



UNIVERSIDADE CATÓLICA PORTUGUESA

**Microsoft BizSpark in Portugal**  
**How to Enhance Entrepreneurship through the**  
**Creation of Shared Value**

Mariana Duarte de Oliveira Gonçalves

Advisor: Susana Frazão Pinheiro

Dissertation submitted in partial fulfillment of the requirements for the degree of MSc in  
Business Administration at Católica-Lisbon School of Business & Economics

September 2014

## **ABSTRACT**

### *Microsoft BizSpark in Portugal: How to Enhance Entrepreneurship through the Creation of Shared Value*

Over the years we have seen a growing awareness of consumers and investors concerning companies' good practices. Corporate Social Responsibility has been gaining ground and has now become part of several companies' strategic plan as a means of creating a win-win situation for themselves and for society through the creation of Shared Value.

In this context, we thought it pertinent to introduce BizSpark, a global Microsoft's three-year program that supports technological startups by providing them with free software and giving the opportunity to access a wide network of partners, through a case-study. The focus of this dissertation is on the impact of the BizSpark program in the Portuguese entrepreneurial environment and, consequently, the national competitiveness.

With the BizSpark program, Microsoft is filling a gap in society, the lack of support to early-stage startups, and is simultaneously improving its competitive context. BizSpark plays a fundamental role in enhancing the entrepreneurship in Portugal once its helps startups to overcome one of their biggest barriers, the fear of failure. In order to be effective, the entire organization including leadership should be committed to implementing Shared Value.

## SUMÁRIO

### *Microsoft BizSpark em Portugal: Como Dinamizar o Empreendedorismo através da Criação de Valor Partilhado*

Ao longo dos anos a preocupação de consumidores e investidores quanto às boas práticas das empresas tem vindo a crescer. A Responsabilidade Social Empresarial tem vindo a ganhar terreno e hoje em dia faz parte do delineamento estratégico de muitas empresas como forma de criar benefícios quer para estas quer para a sociedade através da criação de Valor Partilhado.

Neste sentido, achámos pertinente apresentar na forma de um estudo de caso o BizSpark, um programa global de três anos desenvolvido pela Microsoft que apoia startups tecnológicas, fornecendo-lhes software de forma gratuita e a oportunidade de aceder a uma vasta rede de parceiros. Nesta dissertação o nosso foco recai sobre o impacto do programa BizSpark sobre o empreendedorismo em Portugal e, conseqüentemente, na competitividade nacional.

Através do programa BizSpark, a Microsoft está a cobrir uma falha na sociedade, a falta de apoio a startups que se encontram na sua fase inicial, e está simultaneamente a melhorar o seu contexto competitivo. O BizSpark tem um papel fundamental na dinamização do empreendedorismo em Portugal, uma vez que ajuda as startups a superar uma das suas maiores barreiras, o medo de falhar. De modo a ser eficaz, deverá haver uma responsabilização de toda a organização, incluindo a liderança desta, na criação de Valor Partilhado.

## **ACKNOWLEDGMENTS**

This dissertation represents one of the biggest challenges that I have faced during my academic life and, thus, I would like to express my gratitude for the support and collaboration that I have received from those I am going to mention. Firstly, I would like to thank my parents, Maria Henriques and Rui Gonçalves, for always considering my education a priority and for never doubting my willingness of accomplishing my goals. Secondly, I would like to dedicate a special thanks to my friends Ana Mão de Ferro, Joana Quintanilha and Luís Soares Lopes for always supporting and encouraging me, not only during the realization of this dissertation, but also during the entire Master period.

I would like to thank my advisor Susana Frazão Pinheiro for accepting my enrollment in the Entrepreneurship and Development seminar and for allowing me to develop this dissertation within the scope of the Shared Value topic. Furthermore, I would like to thank her for always being available to help me in whatever and whenever I needed despite her professional and academic commitments.

Besides my advisor, I would like to thank all my professors for sharing with me their valuable knowledge during my master at CLSBE.

Finally, I would like to thank Microsoft for sharing with me key information and for the readiness to conduct an interviewee which was of extreme importance to conclude this dissertation.

## TABLE OF CONTENTS

ABSTRACT	ii
SUMÁRIO	iii
ACKNOWLEDGMENTS	iv
TABLE OF CONTENTS	v
LIST OF ACRONYMS	vii
TABLE OF ANNEXES AND EXHIBITS	viii
Chapter 1: INTRODUCTION	9
Chapter 2: LITERATURE REVIEW	11
2.1 CSR vs Corporate Philanthropy	12
2.2 Positions Concerning CSR	13
2.3 The Emergence of Shared Value	15
2.4 How do companies create Shared Value?	16
2.4.1 Reconceiving Products and Markets	16
2.4.2 Redesigning the Value Chain	16
2.4.3 Enhancing the Development of Local Clusters	17
2.4.3.1 Supporting Startups through Regional Clusters	18
2.5 Measuring Shared Value	20
2.6 The Impact of CSR Initiatives on Customers Identification	22
2.6.1 Awareness, Attributions, Attachment, Attitudes	22
2.6.2 Alignment between CSR activities and Strategy	23
2.6.3 Reputation	23
2.6.4 Purchasing Decision	23
2.7 Greenwashing	24
2.9 Annexes	26
Chapter 3: CASE STUDY	30
3.1 Introduction	30
3.2 Vision, Mission and Organizational Structure	31
3.3 Microsoft Leadership	31
3.4 Corporate Citizenship	33
3.4.1 Serving Communities	34
3.4.2 Working Responsibly	35
3.5 Citizenship Awards	36

3.6 BizSpark	37
3.6.1 The Programme	37
3.6.2 Program Structure and Roles	38
3.7 Portuguese Context	38
3.7.1 An Entrepreneurial Europe	40
3.8 Microsoft in Portugal	41
3.8.1 Microsoft BizSpark in Portugal	42
3.8.1.1 BizSpark Network Partners in Portugal	43
3.8.1.2 Financing	43
3.8.1.3 Portuguese Cases of Success	44
3.9 Exhibits	45
Chapter 4: Teaching Notes	54
4.1. Case Summary	54
4.2 Learning Objectives	55
4.3 Teaching Questions	56
4.4 Suggested Teaching Methods	56
4.5 Analysis and Discussion	56
4.6 Exhibits	62
Chapter 5: CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH	64
5.1 Conclusions	64
5.2 Limitations and Future Research	66
BIBLIOGRAPHY	67

## **LIST OF ACRONYMS**

CEO – Chief Executive Officer

CIM – Corporate Identity Mix

C<sub>N</sub>SR – Consumer Social Responsibility

CSR – Corporate Social Responsibility

EC – European Commission

ESG – Environmental, Social and Governance

EU – European Union

EUGA – European Union Grants Advisor

FY – Fiscal Year

GE – General Electric

IT – Information Technology

IU – Innovation Union

KPI – Key Performance Indicators

MS – Microsoft

NCMEC – National Center for Missing & Exploited Children

NGO – Non-Governmental Organization

OEM – Original Equipment Manufacturer

PC – Personal Computer

R&D – Research and Development

SaaS – Service as a Solution

SIF – Social Investment Forum

SME – Small and Medium Enterprises

SRI – Socially Responsible Investment

SV – Shared Value

UN Global Compact – United Nations Global Compact

USA – United States of America

## TABLE OF ANNEXES AND EXHIBITS

Annex 1: Evolution of CSR research since the 1950s	26
Annex 2: Actor's Mechanisms to Influence Social Change	26
Annex 3: Convergence of Interests	27
Annex 4: Shared Value	27
Annex 5: Business and Social Results by Level of Shared Value	27
Annex 6: Integrating Shared Value Strategy and Measurement	28
Annex 7: Understanding the Purpose of Measurement	28
Annex 8: Placing Corporate Reputation in a casual model	29
Annex 9: A Typology of Firms based on Environmental Performance and Communication	29
Annex 10: Drivers of Greenwashing	29
Exhibit 1: Operating Segments	45
Exhibit 2: Number of Workers per Section	45
Exhibit 3: Microsoft Segment Revenue (In Millions)	46
Exhibit 4: Organizational Charts	46
Exhibit 5: Microsoft's Stakeholders	46
Exhibit 6: Global Compact's 10 Principles	47
Exhibit 7: YouthSpark Hub	48
Exhibit 8: Technology for Good	49
Exhibit 9: Employee Giving	49
Exhibit 10: Microsoft Global Giving	49
Exhibit 11: Microsoft Employees Feedback	50
Exhibit 12: Microsoft Carbon Fee	50
Exhibit 13: BizSpark – Levels of Relationships	51
Exhibit 14: BizSpark Network Partners in the World	51
Exhibit 15: BizSpark Startups in the World	51
Exhibit 16: Thresholds of SMEs	52
Exhibit 17: How do you see entrepreneurship?	52
Exhibit 18: “Flagship Initiatives” of Europe 2020	53
Exhibit 19: Microsoft Ventures Partners in Europe	53
Exhibit 20: Portuguese BizSpark Startups – Cases of Success	53
Exhibit 21: The Building Blocks of Creating Shared Value	62
Exhibit 22: The Four Elements of Competitive Context	62
Exhibit 23: Conceptual Framework	63



## Chapter 1: INTRODUCTION

We developed this dissertation within the scope of the Entrepreneurship and Development seminar. Our main goal is to enhance the importance of companies pursuing a Shared Value (SV) approach that simultaneously brings benefits to companies and to all stakeholders affected by their activities. We intend to clarify the readers with regard to this topic by analyzing the specific case of the BizSpark program and how Microsoft is addressing social issues with it and benefiting the company in the long-term.

We start with a summary of the main literature regarding the evolution of CSR and the emergence of SV so the reader is able to better understand the theory behind the BizSpark program. Thereafter, we analyze in more detail the BizSpark program and its impact in the Portuguese entrepreneurial environment and we propose teaching notes on the case study linking theory to practice followed by concluding remarks.

In Chapter 2 dedicated to the *Literature Review* we started by stating the difference between CSR and Corporate Philanthropy and the divergent positions of different authors concerning the role that CSR should play inside of a company, if economic values should overlap social ones or the opposite, or if these two dimensions should coexist without being mutually exclusive creating what is called SV and that is subsequently described by us. We continue by indicating the different ways of creating SV, focusing particularly on how it is possible to create SV by enhancing the development of local clusters on sub-chapter 2.4.3.1 dedicated to *Supporting Startups through Regional Clusters*. In the following sub-chapters we reflect about the importance of measuring SV and we expose the opinion of different authors on the sub-chapter concerning 2.6 *The Impact of CSR Initiatives on Customers Identification*. We conclude our *Literature Review* by reporting Greenwashing practices that threaten to damage what has been done in the CSR field.

For Chapter 3 – the *Case Study* – we collected detailed information about the BizSpark program in Portugal through a face-to-face interview conducted in Microsoft Portugal headquarters with Henrique Carreiro, responsible for Academic and Startup Initiatives at Microsoft Portugal. In addition, we used Microsoft's Corporate Citizenship Report 2013 and Annual Report 2013 as well as Microsoft's international website dedicated to BizSpark.

Moreover, it was possible to complete our case study through the access to news dedicated to Microsoft, to Bill Gates and his life as philanthropist and to BizSpark.

The Case Study starts with a presentation of Microsoft, its Vision, Mission and Organizational Structure, and of Bill Gates as one of Microsoft's leaders. This presentation of Gates aims to reflect how his life as philanthropist may have influenced the evolution of CSR activities inside Microsoft. Then we make a summary of some Microsoft's Corporate Citizenship activities which range from *Serving Communities* to *Working Responsibly*. We proceed by introducing the BizSpark program, its structure and roles. In order to analyze the impact of BizSpark in Portugal, we conducted a contextualization of the entrepreneurial environment in Portugal. We have also dedicated one sub-chapter to the European entrepreneurial environment, once Portugal is highly impacted by external decisions as an European Union member state. At least, we focused ourselves on BizSpark in Portugal, which are the Portuguese Network Partners, how financing is conducted and we conclude with interesting stories of well succeeded Portuguese startups that have enrolled in this program.

The Chapter 4 dedicated to *Teaching Notes* aims to provide some guidance to professor for in-class discussion. These ones start with a *Case Study Summary* followed by the *Learning Objectives* with this one. We then present the *Teaching Questions* and the *Suggested Teaching Methods* to address these ones. We finalize this chapter with an *Analysis and Discussion* which aims to provide some guidelines to students to answer the TQs. As it happened with Chapter 3, we also supported this chapter with exhibits that illustrate the frameworks used along the *Analysis and Discussion*.

Lastly, we present on Chapter 5 our *Conclusions, Limitations* and *Future Research* recommendations followed by the bibliography used by us to conduct this dissertation and that can be consulted by the reader.

## Chapter 2: LITERATURE REVIEW

Nowadays, thinking that business bears responsibilities towards society is taken for granted (Lantos, 2001). However, it has not always been this way and the concept of CSR has evolved over the years as issues concerning corporate and political environment have also changed and turned more complicated (see Annex 1).

This concept as resulted mainly from the need to enhance sustainable development and to evaluate the impact of a business over all stakeholders (Kleine & Hauff, 2013). According to Lantos (2001), business is judged according to economic criteria but also non-economic criteria. Corporations are exposed to social sanctions that force them to foster social growth and development (Devinney, 2009).

CSR initiatives have not only “*primary*” outcomes on the company, but also “*secondary*” outcomes on partners and on the social issue that is the reason of their existence (Bhattacharya, C. and Sen, S., 2004). According to Bhattacharya and Sen (2004), CSR initiatives can be part of six different groups:

1. *Community Support* (e.g., initiative that support health or educational programs);
2. *Diversity* (e.g., gender , race or sexual orientation);
3. *Employee Support* (e.g., initiatives concerning the safety of employees);
4. *Environment* (e.g., environmental friendly products, avoiding animal testing or recycling);
5. *Non-National Operations* (e.g., initiatives in foreign countries to fight for human rights that are being violated);
6. *Product* (e.g., product safety or avoiding “greenwashing”).

There is an increased number of multinational corporations that are putting social issues at the core of companies’ strategy and operations. This approach differs a lot from the traditional concept of CSR which is generally seen by companies as the obligation to follow environmental and social regulations, initiatives to improve their reputation, or simply charity; all these are activities that have no relation with companies’ core business.

This new approach, which is entitled as Shared Value (SV), was developed by Porter and Kramer (2011) and these two authors believe that SV is a powerful new concept that is able to improve the relationship between capitalism and society (Kania & Kramer, 2011).

Employees, stakeholders, governments and NGOs can behave like actors that influence companies to pursue positive changes in terms of social responsibility activities (Aguilera, Rupp, Williams, & Ganapathi, 2007) – (see Annex 2). Choosing to follow or not to follow a SV strategy is therefore a decision that can be influenced by diverse factors such as customers, employees, CEOs, markets or external events (Kania & Kramer, 2011).

## **2.1 CSR vs Corporate Philanthropy**

For a long time economic and social objectives have been seen as two dimensions that do not match (M. Porter & Kramer, 2002). Companies could not be efficient and at the same time be focused in the social impact of their activities. Thus, companies had been encouraged to just focus on business issues such as ensuring the creation of value for their shareholders or to compensate society for any damage caused by their business in order to preserve their reputation.

As a consequence, there was no link between companies' core business and their social responsibility activities and consequently no incremental value was created (Bockstette & Stamp, 2011). This could be the result of the difficulty to understand the vast concept of CSR and accept its legitimacy (Lantos, 2001). That way, CSR is often confused with Corporate Philanthropy, two concepts with two different meanings (Kakabadse, Rozuel, & Lee-Davies, 2005).

According to Lantos (2001), philanthropic CSR, in a humanitarian and altruistic perspective, is an “*interest in doing good for society regardless of its impact on the bottom line*” and should not be fostered. Rather he defends that philanthropic CSR when used strategically as a marketing tool to improve a company's reputation is worthwhile once it will positively impact a company's financial situation.

However, according to Porter and Kramer (2002) strategic philanthropy is often a range of corporate contribution programs that are related in nothing (or mostly nothing) with a

company's core business. In these two authors perspective this is just positive publicity that generates “*goodwill among employees, customers and the local community*” and does not intend to improve the competitive context of a company<sup>1</sup>.

Over the long run what is good for shareholders will also be good for the stakeholders since everybody desires a “*strong economy, well paid employees, a healthy and clean environment and socially tranquil society*” (Reich, 1998). Within this framework of thought, philanthropy is truly strategic when it is “*context-focused*” creating a convergence of social and economic interests (M. Porter & Kramer, 2002) – (see Annex 3).

