bailey, 2012). These are not by definition services or activities that are enacted to achieve the social ambitions of the CE, but there may be overlap in activities organised for simultaneous financial benefit (continuity of the CE) and community benefits;
- The use of external funding such as subsidies, start-up grants, donations or loans. Depending on the conditions, such funding may imply a certain level of dependency on the donor.

Many CEs tend to rely on more than one of these components. The strength of the business model is partly determined by the extent to which CEs make a surplus. However, practice has shown that achieving break-even is already a huge challenge for many CEs (see e.g. Pearce, 2003, Bailey, 2012; Healy, 2015). Others have argued that CEs should be judged on their success as a social enterprise and on their ability to be financially viable from a mix of income sources (Wallace, 2005, p. 84). A strong business model is considered to be one in which the CE is not dependent on one source of income,

but one in which a variety of sources is developed. Generally, CEs may be considered as durable (from a financial viewpoint) if their business model enables them to achieve at least part of their key objectives.

## **4. Methodology**

### **4.1 Data collection and case studies**

This paper aims to examine the conditions behind the durability of CEs in the Netherlands. As CEs are a relatively new phenomenon in the Netherlands, the number of active CEs is still limited. This paper combines data from three qualitative studies on CEs, i.e. a panel study with in-depth interviews during the years 2012-2015 (Kleinhans, 2017), and two follow-up studies (2016-2017) with mostly the same case studies. This approach enabled us to select case studies for which we have at least two 'measurements' (in some case three or four) in time, with the exception of a two cases that started more recently. Obviously, this is a purposive sample rather than a random sample, which not only includes perceived 'success cases', but also some examples of CEs who continue to struggle to even start the business, and a CE which has recently been winded up. This approach created variety in the outcome under study: the durability of CEs.

For each case, we collected data in several ways. The main source of data are semi-structured interviews, conducted with CE initiators (usually active residents), board members, other involved volunteers residents and professionals from local governments and housing associations, who were closely involved in the initiatives. In total, the analysis below is based on 36 recent interviews and secondary analysis of previous interviews. Interviews lasted between 45 minutes and 2 hours and were recorded and subsequently transcribed for a content analysis. We coded the interviews based on the different conditions and the outcome (durability), for which the operationalization is discussed in the next subsection. Moreover, we conducted direct observations (for example at CE meetings) and document analysis, in particular of CE annual reports which provided useful information on financial and organizational performance.

### **4.2 Operationalization and methods**

This paper applies fuzzy set Qualitative Comparative Analysis (FsQCA) to study how different conditions interact and lead to (non-)durability of CEs. FsQCA is a case-based method aimed at iterations between theoretical ideas and empirical evidence (Ragin 2000). This allows the researcher to have more profound insights in his/her cases, and to find causal pathways. Contrary to several other

qualitative comparison methods, fsQCA makes this iterative nature explicit and therefore verifiable. As we are interested in the interplay of certain conditions, and whether this interplay leads to a certain outcome, this method suits our purposes very well. Moreover, given our limited sample size (n=12), statistics cannot provide the consistency and strength to deliver robust results.

FsQCA is often called the bridge between in-depth case studies and systematic, comparative, and variable-oriented quantitative approach (Rihoux 2006, pp. 680-687). The method urges scholars to describe cases as sets – these are clusters of cases with very specific characteristics. On the basis of the ‘conditions’ of a particular case, the researcher calibrates (i.e. assigns) specific membership scores to cases. We use a fine-grained scale, a four value QCA to do this as this provides more nuance than a two point scale. We assigned to each case scores ranging from 1 to 0, which indicate:

- 1 = full membership in a set, presence of a high degree of a particular condition
- .67 = more in than out a set, a moderate presence of a particular condition
- .33 = more out than in, little (but not totally absence) presence of a particular condition
- 0 = fully out of the set, absence of a particular condition (or very weak)

