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# Hybrid business models for peace and reconciliation



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## KEYWORDS

Hybrid organizations;  
Hybridization  
continuum;  
Conflict;  
Fragile states;  
Institutional voids

**Abstract** Despite growing interest in business for peace, there is little insight into how the organizations involved combine societal aims with economic ones in their business models. Literature has exemplified ‘hybrid organizations’ that seek to pursue both for-profit and non-profit activities and are specifically set up with this mission, usually in stable Western countries. However, already existing, traditional organizations that aim for mixed forms of economic and social value creation have been underexposed, and that applies even more for organizational forms that address peace in difficult settings. To help fill these gaps, this article sheds light on different degrees of hybridity of a range of organizations operating in a (post-)conflict region. It shows how 53 organizations in between the non-profit/for-profit extremes pursue different combinations of social and economic goals, maintain and develop relationships with stakeholders, and interact progressively with markets and institutions. We also present a hybridization continuum and classification scheme that is applicable beyond our specific context. While different degrees of hybridity in objectives, perspectives, and relationships exist, key dimensions are frequent interactions with stakeholders, awareness of development and reconciliation issues, and personal commitment. We identify hybridity aspects relevant to management and discuss implications for business scholars and practitioners.

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## 1. On hybrid organizing for peace

With growing attention for the role of business in peace, many challenges have emerged as to how to best combine efforts and reconcile the social and

economic objectives of the organizations involved. In recent years, publications have provided insight into multi-stakeholder partnerships in which firms and non-governmental and governmental organizations collaborate to promote peace and reconciliation and reduce conflict (Kolk & Lenfant, 2012, 2015a, 2015b). However, we know much less about how organizations that show sensitivity to the conflict context integrate such hybridity into their business models. There are quite some studies on so-called ‘hybrid organizations’ that seek to pursue

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both for-profit and non-profit activities more generally and are specifically set up with this mission (e.g., [Boyd, 2012](#); [Haigh, Walker, Bacq, & Kickul, 2015](#); [Lee & Jay, 2015](#)), but this is not the case for traditional, already existing organizations that aim for mixed forms of economic and social value creation (see [Battilana, Lee, Walker, & Dorsey, 2012](#)). Moreover, while the rise of the hybrid is placed in the context of decreasing state influence and the need for other actors to take up parts of this role, this aspect has not received much attention. Examples originate predominantly from Western countries, particularly those with legally-enabled hybrids—such as benefit corporations—and thus do not contribute to knowledge on how different organizational forms may address peace and reconciliation in highly complex situations. To help fill these gaps, our article sheds light on different degrees of hybridity of a range of organizations operating in (post-)conflict regions. Such settings, where the state has been under siege or even fully absent and other actors take up public responsibilities, most clearly expose how roles are being re-shaped and boundaries have become blurred.

Our study makes several contributions in the realm of business and peace as well as the field of management more broadly. It illuminates how more than 50 organizations active in the coffee sector in a conflict-affected region in Central Africa pursue different combinations of social and economic goals, maintain and develop relationships with stakeholders, and interact progressively with markets and institutions. These dimensions of hybridity were conceptually identified by [Haigh and Hoffman \(2012\)](#), and we specified and applied them empirically to many different organizations in the broad spectrum between the two extremes of non-profit (socially oriented) on the one hand and profit (financially oriented) on the other. This research approach allowed us to present a ‘hybridization continuum,’ inspired by observations by [Battilana et al. \(2012\)](#), about a hybridization movement toward more integrated/mixed business models and the adoption of social elements by traditionally financially driven organizations, and vice versa. Examining organizations in one sector and with activities in a specific geographical region allowed us to obtain an overview of all possible categories and their characteristics. Perhaps more importantly, the difficult context, characterized by human suffering and social tensions, may exemplify a future scenario of hybridity, as it affects all organizations, including traditional, mainstream ones: We found that they had also taken on some hybrid elements in their objectives, perspectives, and relationships. In this way, their business models help to further peace

and reconciliation, which is highly relevant given the many organizations that are active in ‘fragile’ states, a term covering almost 50 countries worldwide that face serious instability and human rights violations ([Kolk & Lenfant, 2015a](#); [OECD, 2012](#)).

The structure of this article is as follows. We first explain the broader setting of the study and its setup and present the hybridization continuum (using [Table 1](#) and [Figure 1](#)). This is followed by the explanation of the three dimensions of hybridity (and the subquestions in [Table 1](#) being discussed consecutively), with illustrative quotes and examples. They shed light on business models for peace and reconciliation and may be helpful for managers in search of the best approaches for their organization while also considering the broader implications for management that we discuss. The final section, with [Table 2](#), offers conclusions and recommendations for researchers and practitioners. We point, *inter alia*, at changes that may be required in terms of specific staff capacities and concomitant training and selection processes; patience and willingness to invest in longer term relationships, also locally; and the need to carefully balance organizational and societal objectives, especially considering the (decreasing or absent) role of the state. These relate directly to theoretical contributions in the realm of business and peace as well as management and organization studies more broadly.

## 2. Hybrid organizations in their context

In the past decade, new organizational forms at the crossroads of business and non-profit sectors have emerged in a context of state withdrawal and new governance modalities, clearly exposing blurring boundaries. This phenomenon has mostly been examined within a broader corporate responsibility framework in which business helps to address societal issues such as poverty or environmental degradation, and is increasingly playing a public role. Particularly in developing countries characterized by institutional voids or gaps, the potential contribution of market actors to alleviate poverty has been studied in different literatures. Examples include bodies of work on subsistence marketplaces, bottom of the pyramid, cross-sector partnerships for sustainable development, and social entrepreneurship ([Bacq & Janssen, 2011](#); [Kolk, 2014](#); [McKague & Oliver, 2012](#); [Rivera-Santos, Rufin, & Kolk, 2012](#); [Valente & Crane, 2010](#)).

Hybrid organizations, mostly studied in the Western context, nicely fit in between partnerships, which involve collaborations between different

types of organizations, and social entrepreneurs as individuals pursuing social and economic objectives. This means that the hybrid concept offers potential for contributing insights to what is currently known by further clarifying the components and peculiarities of hybridity, also beyond new ventures which are set up specifically to combine social and financial goals and which have received most attention in the literature thus far. Moreover, the business and peace literature has distinguished peace entrepreneurs (who include peace in their work), corporate foreign policy (focused on how larger firms more instrumentally address peace and conflict issues), and ethical firms whose business model or strategies are not meant to promote peace yet have an (indirect) impact (Fort, 2007, 2015; Westermann-Behaylo, Rehbein, & Fort, 2015). Our study adds to the literature by illustrating how hybrid organizational forms address peace and development-related issues such as reconciliation and reconstruction while balancing their economic and social purposes. It also presents elements from which more traditional firms can learn when structuring their business activities in or related to (post-)conflict countries.

To generate insights on these topics, we specifically selected organizations operating in contexts with blurring boundaries resulting from difficult social circumstances, including poverty and (post) conflict conditions, in a region characterized by extreme volatility. Publications on partnerships, and (social) business and entrepreneurial activities in such settings, have underlined the importance of explicitly considering the influence of the institutional environment (Anderson, Markids, & Kupp, 2010; Rivera-Santos et al., 2012; Rivera-Santos, Holt, Littlewood, & Kolk, 2015). As organizations respond to specific local needs—particularly to help relatively powerless people—situations of poverty, inequality, and human suffering will most clearly expose components of a hybrid business model, which seem specifically relevant in such contexts, as well as the existence of a hybridization continuum. In that sense, it may represent a look into the future and enable generalization from this extreme case, or ‘unconventional’ research context—as some management scholars have labeled it (Bamberger & Pratt, 2010). Our focus also helps to extend insights on hybrid organizations beyond prevailing Western (home-country) settings in which they have been studied most often, and beyond the more common individual case examples illuminating newly created hybrid ventures.