## 2.2 Positions Concerning CSR

Carr (1996) has the most extreme position concerning CSR and compares bluffing in business with bluffing during a poker game to defend that the morality of the bluffer is not visible. He relies on a “*pure-profit maximizing view*” (Lantos, 2001) and defends that “*to be a winner, a man must play to win*”; as long as a manager stays within the legal rules of the game, they will tend to bluff in order to avoid losses (Carr, 1996). Thus, a company's CSR, beyond complying with its economic responsibilities, should be to act within the law.

Milton Friedman has a “*constrained profit-making view*” concerning CSR (Lantos, 2001). Although he assumes that there are situations in the long-run where a company fulfils its interests and the social ones at the same time, Friedman defends that “*there is one and only one social responsibility of business – to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception and fraud*” (Friedman, 1970). Thus, a company is created to generate profits and achieve the optimum for the individuals that make part of it and not for society as a whole (Devinney, 2009). Friedman relies on Adam Smith position who defends that profitability is the ultimate social responsibility of business when it is in accordance with ethics and law (Kakabadse et al., 2005). Therefore, Friedman's point of view is similar to Carr's once both defend economic values to the detriment of social ones. However, according to Friedman besides maximizing shareholders value companies should

---

<sup>1</sup> Note: *Cause-related marketing* was one of the first practices that were associated to “*strategic philanthropy*”. Being a sponsor of the Olympic Games is an example of cause-related marketing where companies have access to wide exposure and are associated to excellence.

develop their activities in accordance with the law and should be ethic and honest, a virtue that Carr discards as not being necessary to achieve success (Lantos, 2001).

Friedman (1970) describes managers as the agents of individuals who own the company and, therefore, their first responsibility should be to defend the interests of these individuals according with the Agency theory framework (Kakabadse et al., 2005). In his perspective, when managers incur in expenses to reduce pollution more than it is required by law, they are not acting as agents but as a principals, reducing stockholders money. Managers are “*fiduciaries*” according with the law; they are only agents of the company’s investors (Reich, 1998). Stockholders, employees or customers are the ones that should decide how to spend their money as part of a free society (Friedman, 1970). Lantos (2001) also defends that philanthropic expenses are not legitimate and companies should limit “*altruistic CSR*” to “*strategic CSR*” which is good for society and for the business.

Contrary to Friedman, Freeman (2001) includes in his perspective the existence of stakeholders, defending a “*social aware view*”. These ones are “*groups and individuals who benefit from or are harmed by, and whose rights are violated or respected by, corporate actions*” (Freeman, 2001). The stakeholder model is a response to Friedman’s perspective that shareholders are the only ones that need to be taken into consideration in business decisions (Lantos, 2001). According to the *stakeholder enabling principle* companies’ management should be developed taking into consideration the interests of stakeholders and according to the “*principle of director responsibility*” companies’ management should balance the relationship among these stakeholders; if managers do not follow these two principles, stakeholders may accuse managers of not honoring their obligations according with the “*principle of stakeholder resource*” (Freeman, 2001).

Carroll (1979) proposed a four-part definition of CSR which is the extreme opposite of Carr’s perspective, a “*community service view*” (Lantos, 2001). Social responsibility must include *economic* (the responsibility to produce goods or services needed by society and generate profit), *legal* (society expects that business accomplish its economic obligation meeting at the same time legal requirements), *ethical* (economic and legal responsibilities include ethical responsibilities that sometimes are not mentioned in laws and, therefore, can be very ambiguous) and *discretionary/philanthropic* (these responsibilities are voluntary and optional) categories of business performance (Carroll, 1979). Carroll (1979) includes philanthropy in

this model but, although he believes charity is desired, he argues that is less important than the other three dimensions (Kakabadse et al., 2005). As stated by Lantos (2001), the difficulty to accept the legitimacy of CSR may come from the not succeeded distinction between ethical and philanthropic dimensions.

### **2.3 The Emergence of Shared Value**

The convergence of interests described by Porter and Kramer (2002) was further developed by them into a new concept, the concept of SV. The principle of SV is a new concept of CSR which goes beyond the creation of economic value. The main goal of a company should be, more than to increase its profits, the creation of SV through practices that enhance its competitiveness and simultaneously contribute to improve economic and social conditions of communities (M. Porter & Kramer, 2011).

Sometimes CSR activities are seen by companies as a cost to improve their reputation. However, addressing social issues such as wasted energy or employees' education will not necessarily mean increased costs. This can be an opportunity for companies to be innovative and redesign their operations that can result in higher levels of productivity; thus, social engagement should be seen as a long-term investment essential to business success (Bockstette & Stamp, 2011).

In order to be succeeded, a company needs to follow a strategy that fosters a healthier society, and the opposite is also true; in order to be healthy, society needs successful companies (M. Porter & Kramer, 2006). As stated by Reich (1998), "*corporations are social creations whose very existence depends on the willingness of societies to endure and support them*".

There are a wide range of factors that contribute to a healthier society such as education, health care, working conditions and, moreover, a good government that protects consumers and competitors through regulation. This dependence between companies and society can be seen as a vicious circle. Porter and Kramer (2006) suggest that both companies and society need to pursue the principle of SV and must set aside their own interests in order to ensure long-term benefits for both sides (see Annex 4).

## **2.4 How do companies create Shared Value?**

According to Porter and Kramer (2011), companies can create social value through three different ways: by *reconceiving products and markets*, *redesigning the value chain* and *enhancing the development of local clusters* (see Annex 5). These three dimensions belong to the *virtuous circle of shared value*: when one dimension is improved in terms of value created, other opportunities appear in the other two dimensions.

### **2.4.1 Reconceiving Products and Markets**

Companies can address social issues by better serving existing markets, entering in new ones or decreasing their costs through innovation (Bockstette & Stamp, 2011). For instance, Porter and Kramer (2011) give the example of healthier food or environmentally friendly products or services created to serve disadvantaged communities. Once the social needs of these communities are even deeper, companies have more opportunities to create products or services that will create both benefits to society and the business.

For instance, General Electric has developed the Ecomagination initiative with the goal of reengineering GE products in order to reduce environmental impact. This initiative achieved \$17 billion in revenues in 2008 (Bockstette & Stamp, 2011) and increased to \$18 billion in 2009 (M. Porter & Kramer, 2011). GE also created the GE Company's Healthymagination program when it recognized the need of developing cheaper and mass-market technologies and treatments more accessible to an emergent middle-class in developing countries and able to fulfill new demands for cheaper health services in developed countries (Bockstette & Stamp, 2011).

### **2.4.2 Redesigning the Value Chain**

Externalities create costs for companies and it is not necessarily due to regulation or taxes. If we think about excess packaging or wasted water, these are examples of practices that raise social issues and also increase costs for companies. By redesigning the value chain, companies create a benefit to society and to themselves. For instance, Wal-Mart reduced its packaging and rerouted its trucks in 2009, which allowed the company to save \$200 million without compromising the shipped products (M. Porter & Kramer, 2011).



In 2008, Coca-Cola established the goal of improving water efficiency by 20% by 2012 from a 2004 baseline. Coca-Cola achieved that goal without decreasing its levels of production, on the contrary; Coca-Cola expanded its product portfolio, increased production levels and consequently has already established a new goal until 2020 concerning water efficiency (The Coca-Cola Company, 2012).

### **2.4.3 Enhancing the Development of Local Clusters**

Finally, companies can create SV by enhancing the development of local clusters. As Porter and Kramer (2011) suggest, a company depends on clusters composed by other companies and infrastructures surrounding it (schools, universities, clean water, fair-competition laws and so on). Clusters strongly influence the productivity and innovation of a company. If local employees lack education, the productivity of the company will be affected by it. Furthermore, developing countries are well known by their roads in bad conditions and poor transportation. This means higher costs for companies that want to establish operations in those countries. Companies may build clusters that address these issues, creating SV and filling existing gaps.

*“When a firm builds clusters in its key locations, it also amplifies the connection between its success and its communities’ success. A firm’s growth has multiplier effects as jobs are created in supporting industries, new companies are seeded, and demand for ancillary services rises. A company’s effort to improve framework conditions for the cluster spill over to other participants and the local economy”.*

(M. Porter & Kramer, 2011)

At Cisco the motivation to create SV begun with its employees who wanted to get engaged in the community of East Palo Alto (California), a problematic neighborhood where the company was based. Once the company was next to a school, Cisco thought, as a technological company, to install Internet access in this one and create the Cisco Networking Academy, which is a network of academies in partnership with several institutions, to make sure that students would know how to use this technology (Kania & Kramer, 2011). Cisco created the largest classroom in the world with over 1 million students and 20,000 instructors

in 165 countries representing an investment of more than \$300 million<sup>2</sup>. This Academy is creating social value once is developing the skills of the local workforce and is consequently attracting the instalment of new companies in those areas. Furthermore, Cisco is training work-force in high-growth markets that might become Cisco clients (Bockstette & Stamp, 2011).

#### ***2.4.3.1 Supporting Startups through Regional Clusters***

One way of enhancing the development of local clusters could be through the support to local startups. According to Joseph Schumpeter the survival of an economy depends on the resilience of entrepreneurs to continuously pursue innovation (Aerts, Matthyssens, & Vandenbempt, 2007). Peter Drucker defends that an entrepreneur is not only a person that opens his or her own small business, rather an entrepreneur is someone who constantly looks for change as an opportunity (Swaim, 2011).

In general, startups face huge difficulties in growing through the use of internal resources (Lechner & Dowling, 2003). Due to the “*liability of newness*”<sup>3</sup> (Stinchcombe, 1965) and the “*liability of smallness*”<sup>4</sup> (Short, Mckelvie, Ketchen, & Chandler, 2009) startups are in disadvantage compared with older organizations.

A study developed by Lechner and Dowling (2003) concerning entrepreneurial firms in the IT industry suggests that the proximity and long-term relationships with other companies allow entrepreneurial firms to develop successfully. These two authors also suggest that integrating inter-firm networks in regional clusters facilitates the exchange of resources and offers an advantage over competitors that do not belong to the region.

Podolny also analysed another factor that goes beyond a company’s size and age, the correlation between its “*social status*” and its perceived quality, being expected that firms with higher status have an advantage over their competitors (Stuart & Sorenson, 2007). High-status companies are able to obtain higher levels of revenue and sales growth, to reduce costs

---

<sup>2</sup> Cisco website: <http://www.cisco.com/web/learning/netacad/index.html?academyID=6345>

<sup>3</sup> The *liability of newness* is related with a set of disadvantages that new organizations face when compared with older ones. New organizations will have to make bigger investments in recruitment and training while skills and decision criteria of older ones are taught inside the organization. Moreover, it is more difficult to new organizations to develop “*relations of trust*” and strong ties with their customers as older ones have done through their longer time of existence.

<sup>4</sup> Smallness is a liability that affects organizations’ sales, sales growth and survival.

and barriers to entry and to have easier access to financial capital (Sauder, Lynn, & Podolny, 2012). Thus, these companies have higher odds of survival. To overcome the lack of “*social status*” well-established companies can help new ones in building “*reputational networks*” by acting as partners that send a signal of quality to the market (Lechner & Dowling, 2003).

Although Venkataraman and Van de Ven (1998) believe that startups must be supported by an environment that provides the required resources and protection for survival, they defend that this support should not be provided in an early-stage but instead in the adolescent stage when firms are more vulnerable and have already “*exhibited a potential for survival, have demonstrated their ideas and products have merit and have shown some level of growth*”. This is where the difference between incubators and accelerators rely on. While incubators support startups in an early-stage, before these ones create their customer base or obtain revenues, accelerators support startups in a more advanced stage when these ones have already a base of clients and are creating revenues with their business idea (Baird, Bowles, & Lall, 2013). According to Baird et al. (2013) incubators and accelerators can provide business development support, infrastructure, network and financial support.

A study developed by Peters et al. (2004) concludes that the success of incubators<sup>5</sup> depends on the existence of coaching and the access to networks of specialized companies that can provide a customized support to startups in order to help them gain competitive advantage. Furthermore, more important than establishing strong bonds in these networks is the variety of ties (Peters, Rice, & Sundararajan, 2004).

Wiggins and Gibson (2003) identified 5 factors that determine the success of incubators:

1. *Establish clear metrics of success* (the success of an incubator can be measured, for instance, in terms of jobs created or increase of business dynamics in local communities);
2. *Provide entrepreneurial leadership* (incubators must demonstrate a pro-active attitude);
3. *Develop service delivery system that delivers on behalf of client companies*. This services can be *strategic*, (e.g., incubators can help companies improving their communication in terms of presentations by providing mentors), *operational* (e.g.,

---

<sup>5</sup> For the purpose of this paper, I will use the term incubator to refer to an organization that provides any type of support to startups despite the stage of development of these ones.

financial and human resources management) and in terms of *infrastructure* (e.g., the provision of furniture, conference rooms or the use of other facilities);

4. *Develop a workable selection process* (the selection process might include written and oral requirements, for instance, a business plan, an executive summary or a face-to-face presentation where it is possible to meet all the team);
5. *Ensure access to capital on behalf of the companies* (through an investment fund of the incubator or through outside funding organizations).

In sum, incubators can have an important impact in local communities by promoting “*local job creation, economic development and technology transfer*” (Peters et al., 2004).

## **2.5 Measuring Shared Value**

The major issue associated to the concept of SV is the non-existence of a framework that allows companies to effectively measure their social impact in communities and, on their turn, how this is improving their economic performance. If companies do not have the necessary tools to evaluate the link between these two dimensions, they can lose “*important opportunities for innovation, growth and social impact at a scale*” (M. E. Porter, Hills, Pfitzer, Patscheke, & Hawkins, 2012).

According to Porter et al. (2012), in order to effectively measure SV it is necessary to embrace a SV strategy which requires the identification of social issues, planning the activities that are going to be developed around these issues and performing a forecast of the potential social and economic benefits. Building such a framework is extremely important because it allows investors to have a clear picture of how investments in communities bring greater benefits to companies.

*“In other words, measurement makes shared value strategies tangible for investor”.*

(M. E. Porter et al., 2012)

Socially responsible investment (SRI) has been increasingly growing over the years (Geczy, Stambaugh, & Levin, 2005). According to the Social Investment Forum (SIF), SRI is “*an investment process that considers the social and environmental consequences of investments, both positive and negative, within the context of rigorous financial analysis*” (Fung, Law, &

Yau, 2010). Socially responsible investors believe that social concerns should be part of their investment decisions and that they should invest in companies and governments that incorporate values such as consumers' protection (Chamberlain, 2013).

According to Porter et al. (2012) the development of a SV strategy and its measurement includes four main steps (see Annex 6). First of all, companies need to *identify the social issues* that may unlock opportunities that are in alignment with companies' core business. This analysis should be made across all the three levels of SV previously mentioned in sub-chapter 2.4. After identifying the social issues companies should *build a business case* to determine how the social benefits created will affect business performance in order to decide whether or not to target those issues. After deciding which social issues are going to be targeted, it is crucial to *follow their progress* in comparison with the forecast that was previously made and *measure results*. This final step allows companies to verify if there is a positive correlation between the social impact and the business performance. The most common social performance measurement tools that have been used by companies focus on the social impact instead of the value created to the business (Porter et al., 2012). These tools include variables such as sustainability, social and economic development impact and compliance (see Annex 7).

According to Porter et al. (2012) there are a wide range of studies that found a positive correlation between sustainability indicators or ESG (Environmental, Social and Governance) performance and stock performance. However, according to these authors it is still not possible to identify which social or environmental variables are impacting business performance and, therefore, funds that base their choice on ESG performance are not representative; although some companies have made attempts to capture the cost of externalities, such as greenhouse gas emissions or wasted water, by assigning an estimated cost, this method is very criticized and not accepted by investors, as well as the SROI (Social Return on Investment) method<sup>6</sup>.

Contrary to these methods, SV measurement does not make any assumptions. It is important that the different departments inside of a company partner with CSR departments in order to

---

<sup>6</sup> Note: This method assigns an estimated financial value to social or environmental outcomes and adds this value to actual economic value. This methodology raises many issues once it adds a fictitious value to an actual one.

establish a link between business and social issues; companies can also align social objectives with performance incentives through the use of key performance indicators (KPI) as a way of measuring SV and the recourse to external evaluation gives credibility to their efforts (Porter et al., 2012).

## **2.6 The Impact of CSR Initiatives on Customers Identification**

According to Devinney et al. (2006), companies need to take their customers more into consideration when developing CSR initiatives. In order to bring greater benefits, these ones must be aligned with the Consumer Social Responsibility (C<sub>N</sub>SR).

*“C<sub>N</sub>SR can be defined as the conscious and deliberate choice to make certain consumption choices based on personal and moral beliefs”.*

(Devinney, Auger, Eckhardt, & Birtchnell, 2006)

In general, there is a positive correlation between CSR initiatives and customers' perception concerning these ones. Companies that develop positive practices contribute to more satisfied customers, employees and owners and therefore are more likely to survive for a longer time and in adverse situations (Reich, 2007).