#### *Process of calibration: turning data into values*

The most important step after the data collection in fuzzy-set QCA is calibration, by which data is turned into the different (fuzzy-set) values. We followed the procedure elaborated and recommended by Basurto and Speer (2012), consisting of six steps. We first jointly discussed and described the operationalization of the different conditions based on the literature. We subsequently developed an interview guideline based on the operationalization. In the third step we conducted a content analysis to the raw data (interview data and documents), coding the interviews based on the list of indicators. Subsequently we summarized the information from the interviews by selecting typical statements that best reflects the qualitative qualification for each indicator. In the following step the specific values for each condition were discussed in order to be able to assign the fuzzy-set values. Based on the summaries, we scored the cases, using the four values described above. In this six step, we discussed each case intensively with the research team. We reflected on the scores and questioned the ‘case owner’ on why he or she decided to give an indicator a particular score. This is a crucial part of the QCA method and calibration technique (Basurto and Speer, 2012: 167): “This revision is a crucial part of the dialog between theory and evidence. Going through one measure across all cases, the scholar can evaluate whether the fuzzy-set value differences between cases reflect real differences between the cases according to case knowledge and whether the interview data are well captured by the fuzzy-set values.” In this, the joint reflection helped in clarifying scores and also to decide whether to go

back to the raw data. In this step, some indicators were slightly adapted or new ones were included to be better able to score the cases on the conditions and to do more just to the specific context of our cases (cf. Basurto and Speer, 2012).

*Calibration of conditions and outcome*

To assess the outcome, first we have to score the cases on their durability. In table 1 the different ‘indicators’ of the outcome are presented. Based on the definitions of CE in section 2, three dimensions are examined:

- the level of social effectiveness or goal achievement,
- the organizational and financial capacity (structural internal capacity), and
- institutional legitimacy and recognition.

**Table 1 Operationalization of the outcome**

<b>Goal achievement</b>	achieves all its key objectives and is satisfied with this extent of goal achievement; or explicitly reflects upon outcome.	
<b>Structural internal capacity</b>	Acquires stable financial resources beyond the money needed to cover the running costs of the business, i.e. financial autonomous, having an annual surplus that can be reinvested;	
	Receives (lump sum) subsidies which account to less than half of the running costs and which require little if any accounting to local governments or other local agencies;	
	is flexible in adapting to changing needs and target groups in the community;	
	Has sufficient staff capacity (board members, employees, volunteers) to continue to run the business, to perform the activities underlying the CEs social objectives, and to deal with staff turnover, illness, etc. Staff capacity with various competences (networking, entrepreneurial, creative, connecting	
<b>Legitimacy and recognition</b>	Delivers goods / services that meet widely-felt needs of local people, which is evidenced by the target groups perceived level of legitimization for the CE;	
	is actively supported by and receives (public) recognition from other stakeholders	

Based upon our theoretical framework we selected the key conditions: (access to) social capital, strong entrepreneurial community leadership, supportive relationships with institutional actors and a strong business model. Each of these conditions is further elaborated into multiple indicators (see for an overview Table 2).

First of all, to assess the level of social capital we examined three key dimensions of social capital:

- Bonding; which refers to the strength and size of the board and inner circle.
- Bridging; the extent to which the inner circle and the CE can bridge local active networks and important agents.
- Linking; the extent to which the CE links with formal institutions.

We assigned full non-membership if none of the activities are present (score 0). We assigned weak membership when one of the three dimensions or multiple dimensions are weakly present (fs score 0.33). We assigned strong membership when we identified the two dimensions of social capital (fs score 0.67). Finally, we assigned full membership when all three dimensions of social capital are present (fs score 1).

Second, in order to assess the membership of a case in relation to the condition 'entrepreneurial community leadership' we scored the cases on the three different key characteristics of entrepreneurial community leadership as derived from the literature. We assigned full non-membership if none of the activities are present (score 0). We assigned weak membership when one of the three activities is present (fs score 0.33). We assigned strong membership when we identified the presence of two activities (fs score 0.67). Finally, we assigned full membership when all three types of activities are present (fs score 1). We want to stress that these community leadership activities can be and are likely to be performed by different individuals.

Third, for assessing the membership of a case in relation to the condition 'supportive relationships with key players' we scored the cases on the sources of support. We assigned full non-membership (score 0) if there is no support by any of the key institutional players (in most cases these are the local government and housing association). We assigned weak membership when support of one of these actors is provided or when the level of support is a rather passive one (fs score 0.33). We assigned strong membership when both type of actors are supportive, but in a passive way (fs score 0.67). Finally, we assigned full membership when both types of actors are supportive and in an active way (fs score 1).

Fourth, the business model was scored on the extent to which the CE is able to use of assets for generating income, provide services which deliver revenues (contracts, etc.), the use of (different) external funding (e.g. seed-money). Most importantly, the variety of income is important as a CE is more autonomous if it can rely on multiple sources of income.