This article examines organizations that pursue different combinations of social and economic goals and are involved in the coffee sector in the Kivu region, which is located in the eastern part of the

Democratic Republic of Congo (DRC) and the western part of Rwanda. This region is extremely volatile and has seen regular skirmishes taking place at or around the border. The FDLR, a Hutu extremist group which fled to the Congolese side after the 1994 genocide, is still undertaking guerrilla activities on both sides of the border despite attempts initiated by the Congolese army and UN troops to disarm them; another armed group, the M23, dismantled recently thanks to the UN-led intervention brigade. While eastern DRC has suffered heavily from violent conflicts with concomitant human suffering for almost two decades, in Rwanda the genocide in the mid-1990s had a huge impact. It created a climate of insecurity, especially in the region next to Lake Kivu bordering DRC. Although Rwanda has been doing well economically in recent years, the high population density coupled with a dependence on agriculture and soil erosion due to land exhaustion created an explosive social situation. Coffee has played a critical role in Rwanda’s rehabilitation and reconciliation activities (Elder, Zerriffi, & Le Billon, 2012; Tobias & Boudreaux, 2011; Tobias, Mair, Barbosa-Leiker, 2013) and is seen as having a large comparable potential in eastern DRC. The region’s fertile soils offer exceptional opportunities for the production of high-quality Arabica coffee and for improving the economic situation of the inhabitants as well as breaking the vicious cycle of poverty, hostility, and social tensions by joint cultivation and harvesting (Kolk & Lenfant, 2015b; Schluter, 2010).

We focused on organizations with international linkages, as these are vital for the economic and social development of local farmers, their families, and communities (Kolk, 2014; Mutandwa et al., 2009); they also generate the most interesting insights for practitioners outside the specific context of our study. To obtain insight into the range and type of actors involved in the coffee sector in the Kivu region, we first made an inventory of all organizations present—firms, cooperatives, and non-governmental organizations (NGOs)—through various databases (from organizations such as Fair Trade and the International Coffee Organization), the Internet, and NGO contacts (facilitated by the fact that the second author has long worked for an NGO and has ample experience in the region). We then selected the organizations active in the Kivu region with clear international links: We did not include local coffee processing companies that only work with the government or cooperatives that only sell to local retailers. Information on dimensions of hybridity (see Section 3 and the Appendix) was collected from a questionnaire sent to all organizations, of which 35% responded; corporate

**Table 1. Degrees of hybridity: Key subdimensions and questions guiding the article**

Relational areas	Key subdimensions used for categorization	Questions addressed in second half of article
Positive social change as organizational objective	<ul style="list-style-type: none"> <li>• Social dimensions addressed in mission and outlook (consideration of longer term)</li> <li>• Indication of positive leadership aspects</li> </ul>	<ul style="list-style-type: none"> <li>• How are social dimensions addressed in organizational objectives (mission/outlook)?</li> <li>• How important is the human element, including positive leadership?</li> </ul>
Mutually beneficial relationships with stakeholders	<ul style="list-style-type: none"> <li>• Organizations' consideration of mutual relationships with stakeholders, especially coffee farmers (in this case)</li> </ul>	<ul style="list-style-type: none"> <li>• How do organizations perceive mutual benefits?</li> <li>• What is the scope of the relationships?</li> </ul>
Progressive interactions with markets and institutions	<ul style="list-style-type: none"> <li>• Orientation on changing market requirements in terms of fair trade/ prices, and consideration of related institutions</li> <li>• Contribution to peace/development</li> </ul>	<ul style="list-style-type: none"> <li>• How do organizations perceive progressive interactions?</li> <li>• How do organizations perceive development work?</li> <li>• Do organizations contribute to peace and reconstruction?</li> </ul>

Note: Relational areas in the first column are derived from [Haigh and Hoffman \(2012\)](#); translated to coffee dimensions following [Raynolds \(2009\)](#).

reports and websites; and secondary sources. Furthermore, structured interviews were held with 25 staff members of organizations sampled and a field visit was made to the Kivus (both eastern DRC and Rwanda) to obtain additional information and to cross-check and triangulate the (self-)reported data where possible.<sup>1</sup>

### 3. A hybridization continuum

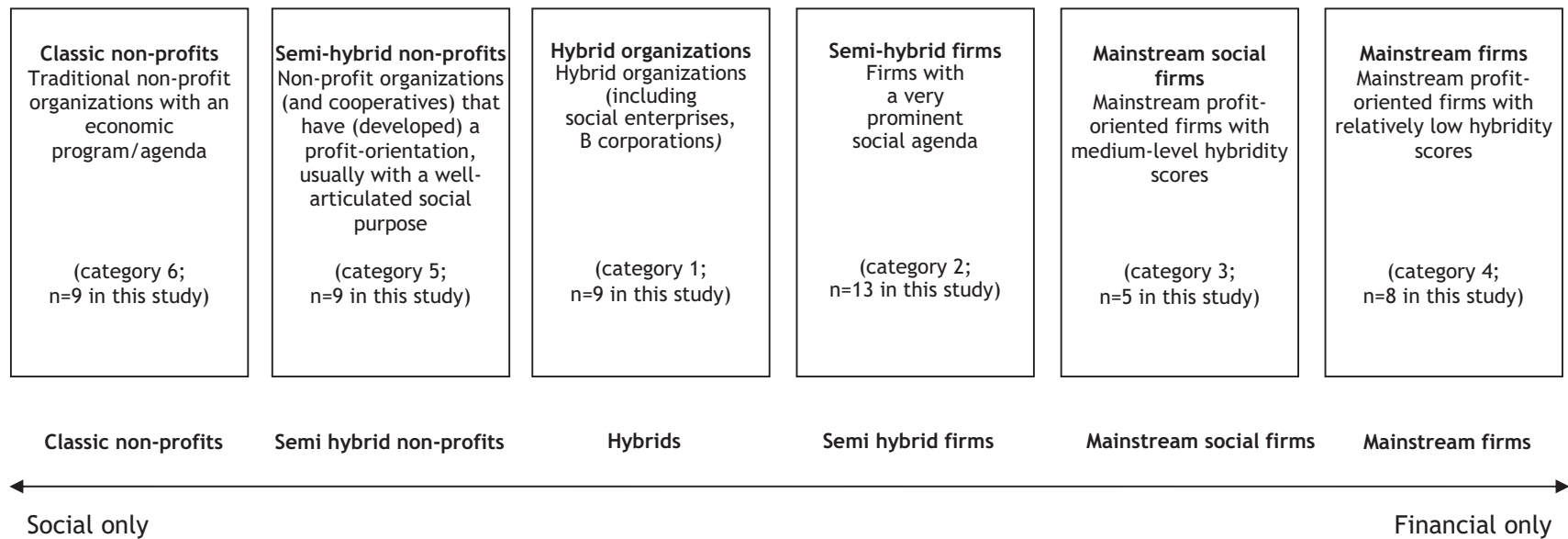
To obtain insight regarding the degree to which organizations exhibited hybrid characteristics, three key aspects from the literature were used (as included in the first column of [Table 1](#); [Haigh & Hoffman, 2012](#)) and specified for the empirical context of our study (second column). First, we examined the role of social change in stated organizational objectives, considering the mission, longer term horizons, and (positive) leadership. To these generic dimensions, a coffee-specific 'flavor' was added through [Raynolds'](#) distinction between mission-driven, quality-driven, and market-driven companies ([Raynolds, 2009](#)). The mission-driven category, most relevant for our purposes, consists of socially and ecologically concerned buyers that aim to establish long-term ties, show patience when producers face problems, and help them to improve quality by providing market information and access to relevant actors, networks, and

knowledge. Second, we analyzed organizations on the extent to which they reported mutually beneficial relationships with stakeholders, particularly coffee farmers. The third component encompasses progressive interactions with markets and institutions, which, for the context of this study, involves attempts to change market requirements and wider (development) activities undertaken in the region/country, as well as peace and reconciliation considerations.