However, this relationship is not that linear once there are a wide range of variables that influence customers' perceptions and their purchasing decisions. In order to evaluate consumers' reaction to CSR initiatives, companies need to consider *external outcomes* (purchase and loyalty) but also *internal outcomes* (consumers' awareness, attitudes and attributions about companies truly intentions); besides the purchasing decision, it is also important to understand other behaviors such as word-of-mouth and customers' reaction to negative information about a company (Bhattacharya, C. and Sen, 2004).

### **2.6.1 Awareness, Attributions, Attachment, Attitudes**

According to Bhattacharya and Sen (2004), most of the times people do not know which CSR initiatives are companies developing. For that reason, it is extremely important to enhance the awareness of these initiatives in order to extract all possible value from them. Although consumers may not be aware of the social dimensions that products comprise, if companies

provide more information, customers are more likely to be influenced by those dimensions in future purchases (Auger, Devinney, Louviere, & Burke, 2008).

Customers also need to associate positive attributions to CSR initiatives and believe that companies are really concerned about the cause they are defending; furthermore, they are also likely to create attachment and develop positive attitudes towards companies that engage in CSR activities (Bhattacharya, C. and Sen, 2004).

### **2.6.2 Alignment between CSR activities and Strategy**

Bhattacharya and Sen (2004) also suggest that if a company's social focus is aligned with its strategy, it is more likely that customers will react positively to its CSR activities. It is important to be careful when choosing which social issues to pursue. Customers are more likely to pay more attention to issues that are related with the product or service offered (e.g., the use of child labor in cloth manufacturing) than to "*broad*" issues (Devinney et al., 2006).

### **2.6.3 Reputation**

According to Lii and Lee (2011) consumers are more likely to develop positive evaluations of an organization CSR activities when consumers already perceive this one as having a good CSR reputation (see Annex 8). Besides that CSR is a combination of the three elements that form the corporate identity mix (CIM): behavior of organizational members, communication and symbolism (Lii & Lee, 2011). CIM is a tool that can be used to present the organization to stakeholders (Money, Rose, & Hillenbrand, 2010), and make them feel as part of the organization due to a positive social identity (Pérez, 2009). It has already been proved that member loyalty and employees' citizenship behaviors are enhanced when individuals socially identify themselves with the organization (Marin & Ruiz, 2006).

### **2.6.4 Purchasing Decision**

A customer will be more willing to buy a product/service of a company if that customer reveals a positive attitude towards that company's CSR initiatives and when a range of conditions are satisfied: when the consumer supports the issue, when there is fit between the company and the issue and when the product is good and the company is not asking more money for it (Bhattacharya, C. and Sen, S., 2004). The experimental work developed by Auger et al. (2008) shows that customers are not willing to sacrifice the quality of a product

on behalf of a social cause. Consumers purchase products to satisfy specific needs and, consequently, “*social product features must have a functionality*” (Devinney et al., 2006).

## 2.7 Greenwashing

During the 90s environmental marketing faced an ascending growth due to consumers increased awareness of environmental issues driven by the media (Feinstein, 2013). However, claiming environmental friendly practices is profitable and many companies try to take advantage of this situation in the wrong way (Lane, 2013).

Greenwashing is a practice followed by some companies that is currently threatening all the work that has been developed in the CSR field. This term is used to designate “*false or misleading representation that products, brands, or corporate practices are beneficial to the environment*” (Feinstein, 2013). Greenwashing can be practiced in two levels: *firm-level*, when companies are not transparent concerning their environmental practices, and *product-level*, when companies neglect the environmental benefits of a product or service (Delmas & Burbano, 2011). The growth of greenwashing can affect customers confidence but also investors’ confidence in companies that claim to be environmentally friendly.

In what concerns greenwashing at the product-level, TerraChoice (2007) categorized it into the “*six sins of greenwashing*”. In its research, TerraChoice found out that the “*sin of hidden trade-off*” was by far the most common practice; companies highlight a single characteristic of a product (for instance, the recycled content) to turn a product green neglecting other important environmental issues.

According to Delmas and Burbano (2011), greewashing results from the intersection of two organizational behaviors: poor environmental performance and positive communication about this performance. This type of companies is denominated “*Greenwashing Firms*”<sup>7</sup> (see Annex 9). These two authors point out *external, individual and organizational drivers* that lead companies to greenwash (see Annex 10).

---

<sup>7</sup> Note: Companies whose positive communication is consistent with its environmental practices are called *Vocal Green Firms*. In quadrants bellow, we have silent companies that might be green or brown, depending on how their environmental practices are described.



The *external drivers* are mainly the consumers and investors pressure that are becoming more demanding due to a higher awareness of environmental friendly practices aligned with competitors pressure that are becoming greener. Although activists pressure contributes to reduce the likelihood of greewashing, it also contributes to what is called “*greenhushing*” (Font, Walmsley, Cogotti, McCombes, & Häusler, 2012). Once organizations are punished for greenwashing, some opt to remain silent.

The organizations’ ethical environment, the incentive structure of these ones or the lack of communication can be examples greenwashing *organizational drivers* (Delmas & Burbano, 2011). Organizations that reward their employees taking only financial goals into consideration are more likely to engage in unethical behaviors and, thus, practice greenwashing. Also greenwashing can be the result of “*organizational inertia*”. The CEO of an organization may declare the intention to turn this one greener, however this may not happen in the immediate moment due to lack of communication. The company will benefit from this publicity but everything will remain the same. Lack of communication inside the company between functions can lead to misunderstanding in terms of products composition and these ones may be advertised as being environmentally friendly when they are not.

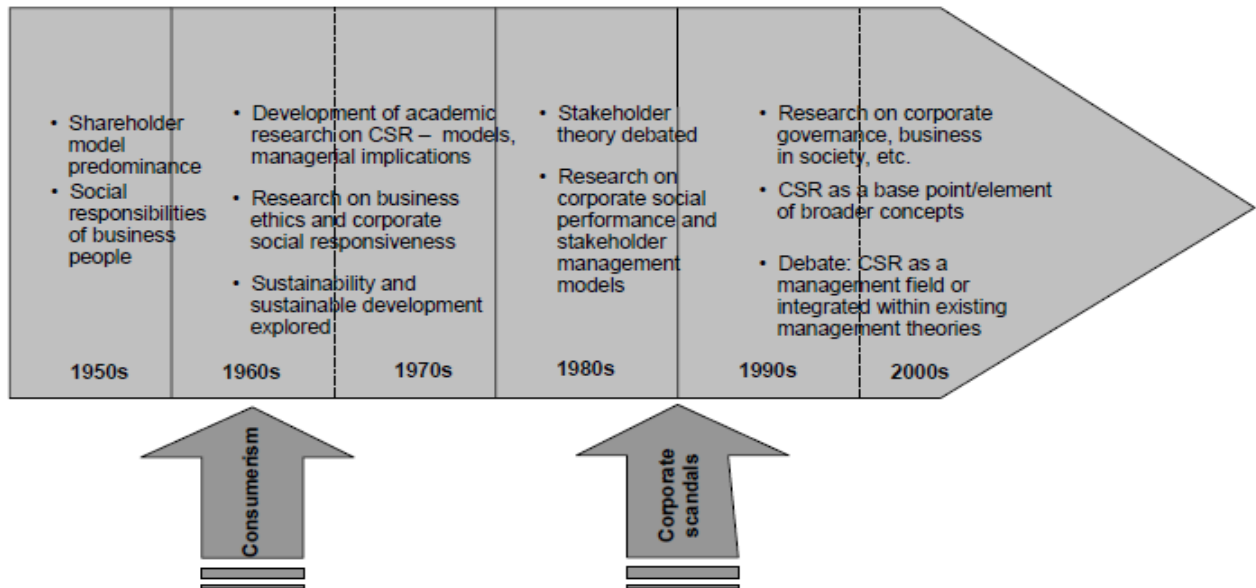
In terms of *individual drivers*, there are psychological tendencies that may affect managers’ when deciding whether or not to communicate about the greenness of a product or a company. For instance, managers may claim in the immediate moment the greenness of a company without having already considered what needs to be done to achieve that or they may simply underestimate the consequences of greenwashing being extremely optimistic.

However, the regulatory environment is a *non-market external driver* that exercises influence over the other three drivers. Although the green market is expanding, there is no specific regulation monitoring it and protecting both consumers and investors from greenwashing practices (Adams & Nehme, 2011).

In order to avoid greenwashing it is crucial that organizations become more transparent through mandatory or voluntary corporate disclosure and become better informed of the consequences of greenwashing due to NGOs and policymakers efforts. Moreover, the uncertainty of the regulatory environment should be reduced so organizations can have a clear image of what actions do not comply with the law.

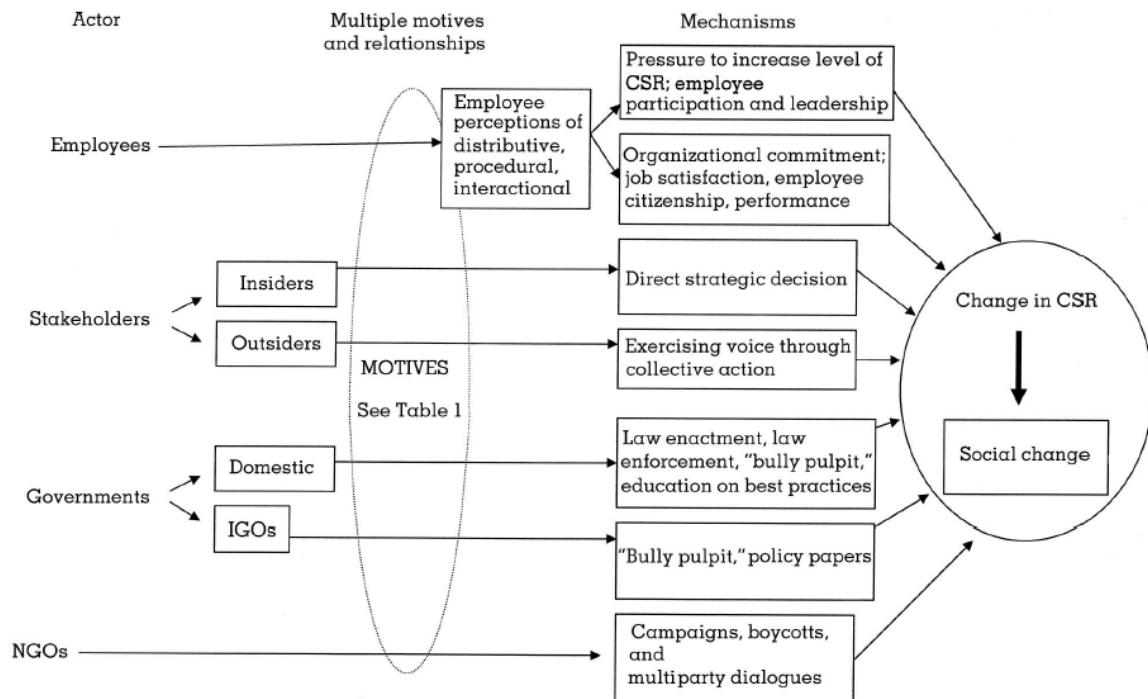
## 2.9 Annexes

Annex 1: Evolution of CSR research since the 1950s



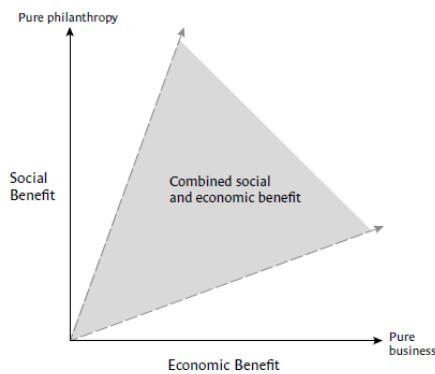
Source: Kakabadse et al., 2005

Annex 2: Actor's Mechanisms to Influence Social Change



Source: Aguilera et al., 2007

### Annex 3: Convergence of Interests



Source: Porter & Kramer (2002)

### Annex 4: Shared Value



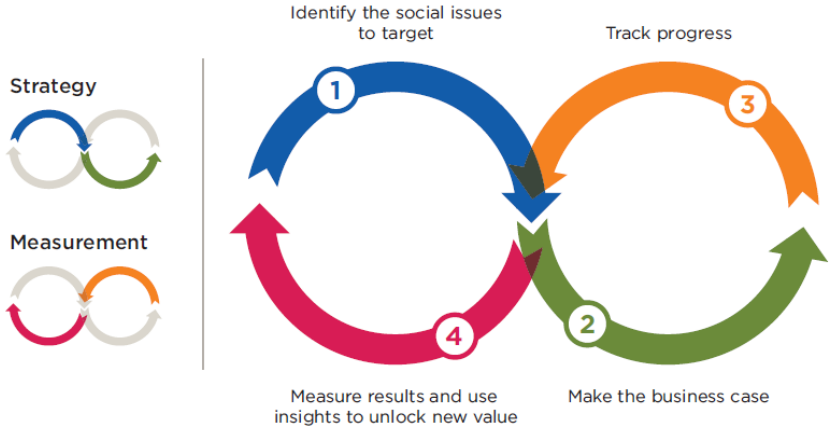
Source: Bockstette and Stamp (2011)

### Annex 5: Business and Social Results by Level of Shared Value

Levels of Shared Value	Business Results	Social Results
<b>Reconceiving product and markets:</b>  How targeting unmet needs drives incremental revenue and profits	<ul style="list-style-type: none"> <li>• Increased revenue</li> <li>• Increased market share</li> <li>• Increased market growth</li> <li>• Improved profitability</li> </ul>	<ul style="list-style-type: none"> <li>• Improved patient care</li> <li>• Reduced carbon footprint</li> <li>• Improved nutrition</li> <li>• Improved education</li> </ul>
<b>Redefining productivity in the value chain:</b>  How better management of internal operations increases productivity and reduces risks	<ul style="list-style-type: none"> <li>• Improved productivity</li> <li>• Reduced logistical and operating costs</li> <li>• Secured supply</li> <li>• Improved quality</li> <li>• Improved profitability</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced energy use</li> <li>• Reduced water use</li> <li>• Reduced raw materials</li> <li>• Improved job skills</li> <li>• Improved employee incomes</li> </ul>
<b>Enabling cluster development:</b>  How changing societal conditions outside the company unleashes new growth and productivity gains	<ul style="list-style-type: none"> <li>• Reduced costs</li> <li>• Secured supply</li> <li>• Improved distribution infrastructure</li> <li>• Improved workforce access</li> <li>• Improved profitability</li> </ul>	<ul style="list-style-type: none"> <li>• Improved education</li> <li>• Increased job creation</li> <li>• Improved health</li> <li>• Improved incomes</li> </ul>

Source: Porter et al. (2012)

**Annex 6: Integrating Shared Value Strategy and Measurement**



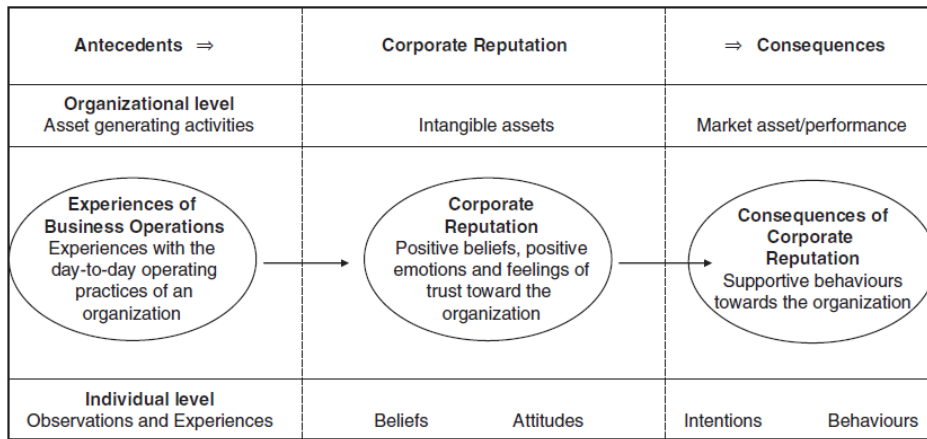
Source: Porter et al. (2012)