After the calibration (or operationalization) the analysis can start. In a QCA framework, the term "condition" is used rather than "variable". The combination of "conditions" is referred to as a

“configuration” (Longest and Vaisey, 2008). The configurations explaining the outcome, following a QCA, can suggest different causal recipes (or pathways, or trajectories) to explain the durability of a CE. In fsQCA, causal relations are expressed in terms of necessity and sufficiency.

Basically, a condition is *necessary* if durability cannot be produced without it. A condition (or combination of conditions) is *sufficient* if it can produce durability by itself (Ragin 2000; Schneider and Wagemann 2010). However, a necessary condition is itself not always (rather never) sufficient. As this is the standard of good practice (Schneider & Wagemann, 2010) we first analyse the necessary conditions for durability and non-durability. Afterwards we construct ‘truth tables’ for durability and non-durability. A truth table synthetizes how many cases adhere to a certain pattern and how consistent they are in showing the same outcome, i.e. durable or not. If a particular pattern is consistent, the researcher takes these rows into the minimizing procedure: “*If two configurations differ in only one condition, but show the same outcome, this particular condition can be eliminated*” (Schneider & Wagemann, 2012, p. 105). By working this way the researcher ends up with ‘minimized’ causal paths leading to durability and non-durability. In general, there are two parameters if fit: coverage and consistency. The *coverage* score refers to what percentage of the outcome is covered by the causal recipe (i.e. the empirical significance) (Schneider & Wagemann, 2010). *Consistency* is the proportion of cases consistent with a *particular outcome*.

In deciding on which pattern is consistent *enough* the consistency cut-off was set at 0.80 for the analysis of sufficient conditions and at 0.90 for necessary conditions, this is considered adequate (Schneider & Wagemann, 2012).

**Table 2: Overview of conditions**

CONCEPT	INDICATORS		TOTAL SCORE
<b>STRONG SOCIAL CAPITAL</b>	bonding	The size of the CE inner circle (board, main entrepreneur, key volunteers) Level of trust between CE members	1 = all the elements are strongly present 0,67 = the elements are moderately present or the presence of two activities 0,33 = the elements are weakly present or one of the three activities is present 0 = none of the activities are present
	bridging	The extent to which the CE can connect to existing social networks/platforms of residents in the community/neighbourhood	
	linking	The extent to which the CE can connect to existing formal institution and firms that are active in/for the neighbourhood.	
<b>STRONG ENTREPRENEURIAL LEADERSHIP</b>	community building and mobilizing	Having a clear vision, inspiring others orientation at mobilizing residents and community actors by (e.g.) information spreading, organizing community events Recruiting volunteers and staff for community enterprise	1 = all the elements are strongly present 0,67 = the elements are moderately present or the presence of two activities 0,33 = the elements are weakly present or one of the three activities is present 0 = none of the activities are present
	building collaborative and strategic alliances	Setting up collaboration with formal actors	
	entrepreneurial activities	Exploring new projects, experimenting, developing new ideas Taking risks, e.g. by taking over assets, developing new services, making bids	
<b>STRONG BUSINESS MODEL</b>	Variety of sources of income	Use of assets for generating income, services offered (contracts, etc.), the use of (different) external funding	1 = all the elements are strongly present 0,67 = the elements are moderately present or the presence of two activities 0,33 = the elements are weakly present or one of the three activities is present 0 = none of the activities are present
<b>SUPPORTIVE RELATIONSHIP WITH INSTITUTIONAL ENVIRONMENT/PLAYERS</b>	Attitude of key players	Disruptive conflict: (0) destructive – open conflict, (0.33) inertia, (0.67) passive attitude, (1) flexible, aimed at progress –	1 = all the elements are strongly present 0,67 = the elements are moderately present or the presence of two activities 0,33 = the elements are weakly present or one of the three activities is present
	Responsiveness	Stimulation of environment (providing resources: expertise, advise, financially) presence and quality of stable contact person (boundary spanner) brokerage activities for community enterprise	



## 5. Analysis and results

In Table 3 the calibrated scores of the four conditions and the outcome for each CE are combined. After constructing such a table the researchers first analysed possible necessary conditions, and afterwards possible sufficient conditions. The analysis was carried out with the program RStudio<sup>1</sup> (Dusa, 2007). We analysed both the recipes leading to (strong) durability, as well the recipes leading to a low level of durability. Below, the results for each of these two outcomes are explained in detail. Considering the limited number of case studies, anonymity of our interview respondents is guaranteed by denoting the case studies with abbreviations.