We analyzed the 53 organizations (35 firms, 14 NGOs, and 4 cooperatives) on the dimensions included in [Table 1](#), using the second column in particular. The details and specific information concerning the scores on the various aspects for the organizations in the study and their resulting categorization can be found in the Appendix and the accompanying notes. The organizations were classified in different categories in the broad continuum between social only on the one hand and financial only on the other, with hybrid in the middle. [Figure 1](#) gives an overview of the six types that emerged and that will be discussed further below. Our continuum differs from earlier literature that focused on typifying and defining the social enterprise phenomenon (e.g., [Alter, 2007](#); [Bacq & Janssen, 2011](#); [Dacin, Dacin, & Matear, 2010](#); [Dacin, Dacin, & Tracey, 2011](#); [Mair & Martí, 2006](#); [Zahra, Gedajlovic, Neubaum, & Shulman, 2009](#)), as it covers the whole range of organizations and their hybridity characteristics as they develop, and relies on an empirical basis as indicated above. It should be noted that the categorizations are not meant to give a normative

<sup>1</sup> This field trip also encompassed research for another article on partnerships, published as [Kolk & Lenfant \(2015b\)](#).

Figure 1. A hybridization continuum





judgment in terms of good or bad, but only to illustrate the continuum of degrees of hybridity, and that the study obviously has its limitations, as indicated in the second note to the Appendix.

*Category 1* includes hybrid organizations: those that classify themselves as social enterprises (Growers First, Schluter, CoffeeRwanda, and Equal World Coffee), one certified B (benefit) corporation (Sustainable Harvest), and three others scoring high on the three subdimensions specified in the second column of [Table 1](#) (see the Appendix for more details). Cafédirect is an interesting example in the latter group because it was founded by NGOs (Oxfam, Traidcraft, Equal Exchange, and Twin). Hybrids are typically mission-driven as described above, have a long-term horizon, exhibit positive leadership, engage in mutual relationship with farmers with whom they have direct interactions (i.e., they do not work with middle men), and actively work to help change markets and institutions. *Category 2* consists of semi-hybrid firms that also have a very prominent social agenda but are less outspoken on some of the other dimensions. The (semi-)hybrid firms are overall typically proud of being artisanal, often operate independently, and emphasize product quality and care for communities as important drivers. Almost all are involved in the niche market of specialty coffee and display high levels of transparency by making trip reports available and disclosing valuable information on how they engage with coffee communities.

To the left in [Figure 1](#) are the semi-hybrid non-profits (*category 5*), NGOs, and cooperatives that have developed a profit orientation to (re)invest in their social programs. These nine organizations include Twin, an NGO that owns a trading company, three cooperatives that have created a processing or exporting company to better serve their constituents, and UGEAFI, a local NGO. It decided to engage in economic activities—even exploring to turn one of its branches into a cooperative—when realizing that the NGO’s traditional peace education and reconciliation programs were “necessary but not sufficient to address conflict issues in the region.” To the far left is *category 6*, classic non-profits with an economic program mostly geared toward empowering producers, yet with a fully subsidy-based *modus operandi*. Here, PEARL is an interesting organizational form: It started as a multi-stakeholder partnership (of local government authorities, academic institutions, NGOs, and business) and gradually turned into an NGO. Such evolving patterns and changes (see also the examples of Cafédirect and UGEAFI mentioned above) are not uncommon, and have been reported in the African context more generally (e.g., [Hearn, 2007](#); [Kolk & Lenfant, 2013](#)).

The two final categories, not yet mentioned, are found on the right side of the semi-hybrid firms and involve the mainstream (social) firms. Amongst the mainstream, generally larger firms, some have a clearly articulated social mission (Starbucks, Green Mountain) while others are much less outspoken (*category 4* in [Figure 1](#);  $n = 8$ ). The mainstream social firms (*category 3*) are profit-oriented yet score medium on some of the dimensions. They usually have some kind of social (sub)objective, and/or have direct ties with farmers, while mostly operating as a traditional firm. Finally, *category 4* consists of mainstream firms with relatively low hybridity scores, meaning they operate from a clear profit motive and generally relate to just one aspect of hybridity and in a relatively modest way.

In our elaboration of the key dimensions in the sections below, quotes from our interviews and practical examples will be given to clarify notions and nuances of hybridity. They also serve to draw implications and offer suggestions for a broader management audience. Most attention will be paid to firms, but sometimes references will be made to non-profit organizations given the blurring boundaries that we observed, also considering that NGOs and firms increasingly use terminology that traditionally belonged to the other realm (e.g., firms referring to social justice, empowerment, and capacity building; NGOs mentioning business case and business proposition). We will address the three components discussed above—organizational objectives, relationships, and interactions with markets and institutions—consecutively in different sections, guided by key questions as included in the last column in [Table 1](#).

## 4. Organizational objectives

### 4.1. How are social dimensions addressed in organizational objectives?

The (semi-)hybrid organizations in our study have clear built-in social missions in their organizational objectives. Dean’s Beans, for example, considers itself “a fair trade pioneer in the coffee industry with an unyielding commitment to peaceful social change” and “unwavering commitment to sustainable development.” Stumptown states that it “was started with the goal of doing things differently.” Some explicitly seek the combination of humanitarian values with economic benefits. For example, Schluter’s (2010) vision is to “transform lives in Africa through commerce in a mutually profitable way.” It explicitly states to show patience if farmers

experience problems and to assist them in multiple ways, such as providing market information, offering opportunities for interaction, and establishing links with market and non-market partners.

Interestingly, quite a few mainstream (social) firms (category 3) refer to partly comparable aspects. Starbucks' mission is to "inspire and nurture the human spirit—one person, one cup, and one neighbourhood at a time." Green Mountain states that "our passion extends beyond creating great coffee. We believe in the significance of the world around us, and the impact we have on everything we do." Peet's Coffee notes to be interested in "creating self-sufficiency and connecting small-scale farmers with their potential market and thereby afford them a decent livelihood." For Café Liégeois, the confrontation with the local situation has played a role, considering the statement that it is impossible to "trade with them [coffee farmers] and remain insensitive to their difficulties. The return on their work is so low—when exchange rate fluctuations don't reduce it to nothing—that they can't invest in the equipment that would enable them to make better use of their plantation. It isn't even a matter of heavy equipment, sometimes just shovels, spades, fencing, etc. It is no longer acceptable that people should sometimes be unable to provide for their own subsistence due to traders negotiating rates downwards for a product they may never even smell." Different from the organizations mentioned above (in categories 1, 2, and 3), mainstream firms (category 4) are much less outspoken about their social mission.