**Annex 7: Understanding the Purpose of Measurement**

Measurement Focus	What to measure?	Why measure?	For whom?
<b>Shared Value</b>	<b>Joint business and social value creation</b>	<b>Grow the total shared value created</b>	<ul style="list-style-type: none"> <li>• <b>Primarily for management</b></li> <li>• <b>Targeted communication to external stakeholders</b></li> </ul>
<b>Sustainability</b>	Efficiency in the use of input factors (e.g., natural resources and labor) and improved products and community impacts	<ul style="list-style-type: none"> <li>• Minimize negative externalities and augment positive impacts</li> <li>• Maintain a license to operate</li> </ul>	<ul style="list-style-type: none"> <li>• Management</li> <li>• Communication to external stakeholders</li> </ul>
<b>Impact assessment</b>	The long term social and economic development impacts of operations and/or philanthropy	<ul style="list-style-type: none"> <li>• Track progress on social and economic development impact</li> <li>• Maintain a license to operate</li> </ul>	<ul style="list-style-type: none"> <li>• Communication to external stakeholders</li> </ul>
<b>Reputation</b>	How societal impacts contribute to company reputation	<ul style="list-style-type: none"> <li>• Manage reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Primarily for management</li> </ul>
<b>Compliance</b>	Compliance with laws and voluntary policies, standards, and codes	<ul style="list-style-type: none"> <li>• Ensure adoption and compliance</li> <li>• Maintain a license to operate</li> </ul>	<ul style="list-style-type: none"> <li>• Management</li> <li>• Communication to external stakeholders</li> </ul>

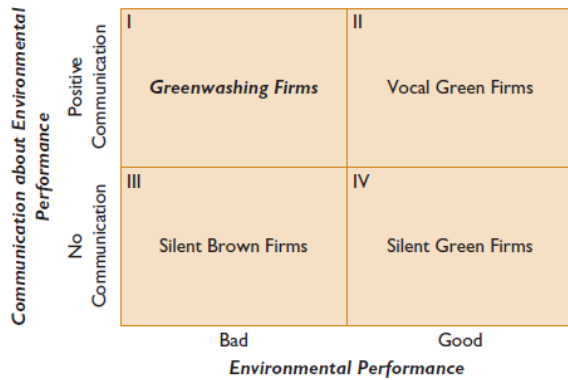
Source: Porter et al. (2012)

**Annex 8: Placing Corporate Reputation in a casual model**



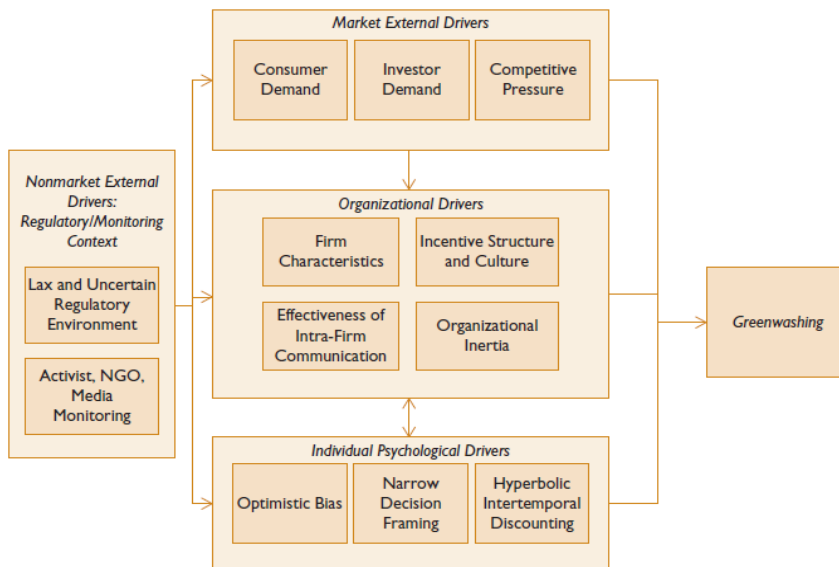
Source: Money et al. (2010)

**Annex 9: A Typology of Firms based on Environmental Performance and Communication**



Source: Delmas & Burbano (2011)

**Annex 10: Drivers of Greenwashing**



Source: Delmas & Burbano (2011)

## Chapter 3: CASE STUDY

### 3.1 Introduction

Microsoft Corporation was founded in 1975 by Bill Gates and Paul Allen, two-school friends; nowadays it is a multinational company headquartered in Redmond, Washington, that “*develops and markets software, services and hardware that deliver new opportunities, greater convenience and enhanced value to people’s lives*”<sup>8</sup>.

Microsoft has five segments of action, Windows Division, Server and Tools, Online Services Division, Microsoft Business Division and Entertainment and Devices Divisions and has among its main competitors Apple, Google and Oracle (see Exhibit 1).

Microsoft employs 99,000 full-time workers being 58,000 from USA and the others from more than 100 countries (see Exhibit 2). Microsoft customers are “*individual consumers, small – and medium – sized organizations, enterprises, governmental institutions, educational institutions, Internet service providers, application developers and OEMs*”<sup>9,10</sup>. Microsoft has distribution agreements with multinational OEMs such as Asus, Dell, Hewlett-Packard and Toshiba and, therefore, most of the OEM business is represented by the pre-installment of Windows operating system on devices.

During the FY13 Microsoft had an annual revenue of \$M 77,849 and the most profitable segments were Microsoft Business Division and Server and Tools, with \$M 24,738 and \$M 20,295 respectively (see Exhibit 3). Windows Division comes only in third place with an annual revenue of \$M 18,680.

Microsoft is no longer just a software company and has been making efforts to become also a hardware and services company. This fact is related with a range of trends that might affect significantly Microsoft performance such as the rapid proliferation of mobile devices in parallel with PC deterioration as well as the pressure from Apple that has been working fiercely in the integration between its software and hardware.

---

<sup>8</sup> Forbes website: <http://www.forbes.com/companies/microsoft/>

<sup>9</sup> OEM – Original Equipment Manufacturer

<sup>10</sup> Microsoft Annual Report (Microsoft Corporation, 2013)

### 3.2 Vision, Mission and Organizational Structure

Microsoft's vision is to *"be led by a globally diverse workforce that consistently delivers outstanding business results, understands the various cultural demands of a global marketplace, is passionate about technology and the promise it holds to tap human potential, and thrives in a corporate culture where inclusive behaviors are valued"*<sup>11</sup>.

The original mission statement of Microsoft for more than 30 years was to *"put a computer on every desk and in every home"*<sup>12</sup> but in 2013 the CEO Steve Ballmer communicated in his final Shareholder Letter a new focus for Microsoft: *"to create a family of devices and services for individuals and businesses that empower people around the globe at home, at work and on the go, for the activities they value most"*<sup>13</sup>. This new focus was translated into Microsoft's new mission statement, *"to be the world's #1 provider of innovative technology solutions that help realize the full potential of its diverse customers and partners around the world"*. This new strategy is related with Microsoft's desire to shift from just a software provider to a devices and services company.

Although Microsoft shows the desire to develop multiple devices and services, divisional strategies will be replaced by shared goals<sup>14</sup>. Thus, Microsoft's organizational structure shifted from a divisional to a functional one in order to implement the new *"Microsoft One"* strategy and fight well-known rivalries among divisions that have already been the subject of criticism<sup>15</sup> - (see Exhibit 4).

### 3.3 Microsoft Leadership

In 2000, Bill Gates stepped down as Microsoft CEO being replaced by Steve Ballmer<sup>16</sup>. Ballmer has been Gates right-hand man and both have known each other since 1973 when attending Harvard. This decision resulted from Gates desire to focus on new software

---

<sup>11</sup> MS website: [http://www.microsoft.com/about/en/xm/importedcontent/about/diversity/en/us/vision.aspx#Our Global Diversity & Inclusion Vision Statement](http://www.microsoft.com/about/en/xm/importedcontent/about/diversity/en/us/vision.aspx#Our%20Global%20Diversity%20&%20Inclusion%20Vision%20Statement)

<sup>12</sup> The Economist website: <http://www.economist.com/node/11614315>

<sup>13</sup> MS website: <http://www.microsoft.com/investor/reports/ar13/shareholder-letter/index.html>

<sup>14</sup> MS website: <http://www.microsoft.com/en-us/news/press/2013/jul13/07-11onemicrosoft.aspx>

<sup>15</sup> The New York Times website: [http://www.nytimes.com/2013/07/12/technology/microsoft-revamps-structure-and-management.html?pagewanted=all&\\_r=2&](http://www.nytimes.com/2013/07/12/technology/microsoft-revamps-structure-and-management.html?pagewanted=all&_r=2&)

<sup>16</sup> Steve Ballmer joined Microsoft in 1980 as the company's first business manager and retired in February 4 of this year as Chief Executive Officer. This position is now occupied by Satya Nadella.

technologies as Chief Software Architect<sup>17</sup> and Microsoft's chairman. However, in July 2008 Bill Gates stepped back to focus on Bill & Melinda Gates Foundation<sup>18</sup> as co-chair.

Bill Gates's life as philanthropist began when he and his wife Melinda Gates read an article in The New York Times ("*For Third World, Water Is Still a Deadly Drink*")<sup>19</sup> that reflected about the lack of clean water in developing countries<sup>20</sup>. In 2013, Bill Gates was considered by Forbes the world's biggest giver with a contribution of \$B 28 to Bill & Melinda Gates Foundation<sup>21</sup>.

Bill & Melinda Gates Foundation was founded in 2000 and resulted from a merger between William H. Gates Foundation and Gates Learning Foundation. This Foundation tries to address global challenges as poverty and scarce health conditions as well as fulfilling gaps in the American education system<sup>22</sup>.

Measuring and evaluating results makes part of the day-to-day life of this foundation and is one of the keys to achieve success. It is important to establish critical metrics to measure what has been done, what needs to be done and what needs to be reconsidered through a continuous evaluation process developed in collaboration with the foundation partners.

Warren Buffet, the fourth richest man on Forbes' list<sup>23</sup>, shares the same passion for philanthropy as Gates and is a "*trustee*" of Bill & Melinda Gates Foundation. Warren Buffet intends to direct 99% of his wealth to philanthropy during his lifetime or at death. According to Forbes, in 2013 Buffet had already donated at least \$B 11.5 in shares of Berkshire Hathaway to Bill & Melinda Gates Foundation<sup>24 25</sup>.

---

<sup>17</sup> Forbes website: <http://www.forbes.com/2000/01/13/mu7.html>

<sup>18</sup> MS website: <http://www.microsoft.com/en-us/news/press/2006/jun06/06-15corpnewspr.aspx>

<sup>19</sup> The New York Times website: <http://www.nytimes.com/1997/01/09/world/for-third-world-water-is-still-a-deadly-drink.html>

<sup>20</sup> Bill & Melinda Gates Foundation website: <http://www.gatesfoundation.org/Who-We-Are/General-Information/History>

<sup>21</sup> Forbes website: <http://www.forbes.com/sites/luisakroll/2011/05/19/the-worlds-biggest-givers/>

<sup>22</sup> Bill & Melinda Gates Foundation website: <http://www.gatesfoundation.org/Who-We-Are/General-Information/Letter-from-Bill-and-Melinda-Gates>

<sup>23</sup> Forbes website: <http://www.forbes.com/profile/warren-buffett/>

<sup>24</sup> Forbes website: <http://www.forbes.com/sites/alexmorrell/2013/07/08/buffett-donates-2-6-billion-in-berkshire-hathaway-shares-to-gates-foundation-other-charities/>

<sup>25</sup> Note: At this time, Buffet had already donated \$20 billion being only surpassed by \$28 billion of Bill Gates. This made them the most generous persons in the world.



In 2010 Gates and Buffet joined forces to develop an initiative called Giving Pledge, a moral commitment by the world's wealthy to donate 50% or more of their wealth to philanthropy. More than 100 billionaires around the world have already joined this cause<sup>26</sup>.

In 2005 Bill Gates and Melinda announced that the Foundation was going to donate \$M 258.3 to fight malaria, the biggest donation for this cause ever done<sup>27</sup>. In 2010 the Foundation declared the “*decade of vaccines*”, a ten-years project of \$B 10 to reduce child mortality in the poorest countries<sup>28</sup>. This year, in January, India became polio-free due to an outstanding collective effort of Indian government, Rotary, Bill and Melinda Gates Foundation and the Global Polio Initiative to vaccinate 170 million children in that country<sup>29</sup>.

Bill Gates has already been honored several times. In 2005 Bill Gates received an honorary knighthood from Queen Elizabeth II for his philanthropic initiatives around the world and his contribution to enterprise in Britain earning the title of Knight Commander of the British Empire. In 2006 Gates received James C. Morgan Global Humanitarian Award from the Tech Awards<sup>30</sup>. This award is for individuals who help to address global challenges through their vision and leadership.

Although Gates is Microsoft's founder, he cannot impose a culture. However, his values will have influence over the decisions made by the next generation of leaders. Understanding the motivations behind his actions as a philanthropist may help to understand a lot of decisions Microsoft has done in the CSR field.

### **3.4 Corporate Citizenship**

Microsoft's citizenship mission is “*to serve globally the needs of communities and fulfil our responsibilities for the public*”<sup>31</sup>. Microsoft is not only concerned with their shareholders wealth but with all stakeholders that might be affected by their activities, assuming a multiple stakeholder perspective (see Exhibit 5).

---

<sup>26</sup> The Giving Pledge website: <http://givingpledge.org/>

<sup>27</sup> Forbes website: [http://www.forbes.com/2005/10/30/malaria-gates-philanthropy-cz\\_ec\\_1030malaria.html](http://www.forbes.com/2005/10/30/malaria-gates-philanthropy-cz_ec_1030malaria.html)

<sup>28</sup> Telegraph website: <http://www.telegraph.co.uk/finance/financetopics/davos/7106626/Bill-Gates-makes-10-billion-vaccine-pledge.html>

<sup>29</sup> Telegraph website: <http://www.telegraph.co.uk/news/worldnews/asia/india/10632759/Ending-polio-in-India-is-worlds-greatest-health-achievement-says-Bill-Gates.html>

<sup>30</sup> The Tech Awards website: [http://thetechawards.thetech.org/global\\_humanitarian/2006](http://thetechawards.thetech.org/global_humanitarian/2006)

<sup>31</sup> Citizenship Report (Microsoft Corporation, 2013b)

Microsoft's business, strategies, practices, policies and operations are aligned with the ten principles of UN Global Compact<sup>32</sup> in what regards human rights, labor, environment and anti-corruption (see Exhibit 6). Microsoft's Corporate Citizenship activities can be divided into two broad fields, "*servicing communities*" and "*working responsibly*".

### 3.4.1 Serving Communities

This field includes activities that aim to improve the access to education to young people and provide technological tools so young entrepreneurs will be able to develop their own ideas. Microsoft YouthSpark was launched in September 2012 and its mission is to ensure "*Microsoft commitment to empower young people through technology and provide opportunities in education, employment and entrepreneurship*"<sup>33</sup>. YouthSpark comprises 33 different programs provided to young people to develop specific skills and involves partnerships with governments, non-profit and business organizations

YouthSpark programs can be classified according to its main goal ("*build skills*", "*run a business*", "*find a job*", "*learn to code*"), to the age of the enrollers (6 to 12, 13 to 17, 18 to 24) and the type of activity ("*get certified*", "*get software*", "*win prizes*", "*get inspired*", "*in school*", "*events/experiences*", "*learn online*") (see Exhibit 7)<sup>34</sup>.

Microsoft has the ambition of creating opportunities to over 300 million people around the world with YouthSpark<sup>35</sup>. For instance, Skype in the Classroom, one of YouthSpark programs, have already benefited over 2 million students and 81,789 teachers worldwide<sup>36</sup>. Another example is the Imagine Cup, the first global student technology competition<sup>37</sup> that faced a 70% increase in the number of participants from 2012 to 2013. Moreover, in order to promote innovate ideas with social impact, Microsoft created a global online community

---

<sup>32</sup> Full quote: "*The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. By doing so, business, as a primary driver of globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere*". (UN Global Compact website: <http://www.unglobalcompact.org/AboutTheGC/index.html>)

<sup>33</sup> MS website: <http://www.microsoft.com/about/corporatecitizenship/en-us/youthspark/youthsparkhub/>

<sup>34</sup> Note: BizSpark is one of YouthSpark programs as it is possible to see in Exhibit 7 where it is classified according with its main goal, enrollers' age and type of activity.

<sup>35</sup> MS website: <http://www.microsoft.com/about/corporatecitizenship/en-us/youthspark/>

<sup>36</sup> MS website: <https://education.skype.com/>

<sup>37</sup> Imagine Cup website: <https://www.imaginecup.com/#?fbid=6ogBlABOfCg>

called Innovate for Good in partnership with TakingITGlobal<sup>38</sup>. This community already accounts with more than 2,200 members in 76 countries. Microsoft has a broad field of action in terms of Corporate Citizenship activities. Besides focusing on providing opportunities to younger ones, Microsoft also tries to facilitate the work developed by non-profit organizations by donating software and services. By doing this, Microsoft is not only helping these organizations but other individuals or even communities that are supported by them. Microsoft also donates PCs and other refurbished hardware to schools, libraries and nonprofits (see Exhibit 8). To ensure the continuity of these citizenship activities, it is important that all belonging to Microsoft are committed. For instance, Employee Giving<sup>39</sup> is a program that tries to engage employees in this field by giving them the opportunity to donate their money and time for causes they believe. In 2013 employees' contributions and Microsoft donations achieved a total of \$B 1 that benefited 31,000 non-profit organizations around the world (see Exhibit 9 and Exhibit 10).