**Table 3: Raw data matrix**

CASES	CONDITIONS				OUTCOME
	Strong social capital	Strong entrepreneurial leadership	Strong Business model	Supportive relationship	Durability
HeG	0,33	0,33	0	0	0
EnB	1	0,67	1	1	1
HeB	1	1	1	0,33	1
ArM	1	1	1	0,67	1
AmK	1	0,67	0,67	0,67	0,67
LeB	0,67	0,33	0,33	1	0,67
EmH	0,33	0,67	0,67	0,67	0,33
SiB	0,67	0,67	0,33	0	0,33
ZaS	1	1	0,67	1	1
HeN	1	0,67	0,67	0,33	1
DoC	0,67	0,33	0,33	0,67	0,33
HaB	0,33	0,33	0	0,33	0

### 5.1 Durable cases

The analysis of necessary conditions shows that strong social capital is a necessary condition for CE to realize durability (cons. 0.927, RoN, 0.870, cover.r 0.812). This means, in all cases with a high level of durability, strong social capital is present (*i.e. strong social capital*  $\leftarrow$  *durability*). Apparently, social contacts and networks, both in the internal group of CE members and in the neighbourhood are necessary to be in place, in order for the sufficient conditions to occur and for social capital being successfully tapped. Theoretically, this makes sense, as it is according to Bourdieu a fundamental condition which can be used as a vehicle to start up movements and which can be mobilized with leadership and good ideas. Thus, this analysis shows us that strong social capital is necessary, but that social capital *by itself* is not enough (it is not a sufficient condition).

<sup>1</sup> Dusa, Adrian (2007). User manual for the QCA(GUI) package in R, Journal of Business Research 60(5), 576-586.

## Analysis of sufficient conditions

The analysis of sufficient conditions shows which configurations (i.e. combinations of conditions) lead to a durable community based social enterprise. To do this, the software creates a ‘truth table’ (table 4). Such a table clusters cases which adhere to the same configuration (i.e. show the same conditions). However, the outcomes can be different. This is how the software indicates contradictions. Cases that show the same trajectory, but differ in their outcomes are clear contradictions, and make consistency parameters go down.

The analysis of the presence of durability shows that: having *strong social capital* and *strong entrepreneurial leadership* in combination with a *strong business model* (cons. 1.00 PRI: 1.00 cov. 0.82), is the most important recipe for durability. Of the seven durable enterprises, six adhere to this recipe. If we exclude logical remainders which contradict the necessary condition *strong social capital* (easy counterfactuals), we can even show a more parsimonious recipe:

Strong social capital * Business model → (leads to) Durability (cons. 1.0, PRI: 1.0 cov: 0.87)
--

**Table 4: truth table for durability**

CONDITIONS				OUTCOME			CASES
Strong social capital	Strong entrepreneurial leadership	Strong Business model	Supportive relationship	Durability	CON	PRI	
1	1	1	1	1	1	1	4 (EnB, ArM, AmK ZaS)
1	1	1	0	1	1	1	2 (HeB, HeN)
1	0	0	1	C	.75	.5	2
0	1	1	1	C	.74	0	1
1	1	0	0	C	.62	.25	1
0	0	0	0	C	.43	0	2
0	0	0	1	EC			
0	0	1	0	EC			
0	0	1	1	EC			
0	1	0	0	EC			
0	1	0	1	EC			
0	1	1	0	EC			
1	0	0	0	?			
1	0	1	0	?			
1	0	1	1	?			
1	1	0	1	?			