#### 4.2. How important is the human element?

The conflict context and its human implications were exclusively mentioned by (semi-)hybrid firms. Silverback Coffee of Rwanda states to be "committed to participating in the rebuilding of Rwanda and its wildlife and giving back to the people who were affected in the genocide of 1994 by providing the world with the highest quality coffee and tea." Thousand Hills mentions that it "is proud to contribute to justice, reconciliation, and hope in the coffee farming communities." Its founder visited Rwanda in 2005 and saw that the genocide "left so many innocent people either dead, orphaned, or widowed." He "recognized a simple and tangible opportunity to make a difference in the reconciliation of the Rwandan people" and decided "to start a coffee company that pays a fair wage to the farmers of Rwanda, helps them with their basic needs, and brings a quality product to coffee lovers." We came across such personal stories as inspiration in other cases as well. Dean's Beans states that "it all started

when Dean founded the company and was looking for intelligent ways to preserve natural resources and give back to coffee communities across the globe." And the founder of Growers First "witnessed first-hand the economic and social injustices that fell upon small coffee growers."

Personal leadership and commitment were found in different forms, especially in (semi-)hybrid organizations that are often relatively small, with limited numbers of employees, and sometimes family-owned. Roger's Family notes that "the word 'Family' extends to the farmers around the world that supply our coffee and tea, to our employees, and our valued customers." Considering employees and farmers as a kind of family often translates into space offered to farmers to present their products on organizations' websites—frequently accompanied by photos and personal stories—thereby creating a direct relationship between producers and consumers, and to employees to highlight their commitment and empathy. The personal side was also mentioned by Atlas in its mission to "operate a business that is financially successful and personally fulfilling." And Allegro notes that "giving back not only makes us feel good, it's part of why we exist." (Semi-)hybrid organizations make giving back explicit by channeling their profits (fully or partly) toward social projects. Most far-reaching are Coffee Rwanda, which "ensures that all profits, after expenses, can be donated for the reconstruction and development of Rwanda," and Dean's Beans, which reallocates all returns into development projects.

#### 4.3. Broader implications for management

Having a clearly embedded social mission within organizational objectives seems to enable (semi-)hybrid organizations to carry out social activities more naturally than traditionally operating firms. Most if not all activities undertaken by (semi-)hybrids have a clear social dimension. This is all the more important in contexts where the social fabric has been distorted and formal institutions are weak or missing. Activities with a social purpose are more likely to be relevant and effective if they are integrated in firms' core business and the context is taken into account. The latter is crucial in complex environments in order to mitigate the many risks inherent to conducting business there. Consideration of the human element, especially when coupled with personal commitment and leadership, is a common factor, which also comes to the fore in the relationship developed with various stakeholders (see Section 5).

Managers of organizations that intend to invest in conflict-prone areas should be aware of the



challenging socioeconomic and political context to not only ensure that they do no harm, but also to maximize the chances of doing good. By having a social goal embedded in their core business and by demonstrating personal commitment and leadership, hybrids appear to minimize the social risks of their activities. Although there are tools available for business to help manage risks, they do not capture all risks that firms will face when operating in challenging contexts, and the elements discussed here seem to provide a further mitigating mechanism. And while the specifics are likely to differ per sector, the overall approach may offer inspiration for managers more broadly and increase awareness of possible issues. Managerial sensitivity might not come naturally, however, which points at a possible need to include attention to these aspects in training and selection trajectories (see Section 7).

## 5. Mutually beneficial relationships

### 5.1. How do organizations perceive mutual benefits?

According to the literature, a second key element of hybrid organizations is their engagement with various stakeholders in such a way that mutual benefits can be reaped. This aspect has also been mentioned as crucial for business activities in developing countries more generally, in order to move “beyond the often superficial relationships that typically persist in these situations” (Valente & Crane, 2010, p. 63), for example, by visiting local communities and leaders. All (semi-)hybrid organizations in our study undertake trips to the Kivu region to develop a proper understanding of their suppliers and other stakeholders. Such trips to remote areas, especially in eastern DRC, can be challenging. A Twin Trading field report mentioned that “the roads are almost impassable and there are no other services and infrastructure whatsoever. Most of the people have only recently re-settled the land, after years living in the forests or in refugee camps in Tanzania. The region remains tense, with the Congolese army only partially in control.”

Mutually beneficial relationships are often noted as essential by (semi-)hybrid organizations. For example, Counter Culture Coffee mentions its goal as building “long-term, durable, mutually beneficial relationships with our producer partners. The duration of these relationships is a good indication of their sustainability.” Growers First states to be “committed to developing relationships with our farmers. We know who we are buying from, and they know us and our roasters.” This relationship

enables coffee growers “to receive the maximum value for their crop.” Or, as Cafédirect puts it: “For over 20 years we’ve built real relationships with smallholder growers because the big thing smallholders have is pride and passion. . .and that’s what goes into every single one of our delicious hot drinks. In return we pay growers what they deserve, instead of paying middlemen.” And according to Rogers Family: “We visit the farms personally, set up long-term contracts and develop long-term relationships with these farmers and co-ops.” As mentioned in the literature, building trust, showing flexibility, and gaining credibility among communities is crucial in fragile regions marked by governance voids and a distortion of the social fabric (Abramov, 2010; Kolk & Lenfant, 2015b).

The benefits for (semi-)hybrid organizations are also noted. Schluter (2010) views relationship building as a way to ensure product quality and “alleviate the enormous risks we take especially through the prefinancing of the contracts.” But relationships are seen to encompass more than purchasing coffee: “We do not just buy coffees; we actually develop them while working alongside our growers” (Intelligentsia Coffee). And Stumptown describes its (direct trade) approach of “improving coffee quality through our relationships at origin, and in turn, offering incentive-based rewards to the farmer, with complete financial transparency of the supply chain along the way,” which has enabled the firm “to not only source the best coffee grown in the world, but to also make financial and incrementally sustainable improvements in the growing communities.” Sustainable Harvest seems to take it a step further in describing its relationship coffee model as “a business model, infused into every aspect of how we operate. We invest into our supply chain at every step, bringing innovative technology, training, and infrastructure to our partners. We link coffee growers to markets while building systems that bring high quality coffee to roasters. We operate with ultimate transparency, making sure all stakeholders are included in the conversation.”

The importance of relationships was also mentioned by a few firms in categories 3 and 4. Interestingly, and similar to the (semi-)hybrid organizations described above, Starbucks’ CEO paid many visits to coffee communities in the Kivu region, learning from coffee growers and showing interest in their farming techniques.

### 5.2. What is the scope of the relationships?

In terms of relationships with stakeholders more broadly, it can be said that while farmers receive

the most attention, roasters and suppliers in the value chain from bean to cup are also mentioned, as are consumers. Growers First explains the linkages when stating that “our farmers and roasters are able to increase profits when they are connected via relationship. Roasters and suppliers receive a higher value for the final product when they can provide a direct connection to the farmers that grew their coffee and can demonstrate that their product is substantially benefiting those farmers. This premium is passed on to the farmers, as the increased demand for their coffee in the United States is able to attenuate the volatility of the international coffee market. Regardless of how high or low the market sets the price of coffee, farmers know that they have a direct connection to consumers and can negotiate a fair price that still benefits roasters and suppliers in the States.” At the same time, this also requires that farmers “are able to learn about the demands and desires of the market they are selling to. Growing coffee in isolation, many farmers are unaware of how their coffee is processed, roasted, and consumed. With a basic understanding of these factors, farmers are able to adjust their growing practices to improve the quality and marketability of their crop.”