### **3.4.2 Working Responsibly**

Microsoft responsibility can be measured by taking into consideration how it manages its human resources, how it develops its activities in terms of environmental sustainability and in what extent Microsoft technology promotes human rights.

In what concerns human resources, throughout their career path employees have access to performance-based bonus, stock awards, health care benefits and other benefits with the purpose of motivating them and enhancing their commitment to the organization. Moreover, Microsoft values the existence of different perspectives and life experiences in its workforce in order to remain innovative.

In an annual survey conducted by Microsoft and directed to employees, 89% of the respondents said they feel proud to work for Microsoft and 93% feel treated with respect and dignity by their managers (see Exhibit 11). Also, 94% of the respondents agreed that

---

<sup>38</sup> Full quote: *"TakingITGlobal is one of the world's leading networks of young people learning about, engaging with, and working towards tackling global challenges"* (TakingITGlobal website: <https://www.tigweb.org/about/>)

<sup>39</sup> MS website: <http://www.microsoft.com/about/corporatecitizenship/en-us/serving-communities/employee-giving/>

Microsoft is a good corporate citizen, not only in employees' community but all over the world.

Regarding environmental sustainability, Microsoft tries to answer to global challenges such as climate change by being committed to carbon neutrality (see Exhibit 12). This is possible by improving the levels of energy efficiency through the use of renewable energy and the decrease of wasted water and finally by charging a carbon fee to its business groups which is invested in projects that aim to reduce Microsoft footprint.

In what concerns the development of technology that promotes human rights, Microsoft Technology and Human Right Center<sup>40</sup> was created to make human rights part of the company's business activities as well as its strategies. For instance, Microsoft has been developing several efforts to combat human traffic and child sexual exploitation online through the use of its technologies as Microsoft PhotoDNA<sup>41</sup>.

### 3.5 Citizenship Awards

Microsoft has already won several awards in the Corporate Citizenship field. This year Microsoft was named one of the best Corporate Citizens by the Corporate Responsibility Magazine, being on the top 5 in fourth place.

Also, Microsoft was named by Fortune one of the best companies to work for every year since 1998, time when these list was created. Also the Great Place to Work Institute has already recognized Microsoft as one of the World's Best Multinational Workplaces. This year, for the ninth consecutive time, Microsoft earned a 100% rating on the HRC Corporate Equality Index.

NASDAQ OMX CRD Global Sustainability Index was created to follow companies' sustainability performance which is measured taking into consideration "*carbon footprint, energy usage, water consumption, hazardous and non-hazardous waste, employees' safety, workforce diversity, management composition and community investing*"<sup>42</sup> and Microsoft

---

<sup>40</sup> MS website: <http://www.microsoft.com/about/corporatecitizenship/en-us/working-responsibly/principled-business-practices/HumanRightsCenter.aspx>

<sup>41</sup> Note: PhotoDNA is a technology that finds and removes images of child sexual exploitation from the Internet. Microsoft has donated this technology to the National Center for Missing & Exploited Children (NCMEC). Facebook has already sublicensed this technology for use on its network.

<sup>42</sup> NASDAQ OMX website : [https://indexes.nasdaqomx.com/docs/methodology\\_QCRD.pdf](https://indexes.nasdaqomx.com/docs/methodology_QCRD.pdf)

securities make part of this index<sup>43</sup>. The main goal of this index is to make sustainability performance more investable.

## **3.6 BizSpark**

### **3.6.1 The Programme**

*“BizSpark is an innovative new program that unites startups with global entrepreneurial and technology resource in one community, with a common goal of supporting and accelerating the success of a new generation of high-potential startups”<sup>44</sup>.*

Microsoft BizSpark was founded in November 2008 and is a global program that supplies free software, support and visibility for startups during three years. Startups that make part of BizSpark ecosystem have access to investors, consultants and mentors. Until now, more than 30,000 startups that have graduated from BizSpark have already created job opportunities in more than 100 countries.

In order to be qualified for the program, startups must fulfil four requirements: (1) startups must be developing software or apps, (2) must have less than 5 years old, (3) should be privately held and (4) finally should account with less than \$M 1 in annual revenue<sup>45</sup>. However, this last requirement has been adjusted according with the economic conditions of each startup location<sup>46</sup>.

The main goal of Microsoft BizSpark is to enhance entrepreneurship by decreasing some of the barriers that early-stage startups face. After the program period expires, BizSpark Alumni composed by program graduates continue to have benefits. They are allowed to keep software they have downloaded during the program period with no extra costs associated, as well as a standard configuration of Windows Server and Microsoft SQL Server and will benefit from special discounts in software.

---

<sup>43</sup> NASDAQ OMX website: <http://ir.nasdaqomx.com/releasedetail.cfm?ReleaseID=532129>

<sup>44</sup> Microsoft BizSpark – Program Guide for Network Partners (Microsoft Corporation, 2008)

<sup>45</sup> MS website: <https://www.microsoft.com/bizspark/signup/default.aspx>

<sup>46</sup> Note: In China the limit is USD \$750,000, USD \$500,000 for Greece, Korea, Malaysia, Poland, Russia, Spain and Ukraine and USD \$250,000 for Egypt, Pakistan, Thailand, Turkey and Vietnam.

### 3.6.2 Program Structure and Roles

BizSpark program has three levels of relationships (see Exhibit 13) where, besides startups, we have three more entities involved: Champs, Network Partners and Hosting Partners<sup>47</sup>.

Champs are Microsoft's employees who establish the link between Microsoft and Network Partners, Startups and Hosting Partners, approve their enrolments and manage their participation during the program. On their turn, Network Partners follow up, support and promote early-stage startups. Network Partners can be university incubators, government agencies, entrepreneur organizations (incubators and business angels) and investors. A Hosting Partner is a Network Partner that provides hosting services to startups so they can develop their SaaS solutions<sup>48</sup>. BizSpark Partners community supports "*entrepreneurship by providing mentoring, advise, investment, training, marketing and services*".<sup>49</sup> Currently, more than 1,500 BizSpark Network Partners (see Exhibit 14) support more than 50,000 startups enrolled in this program<sup>50</sup> (see Exhibit 15).

### 3.7 Portuguese Context

The Portuguese business framework is largely composed by small and medium enterprises (SMEs)<sup>51</sup> - (see Exhibit 16). In 2012 over 99.8% of non-financial enterprises<sup>52</sup> had an annual turnover of less than €50 million and employ less than 250 employees<sup>53</sup>; thus, according with the European Legislation these are considered SMEs. The global financial crisis deepened this tendency causing the decrease of big enterprises and the increase of SMEs. In 2013 for each dissolved company, 2.3 new ones were created<sup>54</sup>.

---

<sup>47</sup> Program Guide for Startups (Microsoft Corporation, 2011)

<sup>48</sup> Note: SaaS is a web-based model that differs from the on-premise software delivery model. In the first one, data can be accessed from any device connected to Internet and through a web browser. This allows early stage startups to avoid a too burdensome investment in hardware to host the software. Consequently they outsource all the other responsibilities to the SaaS vendor. This model also differs in the pricing model. In the on-premise model, software buyers own a perpetual license and have additional annual maintenance and support fees. SaaS buyers can spread costs over time by paying an annual or monthly subscription fees.

<sup>49</sup> MS website: <http://www.microsoft.com/BizSpark/partners/default.aspx>

<sup>50</sup> MS website: <https://www.dreamspark.com/What-Is-bizspark.aspx>

<sup>51</sup> Note: According to the European legislation, micro, small and medium enterprises represent a business category with an annual turnover below 50 million euros and an annual balance-sheet that does not exceed 43 million euros. The enterprises that belong to this category also employ less than 250 permanent workers.

<sup>52</sup> Note: The universe referred to in the research data includes private and public non-financial enterprises that showed activity in 2012.

<sup>53</sup> Informa D&B Portugal website: [http://www.einforma.pt/images/tecido\\_empresarial.pdf](http://www.einforma.pt/images/tecido_empresarial.pdf)

<sup>54</sup> Público website: <http://www.publico.pt/economia/noticia/site-sobre-a-crise-passa-a-incluir-analise-regular-sobre-tecido-empresarial-1627292>

Thus, entrepreneurship has been gaining more attention in Portugal as its positive effect in the country's economic development is obvious and include the creation of employment, the increase of exports and new forms of innovation that increase competitiveness. In December 2013, during the conference "Crescer & Competir 2020", Pires de Lima, the Portuguese minister for economic affairs, explained the positive evolution of exports as the result of the current entrepreneurial wave in Portugal.

According to the Amway Global Entrepreneurship Report 2013, 61% of the Portuguese interviewees see entrepreneurship as something positive, less 6% when compared with 2012<sup>55</sup>. This tendency was also verified in Spain, Greece and Italy, countries that are usually associated with the economic and financial crisis (see Exhibit 17). In Portugal self-employment among young respondents is not that popular when compared with the worldwide average. 77% of the total respondents under 30 are receptive to self-employment, while in Portugal only 56% of the respondents imagine starting their own business. However, the percentage of respondents with a university degree that see entrepreneurship as an alternative to unemployment is particularly high in the USA (47%), Greece (42%) and Portugal (27%), against the worldwide average (18%). The same tendency is verified among respondents with no university degree, being the percentage slightly higher for Portugal (32%).

In this survey it was possible to find out that "*financial burdens up to bankruptcy*" and "*the economic crisis*" seems to be the main obstacles to begin one's own business, especially for EU countries (47% and 37% respectively) in contrast with the tendency verified in the USA (23% and 15% respectively). The Portuguese respondents gave a higher rate to "*threat of the economic crisis*" (61%) than to "*financial burdens up to bankruptcy*"

Although the number of interviewees that see entrepreneurship as an alternative to unemployment is relatively high, the fear of failure among Portuguese interviewees is very high (83%) stopping them of pursuing their own entrepreneurial ideas. In contrast only 37% of the interviewees from USA mentioned fear as an obstacle to becoming self-employed.

---

<sup>55</sup> Amway website:  
[http://www.amwayentrepreneurshipreport.tum.de/fileadmin/w00bfs/www/2013/Amway\\_Global\\_Entrepreneurship\\_Report\\_2013.pdf](http://www.amwayentrepreneurshipreport.tum.de/fileadmin/w00bfs/www/2013/Amway_Global_Entrepreneurship_Report_2013.pdf)

### 3.7.1 An Entrepreneurial Europe

*“In my country Italy, I think that if you fail then you cannot succeed in other businesses. It is like dying. I went to the United States and the culture of failure is quite different than in Italy and also in Europe.”*

(Cristiano Recchia, young entrepreneur)<sup>56</sup>

The stigma of entrepreneurial failure is rooted deep in many European countries, including Portugal, and it is a reason for being ashamed in front of family, friends and others. Entrepreneurs are immediately tagged as incompetents and their future efforts to get credit will avail nothing. On the contrary, in the USA failure is seen as part of the learning process and as an opportunity to learn with mistakes and increase the odds of being succeeded in the future<sup>57</sup>. Therefore, it is important to foster an entrepreneurial culture that encourages entrepreneurs to overcome their fear of failure and uncertainty.

To this end, the European Commission (EC) has been developing projects that aim to create a more entrepreneurial culture, to reduce bureaucracy and to facilitate the access to credit for entrepreneurs<sup>58</sup>. Fostering the creation of high-tech SMEs has become a central theme in the European Commission’s new Innovation Union (IU) strategy. The IU makes part of one of the seven “*flagships initiatives*” (see Exhibit 18) of the Europe 2020 strategy<sup>59</sup> for “*smart, sustainable and inclusive growth*”.

IU main goal is to enhance an innovation-friendly environment which facilitates the conversion of ideas into products and services that will contribute with growth and jobs<sup>60</sup>. The Commission Communication (6 October 2010) concerning the Initiative Innovation Union included the three “targeted” weaknesses of EU, “*under investment in knowledge foundations*”, “*unfavorable framework conditions*” and “*fragmentation of efforts*”<sup>61</sup>.

---

<sup>56</sup> Orange Magazine website: <http://www.orangemagazine.eu/if-you-fail-it-is-like-dying/>

<sup>57</sup> E!Sharp website: <http://esharp.eu/big-debates/societal-entrepreneurship/197-fail2succeed-overcoming-the-stigma-of-failure/>

<sup>58</sup> EC website: [http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/index_en.htm)

<sup>59</sup> Full quote: “*Europe 2020 is the European Union’s ten-year growth and jobs strategy that was launched in 2010.*” (EC website: [http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index\\_en.htm](http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm))

<sup>60</sup> EC website: [http://ec.europa.eu/research/innovation-union/index\\_en.cfm](http://ec.europa.eu/research/innovation-union/index_en.cfm)

<sup>61</sup> EP website: <http://www.europarl.europa.eu/oeil/popups/summary.do?id=1127670&l=en&t=E>



In order to fight those weaknesses and create an IU, education systems need major reforms in order to create a “*world-class universities*”; there should be a stronger cooperation between the world of science and business, as viewed by some entrepreneurs. Peter Jungen, Co-Founder and Investor of startups in Europe and in USA, defends the creation of an interface between innovation and invention that should follow the business model in Silicon Valley<sup>62</sup>. Professors and researchers should be more involved in startups and avoid acting as being part of unconnected areas. Moreover, barriers such as lack of finance (especially for SMEs) or costly Intellectual Property Rights that prevent ideas to reach the market should be removed. Also, in Europe the level of bureaucracy is the same for small and large corporations as stated by Peter Jungen. In his perspective, founders waste time with bureaucracy that should be used to get in contact with clients.

Peter Jungen also pointed out the huge differences between the USA and EU regarding venture capital investment. According to Jan Muehlfeit, the chairman of Microsoft Europe, venture capital per capita is \$7 in Europe and \$72 in the USA<sup>63</sup>. Thus, another goal with IU is to ensure that venture capital funds in any member state can invest with no restrictions in order to avoid unfavorable tax treatments.

### **3.8 Microsoft in Portugal**

Over the years, Microsoft has been playing an active role in Portugal in what concerns the creation of job opportunities, support to entrepreneurs and training of human resources. This year, Microsoft Portugal has already launched several projects in that direction.

In May 2014 Microsoft launched a new program called “*Ativar Portugal*”, a macro-initiative of João Couto, the present CEO of Microsoft Portugal. “*Ativar Portugal*” is going to create about 10,000 jobs in the IT field until 2017. This initiative is going to involve some of Microsoft partners, such as Biz Direct<sup>64</sup>, Accenture or Rumos<sup>65</sup> among a total of 150 partners,

---

<sup>62</sup> MS website: <http://www.microsoft.com/eu/transforming-business/multimedia/president-of-the-sme-union-on-what-makes-an-innovative-and-entrepreneu.aspx>

<sup>63</sup> The Wall Street Journal website: <http://blogs.wsj.com/tech-europe/2011/06/14/technology-is-cheap-as-chips-but-venture-capitalists-fail-to-cash-in/>

<sup>64</sup> Full quote: “*Bizdirect is a technology company in the SSI / Sonaecom universe (...) and a specialized player in IT solutions commercialization, consulting and management of corporate software licensing contracts and Microsoft solutions’ integration.*” (Bizdirect website: <http://www.bizdirect.pt/en/bizdirect/company-overview>)

<sup>65</sup> GrupoRumos is an holding of the Futurcapital SA that promotes and manage investments and provides technical services to the companies it holds. Its primary focus is to provide training, education and services in the IT field.

and is also going to have the collaboration of Portuguese Employment and Vocational Training Institute<sup>66</sup>. The main goal of this initiative is creation of qualified workers through training, official certification and skills development in Microsoft technology<sup>67</sup>.

*“Portugal has highly qualified resources in this field (...). Besides that, our courses are certified, very productive and with a competitive market value. This makes us a relevant player in the European context.”*

*(João Couto, CEO of Microsoft Portugal)*

Also, in May of this year Startup Braga was officially launched and counts with the support of Microsoft Ventures in partnership with Microsoft Portugal. This innovative hub aims to support 30 to 40 startups per year and it is the first innovative hub in Portugal supported by Microsoft Ventures (see Exhibit 19). Microsoft Ventures in partnership with Microsoft Portugal and Startup Braga is focused in helping the selected startups reaching a global scale through incubation and acceleration programs. Thus, the main goal of Startup Braga is the internationalization of these startups and its success will be measured taking into consideration the job opportunities created by them as well as the evolution of their exports.<sup>68</sup>

### **3.8.1 Microsoft BizSpark in Portugal**

*“Entrepreneurial initiatives are important for the European economies as they foster innovation and drive growth. Now more than ever before. The ecosystem that has grown up around BizSpark is so diverse and rich, we see great examples of partnership every day.”*

*(Claire Lee, Emerging Business International Lead)*

Microsoft BizSpark was launched in 2008 in Portugal, one week after its international presentation. The initiative resulted from the Memorandum of Understanding 2.0 signed between Microsoft and the Portuguese Government that would cover four important intervention fields: *Education in Portugal, Portuguese Economy, National Security and Modernization of the Portuguese Public Administration*<sup>69</sup>.