In most of the cases which score high on durability, all four conditions are moderately to strongly present (4 out of 7). In these cases we observe a stable group of core members, showing strong

bonding capital. Moreover, these CEs are embedded in broader neighbourhood networks of associations and were developed by individuals who had a history of participation and are highly connected with other neighbourhood associations and institutional key players. Via their networks, the initiators of the CEs ran into the concept of community enterprise and were triggered by the idea of neighbourhood development (socially, economically and environmentally) by taking matters in the hands of residents, e.g. by taking over community assets to develop and run community activities and businesses. Sometimes government officials (neighbourhood managers) informally invited them to take over a community building or point them at a community building which is closing down (cases ZaS and AmK). They used windows of opportunity to gain a community building and mobilised support. Concerning entrepreneurial leadership, the four cases show a balance between exploring and developing new projects and managing existing projects and activities. This entrepreneurship is crucial to develop a business model which includes a variety of income sources. Supportive relationships with institutional key players in which boundary spanning activities of specific individuals helped the CEs to assess important resources (such as a community building). Furthermore, in one case (ZaS) this supportive relationship goes further in active co-production and in outsourcing certain activities by which the CEs can make some money or in which they can serve their target groups (by providing work or internships for unemployed people).

There are also two cases scoring high on durability, but in which three out of four conditions are moderately to strongly present (HeB and HeN). In these cases there is little presence of a supportive relationship with key institutional players (see table 3 and 4). This is partly due to the absence of a competent and willing boundary spanner at the government side who actively brokers for the community enterprise, as is the case in several of the other durable cases (ZaS, EnB, AmK). Moreover, these CEs experience a passive and reluctant attitude of the local government. However, in both cases, the CEs did receive some support in the various beginning of their enterprise in the form of access to a community building for developing their enterprise. Hence, although these cases score low on supportive relationship, they are not characterized by a conflictual relationship and even did receive some (crucial) support in their start-up phase.

In the cases showing high levels of durability, we observe a positive mutual influence of social capital and entrepreneurial community leadership. The community leaders use their bridging capital to organize community events and to recruit more volunteers for their community enterprise, thereby strengthening the bonding capital. Moreover, they use the linking capital of the CE to build alliances and to develop the business model of the CE. Entrepreneurial community leadership plays further an important role in linking a strong business model to the social capital of the CE in order to make the

business model effective. This is also illustrated by table 3 and 4 in which we observe non-durable cases in which there is a strong business model, but no entrepreneurial community leadership.

### Non-durable cases

The *absence of a strong business model* is a necessary condition for non-durability. Cases that are not durable, do not have a full-fledged business model or sometimes it is weakly developed. In these cases revenues, assets, services (contracts, etc.) or (different) external funding possibilities that generate income are absent or weakly developed, which are necessary for these organization and the essential basis to work towards durability. Again, after finding a necessary condition, we created a ‘truth table’ (table 5).

**Table 5: truth table for non-durability**

CONDITIONS				OUTCOME			CASES
Strong social capital	Strong entrepreneurial leadership	Strong Business model	Supportive relationship	Non Durability	CON	PRI	
0	0	0	0	1	1	1	2 (EnG, HaB)
0	1	1	1	1	1	1	1 (EmH)
1	1	0	0	1	.88	0.75	1 (SiB)
1	0	0	1	C	.75		2
1	1	1	0	C	.44		2
1	1	1	1	C	.31		4
0	0	0	1	C			
0	0	1	0	?	EC		
0	0	1	1	?	EC		
0	1	0	0	?			
0	1	0	1	?			
0	1	1	0	?	EC		
1	0	0	0	?			
1	0	0	0	?			
1	0	0	1	?			
1	1	1	1	?	EC		

This analysis shows three paths that explain the *non-durability* of CEs (see path 2-4 table 6):

**Path 2:**  $\sim^2$ HIGHCAPITAL\* $\sim$ STRONGENTREPRENEURIAL\* $\sim$ BUSINESSMODEL\* $\sim$ SUPPORTIVERELATION (cons. 1.00, PRI: 1.00, cov.r: 0.50, cov.u 0.15).

<sup>2</sup> The  $\sim$ -sign indicates a low level or the absence of a condition.

Whereas the opposite path (presence of all conditions) leads to a durable enterprise, the absence of all these conditions does not. The ~ -sign indicates a low level or the absence of a condition. Two cases show this particular trajectory (HeG and HaB). Both cases are struggling in every respect. Not only do they lack entrepreneurial leadership and (access to) social capital, they also grapple with problematic or non-existent relationships with important potential support actors. Moreover, their business model is unable to generate any significant income.