Interestingly, some organizations also refer to attempts at educating customers in their markets, explaining price levels in the hope to change the way in which coffee is being bought. They are thus committed to not only buying coffee from producers at a good price but also informing customers about Rwandan or Congolese coffee (i.e., organizing marketing campaigns to raise awareness about coffee from the region). Ancora mentions, for example, that “they had a vision to create a company together that would enrich lives with a new and exciting product but also would educate people with the story behind the coffee.” Some (semi-)hybrids develop (joint) strategies to link farmers to European and U.S. markets, working closely with producers to design consumer mobilization strategies in order to increase demand for their coffees. Educating consumers seems to be a long trajectory, however, and that also applies to interactions with markets and institutions for social change more generally (see Section 6).

Still, there is recognition of the potential to “be a force for positive action—bringing together our partners, customers, and the community to contribute every day,” as Starbucks (in the social mainstream category) puts it. And although more mainstream firms generally do have less direct relationships with farmers than (semi-)hybrid organizations given that they most often purchase from traders, a few express awareness of the linkages. Sainsbury (category 4), for example, notes

that, in addition to improving access to markets or “expanding consumer demand for African produce,” it strives to “promote the DRC coffee to encourage customers to recognize the Congo as origins of gourmet coffee in their own right.”

### 5.3. Broader implications for management

Building relationships is very relevant for all organizations that plan to invest in fragile (African) countries. Managers can learn from the way in which (semi-)hybrids establish longstanding mutually beneficial relationships with local communities. In a context of governmental inability to provide for their citizens, local communities often place high expectations on firms investing in their region (Eweje, 2006, 2007; Kolk & Lenfant, 2012). Dealing with these expectations, and being open about what the firm can and cannot do, and how it intends to proceed, is a recommendation that applies to all organizations. Mutually beneficial relationships are crucial for both social and economic value creation for firms active in fragile regions as well as local communities and (in this case) farmers.

If a societal license to operate and concomitant broad support from local communities are missing, organizations may be harmed economically, often due to delays resulting from controversies. A global study on oil multinationals, for example, showed that the time taken for projects to actually start almost doubled in a period of a decade, resulting in substantial cost increases (Goldman Sachs, 2008). Research on the extractive industry and the costs of conflict with local communities found that lost productivity due to delayed production could amount to losses of up to US \$20 million per week (Davis & Franks, 2011). The highest costs stemmed from opportunity costs linked to the inability to pursue future projects and the staff time needed when dealing with conflicts with communities.

## 6. Interactions with markets and institutions

### 6.1. How do organizations perceive ‘progressive’ interactions?

Many organizations along the broad hybridization continuum have been involved in ‘progressive interactions with markets and institutions’ as identified in the literature (see Table 1). A characteristic of (semi-)hybrids is their explicit acknowledgement of unequal relationships between producers and

buyers. To illustrate the difficulties, Groundwork notes that “coffee has a long and sorry history of giving the farmers the short end of the stick when it comes to who gets paid and how much. Even when coffee prices go up, it is oftentimes a vast network of brokers, traders, and shippers who profit even before the coffee reaches the roaster.” To shift this balance to the benefit of poor producers, it is necessary to structurally adjust the situation in economic terms (through, for example, increased productivity and market access) and in social terms (by supporting farmers to increase their capabilities, knowledge, and power). In addition to the relations with farmers, roasters, and customers, (semi-)hybrid organizations pay attention to the more generic pricing system.

Although most (semi-)hybrid organizations have adopted fair trade—and/or sometimes other forms of certification, such as Utz, Rainforest Alliance, or organic—several state to go beyond it, in two respects. These aspects refer to (semi-)hybrids’ ambition to realize broader changes, beyond the current system with its limitations, which extends to certification in general, not just fair trade (Haight, 2011; Kolk, 2013; Muradian & Pelupessy, 2005). First, they pay a higher price than the minimum one offered by fair trade. This is stated explicitly by Counter Culture Coffee, Equal World Coffee, Fratello, Union Hand Roasted, and Rogers Family. Cafédirect considers a fair price for the crop to be a “minimal starting point, not the end goal.” Second, flaws of the fair trade system are acknowledged. Groundwork mentions that “concerns have been raised that although the fair trade system provides farmers with a guaranteed floor price for their coffee, it does little to promote a rise in quality of the coffee or sustainable growing practices.” Furthermore, fair trade as such does not exclude the involvement of middlemen, allows for a very limited scale only, and may not accrue benefits to the most disadvantaged. As Rogers Family notes: “A label is ONLY a label. Poverty is especially acute in the communities of landless farmworkers that have settled around large coffee farms. Some people believe fair trade Certified helps workers. In fact, the fair trade Certified price is for a pound of coffee—it is not a wage. So it’s only available to farmers in cooperatives growing coffee on one or two acres. Workers with no land cannot benefit from the fair trade scheme since they do not own any coffee trees. These workers and their families often live in dire poverty with little hope to end their suffering.” Mainstream firms (categories 3 and 4) are not as outspoken about issues surrounding fair trade and the pricing system in general as their (semi-)hybrid counterparts.

## 6.2. How do organizations engage in development work?

Linked to blurring boundaries are the innovative ways in which (semi-)hybrid firms engage in development work in addition to the consideration of social aspects in their core business. Dean’s Beans, for instance, embraces the people-centered development philosophy, “an approach to international development that focuses on the real needs of local communities for the necessities of life (clean water, health care, income generation) that are often disrupted by conventional development assistance. Conventional development includes military aid, large dams, free trade zones, and export economies that bring lots of money to the contractors and aid organizations, but often result in massive deforestation, resettlement of communities, introduction of pollutants, and diseases.” Sustainable Harvest is also involved in development work by partnering “with coffee communities that we source from, as well as coffee roasters, NGOs, and development organizations, to implement programs that improve farmer livelihoods and conserve the biodiverse environments where coffee is grown.” Union Handroasted funds “projects to improve capacity building and strengthen governance and leadership within the co-operative, creating a genuine sense of community where once there was only grinding poverty and despair” in addition to more traditional community development projects.

While mainstream firms also support development work through funding for community projects, they mostly do so in a rather philanthropic manner (e.g., building a school or a well) without much connection to their core business. Incidentally, they do have partnerships with NGOs or more direct engagement with farmers and support activities related to their core business. The main example in our study is Starbucks, which created a farmer support center in Rwanda to teach coffee growers how to improve the quality of their produce.

## 6.3. Do organizations contribute to peace and reconciliation?

Finally, we could note a few progressive interactions with institutions with organizations directly establishing a linkage to peace and reconciliation issues. Some were already mentioned in a previous section when discussing the social mission. Considering the institutional implications for peace, PEARL (a semi-hybrid non-profit) concentrated its efforts on building capacities through strengthening the

agricultural and educational sectors and implementing an active policy of reconciliation. Hutus and Tutsi were working together in cooperatives, earning money, and thinking of themselves as Rwandans rather than members of a particular ethnic group. Growers who were once enemies are now working side by side at the local washing stations. The hybrid Thousand Hills found that “the introduction of specialty coffee to the healing fields of Rwanda proved to be an uncommon opportunity for once warring countrymen to not only rebuild their homesteads, but to work together toward lasting peace.” It notes to be “proud to contribute to justice, reconciliation, and hope in the coffee farming communities.”