---

<sup>66</sup> Observador website: <http://observador.pt/microsoft-quer-criar-dez-mil-empregos-ate-2017/>

<sup>67</sup> Bizdirect website: <http://www.bizdirect.pt/pt/bizdirect/noticias-e-eventos/press-releases/411-bizdirect-fomenta-a-criacao-de-emprego-em-tecnologia-microsoft>

<sup>68</sup> Económico website: [http://economico.sapo.pt/noticias/microsoft-ventures-apoia-primeirohub-de-inovacao-em-portugal\\_192634.html](http://economico.sapo.pt/noticias/microsoft-ventures-apoia-primeirohub-de-inovacao-em-portugal_192634.html)

<sup>69</sup> MS website: <http://www.microsoft.com/portugal/presspass/comunicados.aspx?ID=231>

BizSpark program comes along as part of the second intervention field, *Portuguese Economy*, which seeks to give a new impetus to the national economy. Thus, Microsoft contributes by providing to technology-based startups free and easier access to its tools and technologies, decreasing this way the technological barriers that may slow down entrepreneurship growth. During its first three years, BizSpark supported 350 Portuguese companies which resulted in an investment of over €2.6 million in free software.

### ***3.8.1.1 BizSpark Network Partners in Portugal***

Network Partners establish a link between Microsoft and the national entrepreneurial community by recruiting startups that fit BizSpark requirements<sup>70</sup>. In Portugal, this network is composed by incubators (e.g., DNA Cascais, Startup Braga, MadanParque), Technology Parks (e.g., Parkubis), investors (e.g., Novabase Capital), Universities (e.g., TecMinho), Consulting (e.g., Gesventure, Inovamais) and Entrepreneurial Support Organizations (e.g., ANJE, IAPMEI).

Working with Network Partners brings a lot of benefits once it is possible to unite a global community of peers, technical resources and entrepreneurial mentors that can give personalized support to startups according to their specific needs through mentoring, networking events, financial assistance and other resources<sup>71</sup>.

### ***3.8.1.2 Financing***

BizSpark also plays a major role in terms of establishing financing solutions to startups. Within the scope of “*Progama MAIS*”<sup>72</sup> startups have a better knowledge of the financing opportunities provided by the EU and an easier application process to Community funds, to support training, employment and business creation.

---

<sup>70</sup> Note: Being a Microsoft Network Partner does not imply any costs or fees. Network partners only need to follow the program terms and conditions.

<sup>71</sup> Note: If the availability of BizSpark Network Partners is limited, Microsoft may directly connect startups to enroll in its program.

<sup>72</sup> “*Progama MAIS*” is a Microsoft program that makes part of the EUGA (European Union Grants Advisor) Program.

The EU is going to provide through local and regional governments and institutions funds for investments in the amount of €325 billion between 2014 and 2020, being €21 billion directed to Portugal. Besides that, companies can apply directly to European funds. There are more than €100 billion available for Portuguese SMEs<sup>73</sup>. Identifying the right funds for each project of an organization is a complex and time consuming process and “*Programa MAIS*” helps facilitating the access to these funds and optimizing their use.

### ***3.8.1.3 Portuguese Cases of Success***

Evidensys was the first Portuguese startup to join BizSpark. Evidensys is specialized in the creation of Web solutions in terms of design, Web marketing and development of software and has clients such as Microsoft and Fiat. The company’s CEO Hugo Silva recognizes great value in the BizSpark programme.

*“The value of BizSpark goes far beyond the access to free software (...). The quality of the events, the access to financing and its conditions, the support and visibility that the program offers are determining factors that motivate every technological startups to invest in Microsoft technology”.*

*Hugo Silva, CEO OF Evidensys*

All the startups that join the program have the opportunity of being nominated “Startup of the Day” and are promoted in Microsoft International website as well as in other Network Partners websites. Until now, five Portuguese startups were considered “Startup of the Day”: Action Flow, AdClip, Cardmobili, Critical Health and Frotcom (see Exhibit 20). Action Flow was the first Portuguese project in Silicon Valley in the DemoFall conference<sup>74</sup>. It is very difficult to participate in this conference but once accepted the projects gain a huge international exposure.

---

<sup>73</sup> MS website: <http://www.microsoft.com/business/pt-pt/a-par-e-passo/Paginas/programa-mais.aspx>

<sup>74</sup> Parkurbis website: [http://www.parkurbis.pt/index.php?option=com\\_content&view=article&id=46&Itemid=1](http://www.parkurbis.pt/index.php?option=com_content&view=article&id=46&Itemid=1)

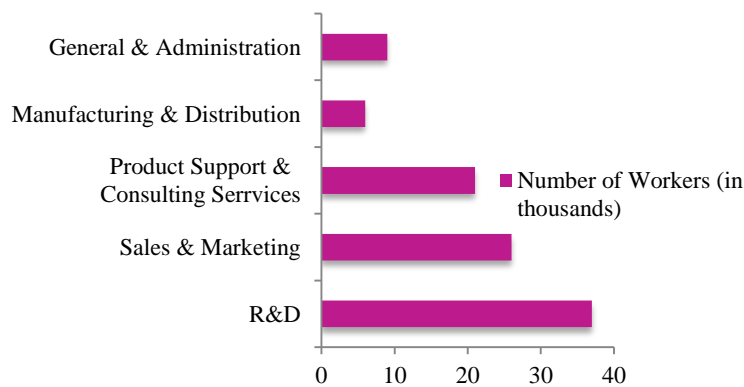
### 3.9 Exhibits

**Exhibit 1: Operating Segments**

Segments	Focus	Products and Services	Competitors
<b>Windows Division</b>	<ul style="list-style-type: none"> <li>- Windows operating systems</li> <li>- Related software and online services</li> <li>- PC hardware products</li> </ul>	<ul style="list-style-type: none"> <li>- Windows Operating System</li> <li>- Surface</li> <li>- PC accessories</li> </ul>	Apple, Google, Yahoo!
<b>Server and Tools</b>	<ul style="list-style-type: none"> <li>- Server software</li> <li>- Software developer tools</li> <li>- Cloud-based services and solutions</li> </ul>	<ul style="list-style-type: none"> <li>- Windows Server</li> <li>- Windows Azure</li> <li>- Microsoft SQL Server</li> <li>- Windows Intune</li> <li>- Windows Embedded</li> <li>- Visual Studio</li> <li>- System Center Products</li> <li>- Enterprise Services</li> </ul>	Hewlett-Packard, IBM, Oracle, Linux, Amazon, Google, IBM
<b>Online Service Divisions (OSD)</b>	<ul style="list-style-type: none"> <li>- Information and content</li> </ul>	<ul style="list-style-type: none"> <li>- Bing</li> <li>- Bing Ads</li> <li>- MSN</li> </ul>	Google
<b>Microsoft Business Division (MBD)</b>	<ul style="list-style-type: none"> <li>- Software and Online Services</li> </ul>	<ul style="list-style-type: none"> <li>- Microsoft Office</li> <li>- Exchange SharePoint</li> <li>- Lync</li> <li>- Yammer</li> <li>- Microsoft Dynamics</li> <li>- Office 365</li> </ul>	Adobe, Apple, Cisco, Google, IBM, Oracle, SAP
<b>Entertainment and Devices Division (EDD)</b>	<ul style="list-style-type: none"> <li>- Entertainment products and services</li> </ul>	<ul style="list-style-type: none"> <li>- Xbox 360</li> <li>- Kinect</li> <li>- Video games</li> <li>- Xbox 360 accessories</li> <li>- Xbox LIVE</li> <li>- Skype</li> <li>- Windows Phone</li> </ul>	Nintendo, Sony, Apple, Google, Blackberry

Source: Annual Report (Microsoft Corporation, 2013a)

**Exhibit 2: Number of Workers per Section**



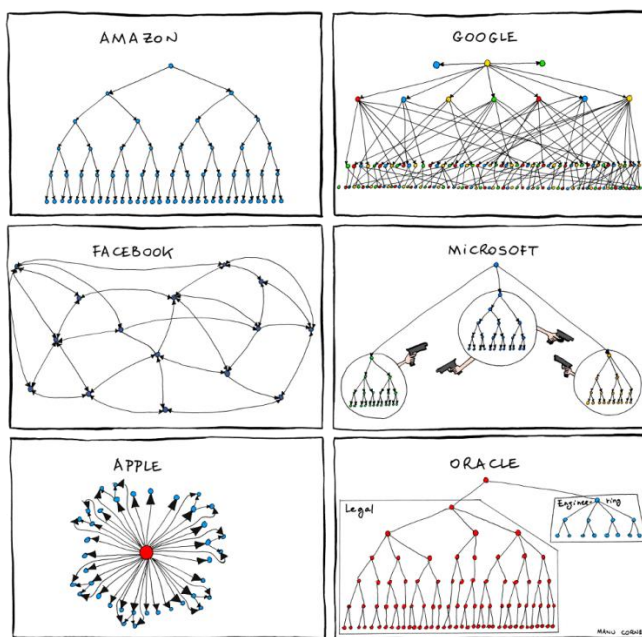
Source: Annual Report (Microsoft Corporation, 2013a)

**Exhibit 3: Microsoft Segment Revenue (In Millions)**

Year Ended June 30	2013	2012	2011
<b>Revenue</b>			
Windows Division	\$ 18,680	\$ 18,844	\$ 18,815
Server and Tools	20,295	18,544	16,571
Online Services Division	3,284	2,935	2,680
Microsoft Business Division	24,738	24,082	22,407
Entertainment and Devices Division	10,213	9,590	8,896
Corporate and other	639	(272)	574
<b>Consolidated</b>	<b>\$ 77,849</b>	<b>\$73,273</b>	<b>\$69,943</b>

Source: Annual Report (Microsoft Corporation, 2013a)

**Exhibit 4: Organizational Charts**



Source: The New York Times ([http://www.nytimes.com/2013/07/12/technology/microsoft-revamps-structure-and-management.html?pagewanted=all&\\_r=2&](http://www.nytimes.com/2013/07/12/technology/microsoft-revamps-structure-and-management.html?pagewanted=all&_r=2&))

**Exhibit 5: Microsoft's Stakeholders**



Source: Citizenship Report (Microsoft Corporation, 2013b)

## Exhibit 6: Global Compact's 10 Principles

### Human Rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human right abuses.

### Labor

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labor;

**Principle 5:** the effective abolition of child labor; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

### Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

### Anti-corruption

**Principle 10:** Businesses should work against corruption in all its forms, including exportation and bribery.

**Source: Citizenship Report** (Microsoft Corporation, 2013b)

**Exhibit 7: YouthSpark Hub**

	Goal				Activity							Age		
	Build Skills	Run a Business	Find a Job	Learn to Code	Get Certified	Get Software	Win Prizes	Get Inspired	In School	Events /Experiences	Learn Online	6 to 12	13 to 17	18 to 24
Bing for Schools														
BizSpark														
Channel 9														
DigiGirlz														
DreamSpark														
Imagine Cup														
IT Academy														
Job Start 101														
Khan Academy														
Kodu Game Lab														
Local Language Program														
MS Digital Literacy														
MS Innovation Centers														
MS Internship Program														
MS Jobs Blog														
MS Learning														
MS Office Training														
MS Research														
MS Safety and Security Center														
MS Studen Partners														
MS Student														
MS Virtual Academy														
NFTE Make Your Job														
Office 365 for Edu														
Skillage														
Skype in the Classroom														
Small Basic														
Sprout E-Course														
TEALS														
TouchDevelop														
YouthSpark Live														
YouthSpark on Global Living														
YouthSpark Summer Campus														

**Source: Authors' design**



**Exhibit 8: Technology for Good**



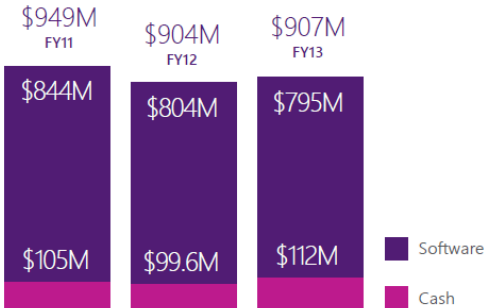
Source: Citizenship Report (Microsoft Corporation, 2013b)

**Exhibit 9: Employee Giving**



Source: Citizenship Report (Microsoft Corporation, 2013b)

**Exhibit 10: Microsoft Global Giving**



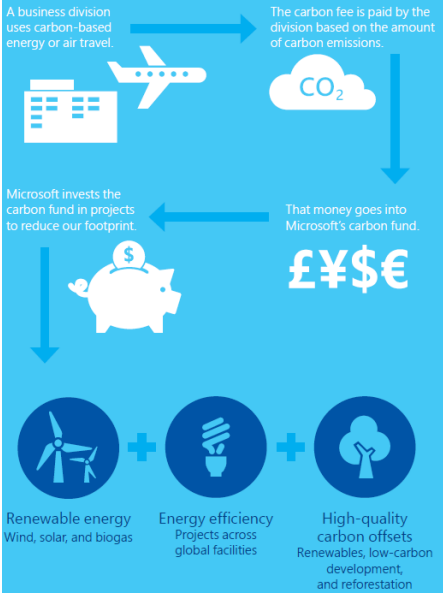
Source: Citizenship Report (Microsoft Corporation, 2013b)

**Exhibit 11: Microsoft Employees Feedback**

EMPLOYEE POLL RESULTS	2011	2012	2013
Employee response rate	90%	88%	89%
Employees who feel proud to work at Microsoft	86%	90%	89%
Employees who feel they are treated with dignity and respect by their managers	92%	92%	93%
Employees who would recommend Microsoft as a great place to work	83%	86%	85%
Employees who feel their workgroup values diverse opinions	84%	86%	86%
Employees who feel their workgroup speaks openly and honestly, even when news is bad	81%	82%	82%
Employees who have a positive opinion about the degree of flexibility they are given in their job	83%	84%	84%
Employees who feel Microsoft is a good corporate citizen in employees' communities and in the world	91%	93%	94%

Source: Citizenship Report (Microsoft Corporation, 2013b)

**Exhibit 12: Microsoft Carbon Fee**



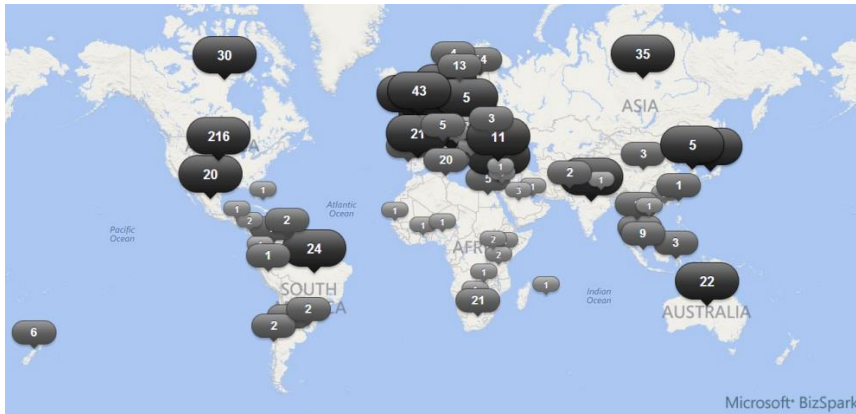
Source: Citizenship Report (Microsoft Corporation, 2013b)

**Exhibit 13: BizSpark – Levels of Relationships**



Source: Microsoft BizSpark – Program Guide for Network Partners (Microsoft Corporation, 2008)

**Exhibit 14: BizSpark Network Partners in the World**



Source: MS website (<http://www.microsoft.com/bizspark/connectworld.aspx?Flags=true&NetworkPartnerFilter=true>)