**Path 3:** ~HIGHCAPITAL\*STRONGENTREPRENEURIAL\*BUSINESSMODEL\*SUPPORTIVERELATION (cons. 1.0, PRI: 1.0, cov.r: 0.29, cov.u: 0.14)

The presence of all conditions, except for social capital leads to non-durability. We saw already in the analysis of the durable cases that social capital is key and necessary to understand durability. One case shows this configuration, that is EmH. This case shows strong fluctuations in the core group of active members, including several changes of some key positions in the Board (financial manager). There were struggles about how to run the CE and also concerning the payment of some Board members. The bonding capital in this case therefore scores low. Moreover the CE is up till now connected to a few other community associations, scoring moderately at the bridging capital. However, they did keep their enterprise running so far. Their advisory Board includes highly experienced people with strong links to key institutional players (e.g. local government, housing association). This linking capital played an important role during the 'management crisis' of the executive Board. Although this CE developed quite a strong business model, including several different sources of income (delivering paid services and renting spaces to social entrepreneurs and community associations) and received support from the local government in several ways, the CE is not (yet) durable. It, for instance, does not make a positive return on their investments and lacks sufficient staff capacity. It is uncertain whether it will sustain, although the bonding capital seems to be growing now.

**Path 4:** HIGHCAPITAL\*STRONGENTREPRENEURIAL\*~BUSINESSMODEL\*~SUPPORTIVERELATION (cons. 0.88, PRI: 0.75, cov.r: 0.50, cover.u 0)

The presence of leadership and capital, but the absence of a business model and a supportive relationship. An example of this path is SiB, which has a well-organised CE that draws on networks and bonding and bridging capital, has shown entrepreneurial leadership, but has been thwarted in their further development of the business model by the local government. Hence, this example scores very low on supportive relationships.

If we exclude the easy counterfactuals, logical possible instances which do include a well-developed business model, we can show even more parsimonious solutions:

- ~BUSINESSMODEL\*~SUPPORTIVERELAT (cons. 0.91, cov.r 0.71 cov.u 0.501071)
- ~HIGHCAPITAL\*STRONGENTREPREN\*SUPPORTIVERELAT (cons. 1.00, cov.r 0.36, cov.u 0.14)

These results show that a weak business model together with non-supportive relationships with institutional key players leads to a non-durable CE. Going back to the specific cases (SiB, HaB, HeG), a pattern is that a next step in developing and exploiting the business model in these cases strongly depended from a willingness of the key institutional players to support the CE. Handing over community assets can be an important boost for further developing a strong business model. However, local governments can have good reasons to be reluctant though. In some of these cases, the social capital and entrepreneurial leadership is not that strongly developed. This findings shows that many CEs are (still) quite dependent on some kind of support in the start-up of their initiative. This is in line with the finding on the durable cases: although supportive relationships did not turned out to be a crucial condition in the configuration for durability, the cases did all show a non-existence of a conflictual relationship and showed some kind of support in the starting phase of the CE (by, for instance, handing over the management of a community building).

In table 6 all the paths leading to non-durability and durability are summarized.

**Table 6: paths leading to durability and non- durability of CEs.**

DURABILITY				
	STRONG CASES (high durability)	WEAK CASES (low durability)		
Conditions	PATH 1	PATH 2	PATH 3	PATH 4
High social capital	•	○	○	•
Strong entrepreneurial leadership	•	○	•	•
Strong businessmodel	•	○	•	○
Supportive relationship		○	•	○
<ul style="list-style-type: none"> <li>• = Indicates the presence of a condition</li> <li>○ = indicates the absence of a condition</li> </ul>				

## 6. Conclusions

In the aftermath of the economic crisis, many European countries have implemented austerity measures, cuts and reforms in public policy, alongside longer trends of welfare retrenchment. Partly as a response, the number of community-driven initiatives has surged. For example, community-based

entrepreneurship is increasingly considered as a means to initiate small-scale urban regeneration, in particular in deprived neighbourhoods (Kleinhans, 2017). However, the question remains whether citizens are able to self-organize in the long run and produce services that cater to the needs of local people. We still lack in-depth insights into the durability of such civic initiatives (Bailey, 2012; Edelenbos *et al.*, 2016; Hearld *et al.*, 2015; Varady *et al.*, 2015; Voorberg *et al.*, 2015).