Coffee Rwanda also states that coffee serves “as a vehicle for nation building in the aftermath of genocide. By helping to combat poverty among its 2,198 member farmers, COOPAC [cooperative] greatly improves their health as well. Another amazing thing about COOPAC is that it literally serves to help heal the wounds of the 1994 genocide. Women sort the beans by hand and as they do, they talk—building relationships between the genocide killers and the surviving victims—a meaningful and sustainable avenue for reconciliation.” We observed the same reconciliation pattern in DRC during interviews (see [Kolk & Lenfant, 2015b](#)). When young male ex-militia members were asked whether they would take up the arms again if their commanders would pay them more than the coffee revenues, they said they were not interested in returning to the militias because they were “tired of the war” and had “finally found a sense of purpose.” The efforts to rehabilitate the coffee sector in DRC had facilitated their reinsertion into the social life of the villages and reunited them with their families.

Interestingly, the peculiarities of the (post-) conflict setting were also mentioned by the CEO of Thanksgiving Coffee, although in a different manner: “We work closely with farmers. Though the cooperative certainly exists in a post-conflict context, it is neither the nature of our work nor our focus to analyze that legacy per se. While we are well aware of what happened in Rwanda in 1994, we are more concerned with the immediate economic reality, the opportunity for mutually beneficial business partnerships, and the ongoing procurement of high quality coffee at prices that make coffee production viable for the farmers.” The only mainstream firm that explicitly referred to the (post)conflict context was Sainsbury, which saw it as an incentive to “help gain exposure of our work through press and PR to improve sales and returns to farmers.”

#### 6.4. Broader implications for management

The way in which organizations can maintain progressive interactions with markets is to some extent shaped by the sector in which they operate, and the aspects discussed above apply to (agricultural) commodities or situations in which there are small producers or producer-buyer relationships for negotiating prices. However, there is also broader relevance considering the role of workers, livable wages, and fairness more generally, often highlighted by corporate involvement in global value and supply chains. The fate of (local) suppliers and workers then becomes an issue that firms investing in (post-)conflict and/or developing countries need to consider, sometimes as a result of global or industry standards to which they have committed themselves.

In the extractive industries, for example, firms are usually bound to adhere to certification mechanisms and guidelines, some of which have a fair wage component, but only a few tackle the issue of artisanal mining which plagues hundreds of thousands of informal miners who are left unprotected and work in very precarious conditions. A more progressive interaction would imply consideration of these problems in either community-oriented activities or through broader market or industry initiatives. Different than some of the (semi-) hybrid organizations analyzed in this article, however, mining companies in the area are most often involved in rather philanthropic activities following a donor-recipient model without addressing issues directly related to the conflict, such as artisanal mining, poor governance, or violence against women ([Kolk & Lenfant, 2012, 2015b](#)). Funding for service delivery prevails, as well as building physical infrastructure rather than strengthening capacities.

Managers operating in volatile environments need to be fully aware of the challenges they will face while doing development work, and lessons can be learned from the way (semi-)hybrids engage in such activities. Besides strengthening capacities and supporting empowerment programs, most (semi-)hybrids also fund community development by, for example, building schools, wells, or health posts; looking at the cause of the problem at stake; and providing structural and sustainable solutions. This requires acquiring specific expertise that is traditionally found in the non-profit sector, and has implications in terms of human resource management. The examples given above for the coffee sector may thus give food for thought for other organizations, as will also be discussed in Section 7.



## 7. Conclusions, implications, and recommendations

After exploring the peculiarities of more than 50 organizations operating in (post-)conflict contexts, this article suggests the existence of a hybridization continuum (Figure 1). A range of organizations (for-profit and non-profit) appear to have hybrid elements in their business models that help to promote peace and reconciliation. More traditional firms and non-profit organizations are found to also adopt socially oriented respectively financially oriented aspects in their objectives, perspectives, relationships, and in terminology. At least, that is the picture that emerges when considering all organizations with international linkages that operate in a difficult setting characterized by (post-)conflict and poverty conditions. This specific context thus already exposed clear signs of the “hybridization movement” as observed by Battilana and colleagues (2012, p. 55), who noted its essential characteristics to be “a fundamental convergence and reconfiguration of the social and commercial sectors, from completely separate fields to a common space.” They assumed it would take quite some time to materialize given path dependencies and difficulties of changing course in the short term, and not necessarily cover all organizations. However, our study suggests that in fragile settings this gradual transformation may go faster given the broad need to reduce conflict and further peace.

Table 2 contains key elements covered in this article the hybridity elements relevant for management and related practical challenges and recommendations, which we will discuss below, subsequent to the theoretical contributions. In describing the peculiarities of the various organizations along the hybridization continuum, with semi-hybrid organizations (both firms and non-profits) co-existing with the hybrid (‘ideal’) organization and with mainstream (social) firms and classic non-profits, the article included many quotes and practical examples. These may serve as inspiration for managers, even if the context of this study is different from the one in which they are active. Still, as many organizations interested in adopting at least some hybrid elements in their business models are likely to be confronted with situations of social need in their current or future activities, our specific setting also offers more direct lessons. They relate to the three preceding subsections in our article on the broader implications for management.

From a theoretical perspective, and in addition to contributing insights on the variety of hybridity and the hybridization continuum and an emerging ‘common space,’ the study indicates that (semi-)hybrid

forms of organization appear very appropriate in unconventional contexts in which states have been absent or under siege. In this way, we shed light on a further aspect that has been suggested but not examined in much detail in the literature thus far: the rise of the hybrid due to decreasing state influence and the consequent need for other actors to take (part of) this role. As research has mostly focused on Western settings with legally-enabled hybrid organizations, there has been limited attention to how this may work out more specifically in a sector/country context with a weak or largely lacking state, and where boundaries between public and private spheres have become most blurred. Furthermore, we concretely illustrate how hybrid organizational forms may work in situations characterized by market and government failures, as proposed by McKague and Oliver (2012, p. 123), who envisaged them to be “especially serviceable in low-income markets.” As suggested, such market-based solutions to poverty as part of hybrid business models include responsiveness to specific livelihood needs and to redressing power differentials often found in value chains.

Hybridity often translates in a broad set of relationships, with a variety of stakeholders both internally and externally, and a mission that reckons with social change in a longer term perspective. The context we studied clearly showed how particularly (semi-)hybrid organizations aimed at wider changes in markets and institutions. We took these ‘relational areas’ of hybridity from earlier studies in which they were mostly conceptually explained with a few illustrative examples, and specified them into key subdimensions and questions that guided the article (Table 1). This approach may be helpful for researchers working on hybrid organizations. We found that hybrids and semi-hybrids have a clear social agenda embedded in their organizational objectives and are more keen to engage with all stakeholders than their non-hybrid counterparts. In addition, (semi-)hybrids are directly involved in capacity building and development work at community levels, taking over tasks traditionally attributed to the public and social sectors. This raises challenges as to where the role of private and non-profit organizations ends and where that of the public sector begins, an issue relevant for both researchers and practitioners.