**Exhibit 15: BizSpark Startups in the World**



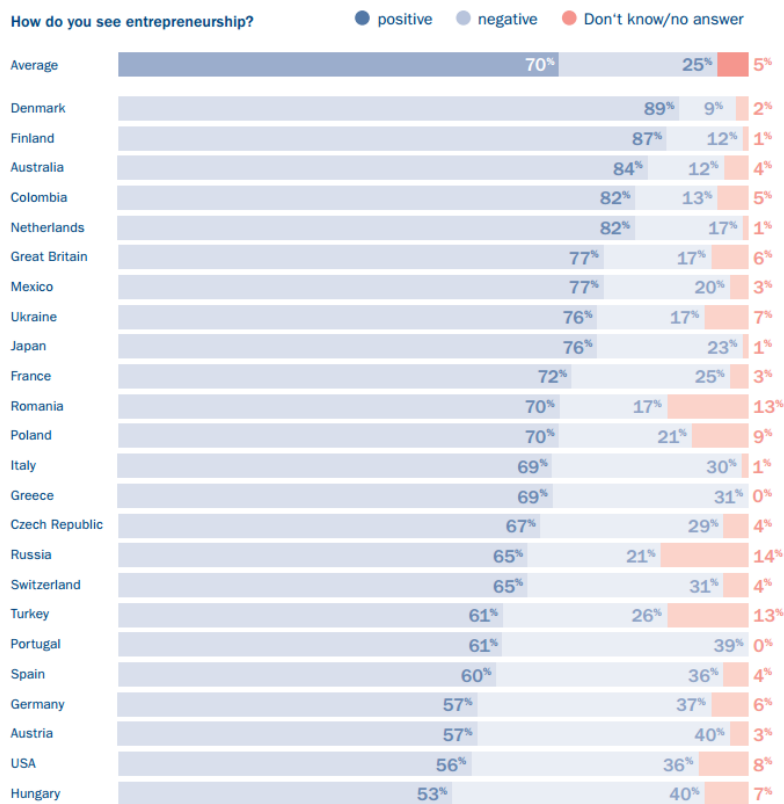
Source: MS website (<http://www.microsoft.com/bizspark/connectworld.aspx?Flags=true&NetworkPartnerFilter=true>)

**Exhibit 16: Thresholds of SMEs**

Categoria da empresa	Efectivos: Unidade de Trabalho-Ano (UTA)	Volume de negócios anual	Balanço total anual
Média	< 250	≤ 50 milhões de euros (em 1996, 40 milhões de euros)	≤ 43 milhões de euros (em 1996, 27 milhões de euros)
Pequena	< 50	≤ 10 milhões de euros (em 1996, 7 milhões de euros)	≤ 10 milhões de euros (em 1996, 5 milhões de euros)
Micro	< 10	≤ 2 milhões de euros (anteriormente não definido)	≤ 2 milhões de euros (anteriormente não definido)

Source: EC website ([http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_pt.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_pt.htm))

**Exhibit 17: How do you see entrepreneurship?**



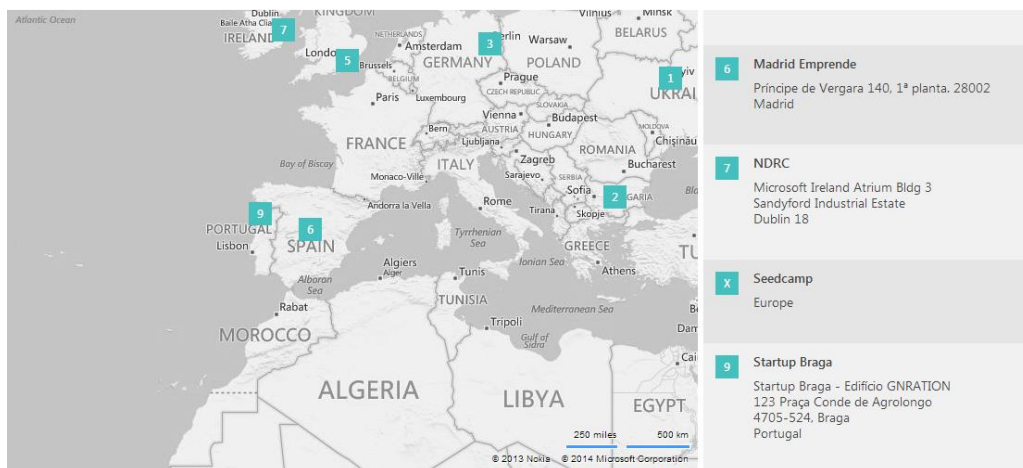
Source: Amway Global Entrepreneurship Report 2013

**Exhibit 18: “Flagship Initiatives” of Europe 2020**



Source: EC website ([http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index\\_en.htm](http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm))

**Exhibit 19: Microsoft Ventures Partners in Europe**



Source: Microsoft Ventures website (<http://www.microsoftventures.com/locations?t=2>)

**Exhibit 20: Portuguese BizSpark Startups – Cases of Success**

Startups	Business Description
<b>Action Flow</b>	“Less stress. More Success”. Action Flow is a management tool that allows managers to determine the tasks of their collaborators and allows checking up the activities status. For instance, this platform sends emails during the day to the manager informing if a task is already completed.
<b>AdClip</b>	AdClip is focused on collecting and organizing classified ads and distributing these ones through a wide range of websites around the world.
<b>Cardmobili</b>	Cardmobili provides solutions focused on digital wallet services. They believe mobile devices will be the core of consumer activities. This company is already operating across Europe, Latin America, the Middle and North Africa.
<b>Critical Health</b>	Critical Health is a spin-off from Critical Software that provides software solutions to prevent loss of vision, mobility and cognitive skills on elder people.
<b>Frotcom</b>	Frotcom is focused on the creation of location and fleet management systems.

Source: Authors’ design

## Chapter 4: Teaching Notes

### 4.1. Case Summary

The case study *Microsoft BizSpark in Portugal – How to Enhance Entrepreneurship through the Creation of Shared Value* presents BizSpark, an international program developed by Microsoft and launched in 2008 which aims to support startups during a three-years program that provides free software, support and visibility. It was clear since the beginning the attempt of Microsoft to develop a program that would bring not only benefits to the enrolled startups but also to Microsoft itself through the increase of potential clients.

During the program startups have access to software development tools, platform technologies and server products to develop software applications and free access to Microsoft Azure for Web applications. After the program period ends they will continue to benefit from free software and special discounts, which continues to strengthen the bonds between Microsoft and those startups.

BizSpark is present in more than 165 countries and counts with more than 1,500 Network Partners to support more than 50,000 startups. In Portugal, the program was also launched in 2008 and during its first three years of existence in the country Microsoft provided support to 350 startups representing an investment of €2.6 million in free software.

The case study details the construction of bonds between Microsoft and the Portuguese Government in order to develop job opportunities, enhance entrepreneurship and improve Portuguese human capital. BizSpark program makes part of the Memorandum of Understanding 2.0 signed between Microsoft and the Portuguese Government. As it happens with other countries in Europe, Portugal faces strong barriers to entrepreneurship. First of all there are social barriers as the stigma of failure and then there are rooted structural barriers as excessive bureaucracy, the need of stronger bonds between the education system and the business world, difficult access to financing and high costs associated to Intellectual Property Rights. BizSpark intends to eliminate some of these barriers or at least decrease their impact.

In Portugal, BizSpark has the support of incubators, Technology Parks, investors, Universities, Consulting and Entrepreneurial Support Organizations. Besides having access to

these different types of Network Partners, Microsoft informs startups about financing opportunities provided by the EU. Portugal had already the opportunity to see five of BizSpark startups being nominated “Startup of the Day”: Action Flow, AdClip, Cardmobili, Critical Health and Frotocom.

## 4.2 Learning Objectives

This case study is for Master or MBA students that are attending Corporate Social Responsibility (CSR) courses or Strategic ones which include the creation of Shared Value (SV) as a topic. The present case aims to cover the following learning objectives:

- First of all, the main goal of this teaching case is to understand if, through the development of CSR activities, social and economic objectives can coexist in a company’s strategy without being mutually exclusive.
- Students will have a clear perception of how companies can create SV by relating their CSR activities with their core business, bringing both benefits to companies and their related stakeholders.
- The specific case of Microsoft BizSpark program will provide a clear illustration of how companies can foster the creation of SV and how well-established companies can enhance entrepreneurship.
- To demonstrate the importance of strategic partnerships with organizations which have a profound knowledge of local entrepreneurial communities and act as filters to choose “*the best of them all*”.
- To highlight why BizSpark is important to increase Microsoft’s customer base, increasing not only the number of persons that use its software but also the number of persons that use it properly through training.
- To have a clear vision of how BizSpark is striving to facilitate the access to financing and the exposure of startups projects through Microsoft Network Partners in Portugal and in the world.
- And finally, in the specific Portuguese context, how BizSpark will fight deep social barriers, such as the fear of failure.

### **4.3 Teaching Questions**

**TQ1:** To what extent is Microsoft striving to implement a SV approach throughout the organization? And if so how is BizSpark contributing to that?

**TQ2:** The creation of SV presupposes that companies are willing to improve their competitive context creating a convergence of social and economic interests. Would you say that BizSpark program is context-focused? If yes, to what extent is Microsoft improving its competitive context with this program?

**TQ3:** To what extent do you think Microsoft's history of leadership has influenced the creation of SV inside the organization? What role do you think Microsoft founder, Bill Gates, played?

**TQ4:** Do you believe that the BizSpark program can have a significant impact in the Portuguese economic context? If yes, how do you think that it is possible?

### **4.4 Suggested Teaching Methods**

As a teaching method, the professor could ask the students to split in two groups to debate if Microsoft is truly engaging in a SV approach or is promoting the creation of CSR activities just to improve its brand welfare, and is therefore skeptic about the real value that CSR can bring to the company.

Students would have had a week to prepare for the debate by having access to the case study and literature review. One of the groups would be defending the first argument and the other would be arguing for the second one. The debate would be conducted by a moderator (in this case the professor) through exposure to the different TQs.

### **4.5 Analysis and Discussion**

With this sub-chapter we aim to provide guidelines that will help students to answer the four TQs. Although, we answer some of these questions based on specific frameworks, there is no intention of limiting students own perspectives.

**TQ1:** *To what extent is Microsoft striving to implement a SV approach throughout the organization? And if so how is BizSpark contributing to that?*



Bockstette and Stamp (2011) developed “*a how-to-guide for implementing shared value*” where they propose ten common building blocks that must be taken into consideration when attempting to implement a SV approach and that we will explore in detail in order to address TQ1. These ten building blocks are split into four broader blocks, *vision*, *strategy*, *delivery* and *performance*, as it is possible to see in Exhibit 21.

Microsoft’s extensive *vision* statement (in sub-chapter 3.2) clearly demonstrates a commitment at the top to make diversity and inclusion of the workforce part of the company’s daily operations. By doing so Microsoft is embracing a SV approach, a desire to have a meaningful impact that will be present in all its activities.

Microsoft is not targeting a social issue alone, rather it is making this one part of its *strategy* by appointing diversity of its workforce as a solution to strive for creativity and innovation and meet different consumer demands. According to Bockstette and Stamp (2011), the vision must be extended into the strategy of the company as a way of ensuring that its goals are in line with the intention of having a meaningful impact.

The *strategy* should prioritize *key shared value issues* (identified internally, and not imposed by external pressures) and set *specific and ambitious goals*. The reason why Microsoft decided to create a program as BizSpark was because it identified a social issue inserted in its operating area. For IT startups it is difficult to reach a certain level of visibility that facilitates the access to financing needed to get the right technologies to develop their products. BizSpark is helping Microsoft to achieve its goal of empower youth around the globe “*to imagine and realize their full potential*”.

Microsoft is able to provide these technologies for free and, more than that, teach startups how to use them correctly. Besides that Microsoft has access to a broad network of partners. As the study developed by Lechner and Dowling (2003) suggests, inter-firm networks help early-stage startups to overcome the *liability of newness* and *smallness* (in sub-chapter 2.4.3.1). Microsoft and its partners work as *reputational networks* that help these startups to overcome the lack of *social status*.

*Mobilize internal and external resources* is part of how Microsoft should manage *delivery*. In this specific case, the internal resources are Microsoft software, employees' skills (this presupposes a social engagement from workers, a willingness to *manage efforts across the organization*) and its business influence and the external resources are the expertise and business influence of its partners. In the BizSpark program, Microsoft collaborates with diversified partners that range from university incubators to government agencies.

In terms of *performance*, Microsoft has established key indicators as the number of job opportunities created by BizSpark startups in order to ensure they are going on the right track and see what needs to be improved. As Bockstette and Stamp (2011) state is important to communicate the achievements in order to keep employees engaged and develop the sense of shared ownership. This demands internal but also external communication. Microsoft uses the most common way of communicating, through the Corporate Citizenship Report, but it also created a blog where it nominates the "Startup of the Day" and where is possible to find records since the year of BizSpark creation.

**TQ2:** *The creation of SV presupposes that companies are willing to improve their competitive context creating a convergence of social and economic interests. Would you say that the BizSpark program is context-focused? If yes, to what extent is Microsoft improving its competitive context with BizSpark program?*

The competitiveness of the companies depends on the society around them, depends on their competitive context. In *The Competitive Advantage of Nations*, Porter (1990) proposed the existence of four interrelated elements that influence the competitive context: *context for strategy and rivalry, demand conditions, related supporting industries* and *factor conditions*. This framework was subsequently summarized by Porter and Kramer (2002) as it is possible to see in Exhibit 22.

According to these two authors clusters result from the combination of these four elements that provide them specific characteristics. Their development is determinant to increase the productivity of existing firms and help the emergence of new ones. To that end, it is crucial the investments by members of these clusters. Recalling what we said in sub-chapter 2.4.3, companies can create SV by enhancing the development of local clusters.

With the BizSpark program Microsoft is increasing its potential customer base and at the same time making them more sophisticated by teaching them how to use their technologies. Moreover, customers with higher levels of knowledge will become more demanding and will encourage Microsoft to look for more innovative solutions. As Porter and Kramer (2002) state, “*philanthropy can influence both the size and quality of the local market*” and, within this framework of thought, Microsoft is improving one of the four elements, *demand conditions*.

The productivity of Microsoft is also influenced by its *related and supporting industries*. With BizSpark program, Microsoft is improving the quality of these ones in the sense that a lot of BizSpark startups may become Microsoft suppliers. One such case is the Portuguese company Evidensys (referred in sub-chapter 3.8.1.3), focused on the development of Web solutions, that was the first Portuguese company to join BizSpark program and has Microsoft as one of its clients<sup>75</sup>.

**TQ3:** *To what extent do you think Microsoft history of leadership has influenced the creation of SV inside the organization? What role do you think Microsoft’s founder, Bill Gates, played?*

According to Bockstette and Stamp (2011), moving a company towards a SV approach would require this one *to work from the inside out and from the top down*. The leadership of a company has an enormous influence over employees once it is responsible for establishing the company’s strategy. Therefore, leadership should be the first one to incorporate this approach. Vlachos, Panagopoulos and Rapp (2013) developed a framework which relates *employees’ CSR induced attributions, job satisfaction and the role of charismatic leadership* (see Exhibit 23).

According to Waldman, Siegel and Javidan (2006) charismatic leaders transmit “*altruism, justice and humanistic notions of the greater good*” to their followers by engaging in CSR behaviors and practices. On their turn followers inside of an organization tend to admire and be inspired by a charismatic CEO. Bill Gates is as well-known for being a billionaire as for being the world biggest philanthropist. Over the years Gates has shown a concern about the

---

<sup>75</sup> Evidensys website: <http://www.evidensys.com/Clientes>

world's biggest challenges that culminated in the creation of Bill & Melinda Gates Foundation. Gates, as part of this Foundation, has been much talked for amazing accomplishments as we previously described in sub-chapter 3.3 and his lifestyle inspires many people around the world for his “*altruism, justice and humanistic notions of greater good*”.

Based on Waldman, Siegel and Javidan (2006), charismatic leadership contributes to positive CSR-induced attributions on the part of employees. These authors consider two types of CSR-induced attributions based on the motivations behind the development of CSR activities: CSR-induced intrinsic attributions and CSR-induced extrinsic attributions. This distinction comes along with the appearance of greenwashing practices (in sub-chapter 2.7) that threaten all the work that has been developed in the CSR field. According to Du, Bhattacharya and Sen (2007) intrinsic motives translate a genuine concern about society while extrinsic motives promote selfish behaviors which aim to improve an organization's image. Thus, charismatic leadership will be positively related with intrinsic attributions. As we mentioned in sub-chapter 3.4., Microsoft has developed a wide range of activities in the CSR fields that go from improving communities' welfare to improving working conditions. In Microsoft annual survey of 2013, it was possible to find out that 94% of employees perceived Microsoft as a good corporate citizen. Thus employees link CSR-induced intrinsic motivations to Microsoft CSR programs. According to Waldman, Siegel and Javidan (2006) this favorable attribution contributes to increase job satisfaction.