This paper contributes to the scientific and policy discussion on civic self-organisation by examining the durability of Dutch community enterprises (CEs) that have appeared since 2012. Based on the literature, four conditions for durability have been identified. By applying fuzzy set qualitative comparative analysis (QCA) to a set of in-depth interviews in 12 case studies, the paper has systematically examined which configurations of conditions can lead to durable CEs. An advantage of the QCA approach is its focus on configuration of conditions. This helps in explaining the mechanisms behind the emergence of durable community enterprises. The resulting QCA model has relatively high levels of solution consistency and solution coverage, making it a valid reflection of the 12 case studies.

The main conclusion is that a high level of social capital (bonding, bridging, and linking capital) is a *necessary* condition for CE durability. While the importance of social capital local networks of citizens is well established in the community (development) literature, our results show that CEs will not be durable without establishing links to other residents (networks) and institutions, both in and beyond neighbourhoods in which CEs are active. This is in line with the existing literature (Dale & Newman, 2010; McKeever *et al.*, 2014; Somerville & McElwee, 2011). Overall, strong entrepreneurial leadership and a strong business model, combined with social capital, is the most important recipe for durability. Of the seven 'success' cases, five adhere to this pattern. The evidence clearly shows that entrepreneurial leadership is conditional for a (strong) business model (Kirk and Shutte, 2004; Van Meerkerk *et al.*, 2013; Selsky & Smith, 1994). From this perspective, leveraging resources and counselling to establish entrepreneurial leadership in nascent CEs has been a well-considered strategy by the Dutch national support organisation for civic initiatives (Kleinhans & Van Ham, 2017).

At the same time, the relationship between entrepreneurial leadership and durability is of a complex nature, depending on the presence of and interaction with other conditions. The positive relationship between these concepts is obvious, but there are two cases in which a (strong) entrepreneurial leadership does not translate into durability. In other words, entrepreneurial and innovative CEs are not by definition durable. In these configurations, the absence of social capital and at least a minimal level of support from key institutional players explains the non-durability. Both conditions impact on the effectiveness of entrepreneurial leadership to make the business model effective. Social capital is needed to get volunteers running in the different projects and activities and/or assets cannot be exploited in an effective way.

Furthermore, to develop a strong business model, investments of key institutional players (such as local government and housing associations) are important. They can provide or hand over community assets as a form of starting capital by which CEs can develop a business model and keep their organization and activities running (cf. Bailey, 2012). In the relationship with key institutional players,

the development of trust and the presence of a governmental boundary spanners seems crucial (cf. Van Meerkerk, 2014; Edelenbos *et al.*, 2016). On the one hand, the competences of CE initiators and their level of social capital can enhance the willingness and generate competence trust at the government side. At the same time though, the presence of a boundary spanner can generate organizational support and can fine-tune support for CEs, thereby contributing to better implementation and higher performance of CEs. This finding suggests that hands-on, rather than hands-off meta-governance strategies of local governments (Sørensen, 2006) support CEs and strengthen their durability.

This study has uncovered a contradiction between definitions of CE in the international literature versus current Dutch practices. In theory, CEs are independent, not-for-private-profit organisations, which are locally accountable and committed to delivering benefits to local people (Peredo & Chrisman, 2006; Somerville & McElwee, 2011; Bailey, 2012; Kleinhans, 2017). Many elements in this definition appear in the case studies, but independence is an exception. In fact, 11 out of 12 CEs (with AM being the exception) are moderately to highly dependent on local government in various ways. If the latter would not provide an empty building, deploy a 'boundary-spanning' civil servant or other forms of support and recognition, the 'success cases' would not have achieved their current level of durability. Moreover, in the 'failure cases', the local government has never really supported the initiative or has withdrawn support during the process. Despite the positive national policy discourse regarding citizens' self-organization and 'do-it-yourself' democracy, (BZK, 2013; Wagenaar & Van der Heijden, 2015), local governments thus continue to cast a 'shadow of hierarchy' by exercising control through a range of complex governance strategies (Nederhand *et al.*, 2016), which maintain a level of CE dependence on local governments.

The focus on Dutch CEs in this study contributed to the internal validity of our research as it generated a relatively high level of comparability between the context of the cases (a within country analysis). At the same time, this also generates a limitation of the current study as we were not able to carefully examine the broader institutional or policy environment as a condition. Cross-country case comparison would be more suited to examine this as another contextual or additional condition. Another limitation of the method used in this study is the impossibility of going deeper into the relative strength or contribution of a specific condition, as is the case in variable oriented (quantitative) methodologies. This would be avenues for future research.

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