In addition to the aspects already mentioned above, this article pointed at the possible role of positive leadership, when translated in genuine care and in broad support for communities that also served to further coffee excellence. Earlier studies have suggested that certain types of organizational leadership (focused on employee empowerment and



Table 2. Hybridity dimensions and their relevance to management

Relational areas	Key subdimensions	Hybridity aspects relevant to management	Challenges	Recommendations
Positive social change as organizational objective	<ul style="list-style-type: none"> <li>• Social dimensions addressed in mission and outlook</li> <li>• Importance of human element, including positive leadership</li> </ul>	<ul style="list-style-type: none"> <li>• Consideration of social concerns and the longer term increases resilience in difficult and different circumstances</li> <li>• Personal commitment and leadership may attract/retain employees and customers</li> </ul>	Requires specific staff capabilities, and concomitant training and selection	<ul style="list-style-type: none"> <li>• Hire staff with social and empathy skills</li> <li>• Focus on inspirational managers and management styles</li> <li>• Ensure staff has knowledge of the context</li> </ul>
Mutually beneficial relationships with stakeholders	<ul style="list-style-type: none"> <li>• Organizations' perceptions of mutual benefits</li> <li>• Scope of relationships</li> </ul>	<ul style="list-style-type: none"> <li>• (For the organization): Costs of doing business and risks are likely to be lower</li> <li>• (In this case): Higher quality of inputs and outreach to supply chain from bean to cup</li> </ul>	Requires patience and willingness to invest longer-term in relationships	<ul style="list-style-type: none"> <li>• Train staff on how to engage with communities / NGOs</li> <li>• Encourage staff to travel, learn from, and live with local (farming) communities</li> </ul>
Progressive interactions with markets and institutions	<ul style="list-style-type: none"> <li>• Organizations' perceptions of progressive interactions</li> <li>• Broader dimensions of markets and institutions, including development/peace</li> </ul>	<ul style="list-style-type: none"> <li>• Undertaking development activities and improving market conditions for suppliers can increase societal license to operate</li> <li>• Encouraging reconciliation may be a powerful marketing tool (coffee for peace)</li> </ul>	Requires balancing act vis-à-vis the state and view on organizational role in this regard	<ul style="list-style-type: none"> <li>• Move beyond a business as usual approach as that does not suffice</li> <li>• Delineate the right balance between organizational goals and societal contributions/role</li> </ul>

Note: Relational areas in the first column are derived from [Haigh and Hoffman \(2012\)](#). Other columns are directly related to the analysis in the article.

participatory decision making—that is, providing a voice) may contribute to peace ([Fort & Schipani, 2003](#); [Spreitzer, 2007](#)), to which we added further dimensions concerning communities and other stakeholders as well as interactions with markets and institutions. Positive leadership in such complex environments seems predicated on the notion that communities are at the heart of a business model focused on both economic and social value creation. This applies to all organizations, not only those in the coffee sector; in mining, for example, reckoning with artisanal miners in the official mining process would demonstrate positive leadership that is likely to pay off. Such an approach is not only good for

communities but also for firms, given lower costs of doing business and reputational benefits.

Referring back to the literature on business for peace, hybrid organizational forms share characteristics with peace entrepreneurs and ethical firms mentioned in that body of work. They result from an entrepreneurial mindset, as evidenced by the resilience exhibited to do business in extreme circumstances, adding to the challenge of balancing organizations' economic and social purposes. In addition, they show similarities with ethical firms in that the way they operate and the type of relationships they build creates a climate conducive to peace and reconciliation. While

ethical business offers opportunities for human interactions that can sow the seeds of unity and reconciliation (Fort, 2007; Frederick, 1995), this space is usually located at the level of the firm. Hybrid organizations add a broader reconciliation component by strengthening ties with the communities with which they work and by promoting a sense of togetherness. Seen in that light, the hybrid forms that we found add to current insights by presenting distinctive structures from which many organizations can learn when operating in (post-) conflict and fragile settings.

Interestingly, our study suggests the importance of the human element more broadly, as relationships are not merely based on business transactions. We came across clear expressions of interest in coffee farmers and their personal histories during business trips, in a few cases inspiring and/or forming the basis for newly created (semi-)hybrid organizations. Managers often made conscious efforts by traveling through challenging circumstances in order to meet farmers and their families in remote areas, contributing to a climate of trust. In addition, (semi-)hybrids and traditional firms with some kind of hybridity in their business models showed dedication to spreading the story behind the coffee present on retailers' shelves. Numerous accounts of such personal stories were documented in trip reports and on (semi-)hybrids' websites.

In Rwanda, where the genocide left profound wounds within the population, (semi-)hybrids have been involved in activities aimed at bringing about reconciliation and fostering trust; in DRC, coffee activities appear to have a comparable effect. This is essentially done by stimulating young (ex-)rebels to (help) grow coffee for a cooperative that will sell to a (semi-)hybrid for a fair price, and by instilling a sense of community and togetherness which seems to attract former combatants to reintegrate and return to their villages. Central to 'conflict transformation,' a term coined by John Paul Lederach (2003, p. 43), is a process that "provides adaptive responses to the immediate and future iterations of conflict episodes, and addresses the deeper and longer term relational and systemic patterns that produce violent, destructive expressions of conflict." By offering such adaptive responses to a challenging setting, (semi-)hybrid types of organizations seem to bring elements of answers to the problems commonly found in a context of protracted violence and missing institutions. Obviously, the possibilities offered by the hybridization movement in fragile regions need further study, preferably covering multiple organizations, also in other contexts, and with additional data sources to address the limitations that we faced.

At the same time, our study already suggested the importance of the human and emotional aspects of doing business, in which other types of attitudes, behaviors, and inspirational leadership based on empathy and genuine compassion came to the fore. These lessons extend beyond the specific case setting, as already indicated in earlier sections. The ability to lead, communicate, and understand human needs in very different circumstances seems necessary in managing organizations, and thus requires attention in training and recruitment activities (see Table 2). Interestingly, the crucial role of the individual level in driving organizations' social behavior has recently received more attention, although mostly conceptually, leading to calls for more in-depth research on employees and consumers (Aguinis & Glavas, 2012; Kolk, Vock, & Van Dolen, *in press*). Human needs outside organizations can evoke emotional reactions and arouse empathy on the part of individuals in organizations, and can result in strong feelings to help others. This behavior can be driven by altruistic or so-called 'warm-glow' motives, with the latter meaning that "people help others in order to feel good about themselves," an effect seen to fit in between egoism and altruism (Allison, McKenny, & Short, 2013).

While we could only touch upon these aspects, the organizations in our study appear to have a clear human focus, which may help managers to choose amongst the options to their avail in seeking to address social needs (see Table 2). We found that such organizations (strive to) adopt (elements of) a different business model that aims to balance care for the product and the producers with (intangible) benefits for communities, consumers, and the organization. Educating customers to pay a higher price for coffee is good for the communities involved, and may pay off for organizations as well, although the precise impact needs a more detailed assessment. Still, this combination of aspects is likely to appeal to individuals who find it particularly attractive to work for organizations with higher degrees of hybridity. Concurrently, as hybrid business models imply that organizations enter partly uncharted terrains (undertaking activities traditionally belonging to public and/or non-profit sectors), they need to seek staff that already has or can develop these capabilities. Building a company culture where 'social' work is rewarded and community concerns are included in the organization's mission would help. Finally, although managers are likely to face challenges when engaging in social/development work, it will also offer opportunities for both organizations and society more broadly, especially in helping to promote peace and reconciliation.

## Appendix.

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
Cafédirect	Firm	RWA	UK	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Coffee Rwanda	Firm	RWA	USA	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Equal World	Firm	RWA	USA	1	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Growers First Coffee	Firm	RWA	USA	1	Strong	Strong	Strong	Strong	niche specialty coffee	Strong
Rogers Family Coffee	Firm	RWA	USA	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Schluter	Firm	DRC/ RWA	SWI	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Sustainable Harvest	Firm	RWA	USA	1	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Thanksgiving Coffee	Firm	RWA	USA	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Thousand Hills	Firm	RWA	USA	1	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong

Appendix. (Continued)

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
Allegro Coffee	Firm	RWA	USA	2	Strong	Medium	Medium	Strong	niche/ specialty coffee	Strong
Ancora Coffee Roasters	Firm	RWA	USA	2	Strong	Medium	Medium	Strong	niche/ specialty coffee	Strong
Atlas Coffee	Firm	RWA	USA	2	Medium	Strong	Strong	Strong	niche/ specialty coffee	Strong
Bull Run Coffee	Firm	RWA	USA	2	Medium	Medium	Strong	Strong	niche/ specialty coffee	N/A
Counter Culture Coffee	Firm	RWA	USA	2	Strong	Strong	Medium/ Strong	Strong	niche/ specialty coffee	Strong
Dean's Beans	Firm	RWA	USA	2	Strong	Strong	Medium/ Strong	Strong	niche/ specialty coffee	Strong
Fratello Coffee Roasters	Firm	RWA	CAN	2	Medium	Strong	Medium/ Strong	Strong	niche/ specialty coffee	Strong
Groundwork Coffee Company	Firm	RWA	USA	2	Strong	Strong	Medium/ Strong	Medium	niche/ specialty coffee	Strong
Intelligentsia Coffee	Firm	RWA	USA	2	Medium	Strong	N/A	Strong	niche/ specialty coffee	N/A
Silverback Coffee of Rwanda	Firm	RWA	USA	2	Medium	Strong	N/A	Strong	niche/ specialty coffee	Strong

Appendix. (Continued)

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
Stumptown Coffee Roaster	Firm	RWA	USA	2	Strong	Strong	Medium	Strong	niche/ specialty coffee	Strong
Georges Howell Coffee	Firm	RWA	USA	2	Strong	Strong	N/A	Strong	niche/ specialty coffee	N/A
Union Hand-Roasted Coffee	Firm	RWA	UK	2	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Café Liégeois	Firm	RWA	BEL	3	Medium	Low	N/A	Strong	mainstream plus fair trade/ specialty	Medium
Green Mountain	Firm	RWA	USA	3	Medium/ Strong	Medium	N/A	Strong	mainstream plus fair trade/ specialty	Strong
Peet's Coffee (JAB)	Firm	RWA	USA	3	Medium	Low	N/A	Strong	niche/ specialty coffee	Strong
Rombouts	Firm	RWA	BEL	3	Medium	Low	N/A	Medium	niche/ specialty coffee	Low
Starbucks	Firm	RWA	USA	3	Medium/ Strong	Low	N/A	Strong	mainstream plus fair trade	Medium
Canterbury	Firm	RWA	CAN	4	Low	Low	Low	Low	niche/ specialty coffee	N/A



Appendix. (Continued)

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
Community Coffee	Firm	RWA	USA	4	Low	Low	Low	Low	mainstream plus green	N/A
InterAmerican Coffee (Neumann)	Firm	DRC/ RWA	USA	4	Low	Low	N/A	Low	niche/ specialty coffee	Low
Marks & Spencer	Firm	RWA	UK	4	Low	Low	N/A	Medium	mainstream plus fair trade	Low
Paramount Coffee	Firm	RWA	USA	4	Low	Low	N/A	Medium	mainstream plus fair trade	N/A
Rwacof/Sucafina	Firm	RWA	SWI	4	Low	Low	N/A	Medium	niche/ specialty coffee	Low
Sainsbury's	Firm	DRC/ RWA	UK	4	Low	Low	N/A	Medium	mainstream plus fair trade	Medium
Volcafe (ED&F Man)	Firm	RWA	SWI	4	Low	Low	N/A	Low	mainstream	Low
Coopac	Cooperative /Firm	RWA	RWA	5	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Misozi Coffee Company	Cooperative /Firm	RWA	RWA	5	Strong	Strong	N/A	Strong	niche/ specialty coffee	Medium
Rwashosco	Cooperative /Firm	RWA	RWA	5	Medium/Strong	Strong	Medium	Strong	niche/ specialty coffee	Medium

Appendix. (Continued)

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
Sopacdi	Cooperative	DRC	DRC	5	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
PEARL	NGO	RWA	USA	5	Strong	Strong	Medium	Strong	niche/ specialty coffee	Strong
Technoserve	NGO	RWA	USA	5	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
The Well Coffeehouse	NGO	RWA	USA	5	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Twin	NGO/Firm	DRC/ RWA	UK	5	Strong	Strong	Strong	Strong	niche/ accompagnier	Strong
UGEAFI	NGO/ Cooperative	DRC	DRC	5	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
ACDI-VOCA	NGO	RWA	USA	6	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Café Africa	NGO	DRC	SWI	6	Strong	Strong	N/A	Strong	N/A	Strong
CCFD-Terre Solidaire	NGO	DRC/RWA	FR	6	Strong	Strong	N/A	Strong	N/A	Strong
COMEQUI	NGO	DRC	BEL	6	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Fair Trade USA	NGO	RWA	USA	6	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong

## Appendix. (Continued)

Name	Type (firm, NGO, cooperative or combination)	Country of activity (DRC or Rwanda)	Country of origin	Type/ degree hybrid- ization	Organizational objective			Mutual Relation- ships	Interaction with markets and institutions	
					Socially/ environmentally embedded mission	Longer- time horizon	Positive leadership		Coffee market orientation	Contribution to development/ peace
ICCO	NGO	DRC	NL	6	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
Oxfam Novib	NGO	DRC	NL	6	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong
SNV	NGO	RWA	NL	6	Strong	Strong	N/A	Strong	niche/ specialty coffee	Strong
Solidaridad	NGO	DRC	NL	6	Strong	Strong	Strong	Strong	niche/ specialty coffee	Strong

Note [1]: To avoid simplistic yes/no answers that fail to do justice to hybridization as a process whereby some elements can be present yet with different degrees of prominence, we chose to differentiate for most aspects in strong, medium, or low, as follows. An organization with 'strong' gives specific and detailed information (often in a verifiable manner) about a particular dimension; with 'medium,' some information, yet less specific; and 'low,' little or no information. Organizations scoring high ('strong') on all the dimensions (or that identified themselves as social enterprises or B corporations) were considered as hybrid, those scoring strong on 3 (of the 4) dimensions as semi-hybrid. As noted in the article, 'scores' are not meant to give a normative judgment in terms of 'good' or 'bad,' but to provide insight and thus illustrate hybridity; we also acknowledge that the scores stem from a specific moment in time.

Note [2]: Caution is needed because our findings are to a considerable extent based on self-reported information, although we have checked the information and triangulated where possible. For example, during our field trip we asked for confirmation of firms' statements by NGOs, cooperatives, and/or external experts. Furthermore, and as shown in earlier research, the more extensive (and sometimes externally verified) the information is, the greater the likelihood that statements are correct. Still, the (partial) reliance on self-reporting at a specific time of study are caveats. Furthermore, assessments of qualitative information always imply some degree of interpretation, with which we have dealt as good as possible.

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