**TQ4:** *Do you believe that the BizSpark program can have a significant impact in the economic Portuguese context? If yes, how do you think that it is possible?*

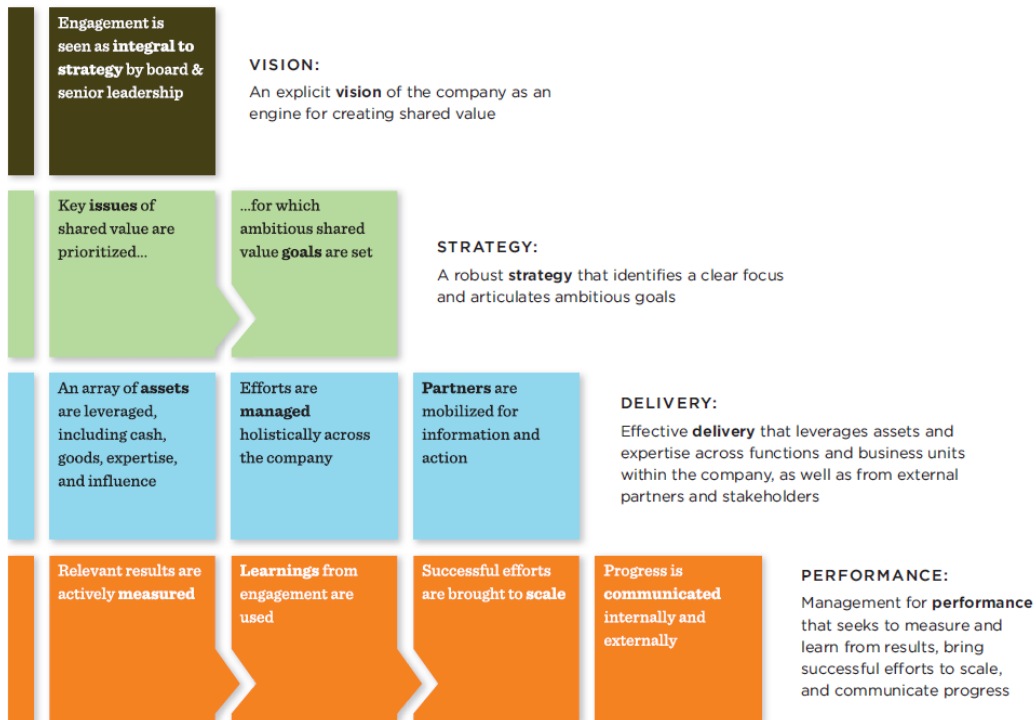
In sub-chapter 3.7 we described the Portuguese business framework which is largely characterized by the predominance of SMEs. Although Portugal is living an entrepreneurial wave, there are barriers that prevent a larger increase of this tendency.

In sub-chapter 3.7.1, we pointed out some of these barriers that are also common to other European countries. In Portugal the effect of the economic crisis weight more than the financial burdens up to bankruptcy, with 61% of the Portuguese respondents pointing it out as the main barrier to begin one's own business. But even more surprising is that 83% of the Portuguese interviewees revealed fear of failure.

Based on this data is already possible to see how BizSpark will be able to have a significant impact in the Portuguese economy. First of all, BizSpark reduces startups costs in their early stage by providing free software without demanding equity to these ones. Secondly, Microsoft is a multinational company that has access to a wide network of partners that will provide support and visibility to startups. This will provide confidence to startups reducing their fear of failure. As it happens in the USA, it is important that startups start seeing failure as part of the learning process and not has something that will stop them of pursuing their entrepreneurial ideas. Moreover, BizSpark is increasing the cooperation between the world of science and business by establishing partnerships with universities. This way, BizSpark is promoting the self-employment that is not so popular among young ones. Self-employment should not just be seen as an alternative to unemployment but also as a possible start of professional careers. Finally, by taking advantage of BizSpark's network partners, startups will have easier access to financing and will also be better informed about financing opportunities provided by the EU through "Progama MAIS" of Microsoft as we mentioned in sub-chapter 3.8.1.2.

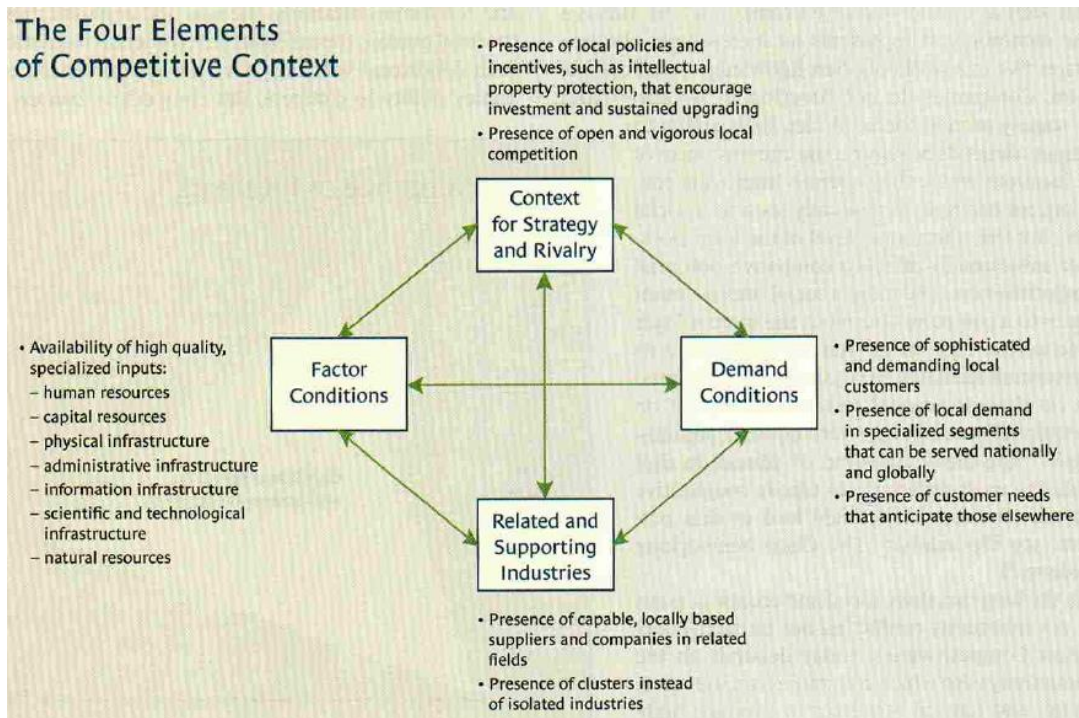
## 4.6 Exhibits

Exhibit 21: The Building Blocks of Creating Shared Value



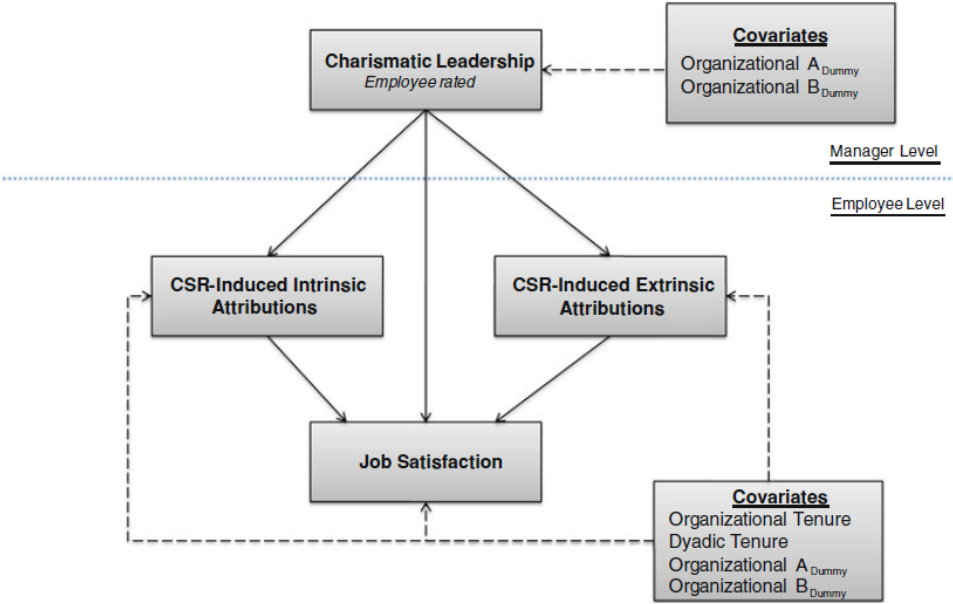
Source: Bockstette & Stamp, 2011

Exhibit 22: The Four Elements of Competitive Context



Source: Porter & Kramer, 2002

**Exhibit 23: Conceptual Framework**



**Source:** Vlachos et al., 2013

## Chapter 5: CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH

### 5.1 Conclusions

For a long time companies had been encouraged to just focus on economic values and leave aside social issues. In order to improve their reputation, companies would just compensate society for any loss or would develop initiatives with no relation with their core business. Fortunately, the CSR field has positively evolved over the years and a new concept has emerged, the creation of SV which is the strategic development of CSR initiatives that create a win-win situation for society and companies.

With the identified TQs it was possible to better understand what role the BizSpark program plays in the CSR field. The first TQ makes a reflection of how this program is contributing to implement a SV strategy throughout the entire Microsoft. First of all, all the organization from top to down demonstrates a willingness and commitment in addressing social issues reflected in Microsoft's vision and strategy. Identifying gaps in communities is part of Microsoft's strategy and, thereafter, with BizSpark Microsoft is filling a gap by providing specialized support to technological startups decreasing their initial costs and helping them to overcome their lack of reputation. However, if Microsoft is creating benefits to communities, it is also creating business benefits once BizSpark is in all related with Microsoft's core business (software provision) and allows Microsoft to establish long-term relationships with these startups that may become in the future their clients or partners.

From the Literature Review we concluded that companies' survival depends on clusters surrounding them which are composed, for instance, by other companies or universities and, thereafter, by enhancing the development of clusters companies are improving their competitive context. In the second TQ we aim to address this topic, how Microsoft is improving its competitive context through BizSpark, and we concluded that this program is influencing two of the four dimensions that compose Microsoft's competitive context: *demand conditions* (by supporting startups Microsoft is increasing its potential base of clients and at the same time making them more sophisticated by teaching them how to use Microsoft's technologies) and *related and supporting industries* (besides becoming its clients, these startups may partner in future with Microsoft as suppliers).



For the purpose of this dissertation we could not avoid reflecting about the role of leadership in the third TQ. Leadership exercises high influence over all the organization due to its strategic decisions and, thus, there should be a commitment at the top to make SV part of a company's strategy. Furthermore, employees feel inspired by charismatic leaders and are more likely to make positive attributions to CSR activities. Bill Gates was able to inspire a lot of people inside and outside Microsoft with his life as a philanthropist and this may have had a huge influence over the development of CSR initiatives inside Microsoft. In fact, we were able to find out that in general Microsoft's employees perceive the organization as a good corporate citizen.

In the last TQ we made some conclusions concerning the impact of BizSpark in the Portuguese entrepreneurial environment. In our case study we analyzed the Portuguese economic context, which is highly characterized by the predominance of SMEs, and the social context. Concerning this last one, we found out that the fear of failure is very high in Portugal and young people are not that receptive to self-employment. Once most of the Portuguese business framework is represented by SMEs, entrepreneurship is crucial to enhance the Portuguese economic development and it is of extreme importance that young people overcome their fear of failure and start pursuing their own ideas in order to improve Portugal competitiveness. In our analysis we concluded that Microsoft is helping young entrepreneurs in this by providing them free software, decreasing their costs and by putting startups into contact with a diverse network of partners that are able to provide specialized support and visibility.

Taking into account the present Portuguese economic situation, we think it is of extreme importance to analyze the positive impact that the creation of SV may have in enhancing entrepreneurship in Portugal. Clusters development depends on the investments made by its members and, therefore, more companies should be inspired and follow Microsoft's initiative with BizSpark once their development and survival also depends on the quality of their supporting and related industries. Portuguese companies need to perceive this type of support to national entrepreneurship not only as something that will create benefits to startups but also as something that may increase their competitiveness and elevate them to higher planes.

## **5.2 Limitations and Future Research**

Along this dissertation we have faced limitations that have prevented us from carrying out a deeper analysis. The first limitation that we found was the lack of publicly available data concerning the list of all startups that have enrolled in the BizSpark program and how they perform nowadays (for instance, in terms of annual revenues and new jobs created in Portugal) that would allow us to make a more accurate and quantitative measurement of BizSpark's social impact in Portugal. The data we used along this dissertation was collected through the standard means, Microsoft website, Microsoft's Corporate Citizenship and Annual Report and news. However, we must take into consideration that BizSpark was only launched in 2008 and the measurement of SV is done in the long-run and it is not immediately possible to develop a quantitative measurement of social impact. One interesting piece of future research would be to gather all the data about the startups enrolled in BizSpark and monitor their progress over the years. This could also be an opportunity to get a better understanding of the factors involved in their success or failure.

Furthermore, this dissertation focuses only on Microsoft as a technological company and its CSR program, BizSpark. In the future it would be interesting to analyze CSR initiatives of different companies from different industries that would allow inferring some general conclusions. Besides that, in this dissertation we identified three different ways of creating SV; BizSpark, by enhancing the development of local clusters, is just one of them. It would be also interesting to establish a comparison between this three different dimensions that belong to the virtuous cycle of SV and try to prove through numerical data which of the dimensions is more efficient in terms of creating positive social and business impact and which one exercises higher influence over the others. As we have mentioned in this dissertation, when one of the dimensions is improved, either products and markets or value chain or clusters, new opportunities will emerge in the other two dimensions. Finally, in this dissertation we only focus on the impact of BizSpark in Portugal. It would be interesting in the future to make a comparison of the development of BizSpark program in different countries.

## BIBLIOGRAPHY

### Articles and Books

- Adams, M., & Nehme, M. (2011). No new specific legislation required to deal with “greenwashing.” *Keeping Good Companies*, 419–423.
- Aerts, K., Matthyssens, P., & Vandenbempt, K. (2007). Critical role and screening practices of European business incubators. *Technovation*, 27(5), 254–267.
- Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2007). Putting The S Back in Corporate Social Responsibility: a Multilevel Theory of Social Change in Organizations. *Academy of Management Review*, 32(3), 836–863.
- Auger, P., Devinney, T. M., Louviere, J. J., & Burke, P. F. (2008). Do social product features have value to consumers? *International Journal of Research in Marketing*, 25(3), 183–191. doi:10.1016/j.ijresmar.2008.03.005
- Baird, R., Bowles, L., & Lall, S. (2013). *Bridging the “ Pioneer Gap ”: The Role of Accelerators in Launching High-Impact Enterprises* (pp. 1–29).
- Bhattacharya, C. and Sen, S. (2004). Doing Better at Doing Good : When, Why and How Consumers Respond to Corporate Social Initiatives. *California Management Review*, 47(1), 9–25.
- Bockstette, V., & Stamp, M. (2011). *Creating Shared Value : A How-to Guide for the New Corporate (R)evolution*.
- Carr, A. Z. (1996). “Is Business Bluffing Ethical?” In S. B. Rae & K. L. Wong (Eds.), *Beyond Integrity: A Judeo- Christian Approach* (pp. 23–31). Grand Rapids, MI: Zondervan Publishing House.
- Carroll, A. B. (1979). A Three-Dimensional Conceptual Model of Corporate Performance. *The Academy of Management Review*, 4(4), 497. doi:10.2307/257850
- Chamberlain, M. (2013). Socially Responsible Investing: What You Need to Know. *Forbes*. Retrieved from <http://www.forbes.com/sites/feonlyplanner/2013/04/24/socially-responsible-investing-what-you-need-to-know/>
- Delmas, M., & Burbano, V. (2011). The Drivers of Greenwashing. *California Management Review*, 54(1), 64–87.
- Devinney, T. M. (2009). Is the Socially Responsible Corporation a Myth ? The Good , the Bad , and the Ugly of Corporate Social Responsibility. *Academy of Management Perspectives*, 23(2), 44–57.
- Devinney, T. M., Auger, P., Eckhardt, G., & Birtchnell, T. (2006). The Other CSR : Consumer Social Responsibility. *Stanford Social Innovation Review*.

- Du, S., Bhattacharya, C. B., & Sen, S. (2007). Reaping relational rewards from corporate social responsibility: The role of competitive positioning. *International Journal of Research in Marketing*, 24(3), 224–241. doi:10.1016/j.ijresmar.2007.01.001
- Feinstein, N. (2013). Learning From Past Mistakes: Future Regulation to Prevent. *Boston College Environmental Affairs Law Review*, 40:229, 229–258.
- Font, X., Walmsley, A., Cogotti, S., McCombes, L., & Häusler, N. (2012). Corporate social responsibility: The disclosure–performance gap. *Tourism Management*, 33(6), 1544–1553. doi:10.1016/j.tourman.2012.02.012
- Freeman, R. E. (2001). Stakeholder Theory of The Modern Corporation. In W. M. Hoffman, R. Frederick, & M. Schwartz (Eds.), *Business Ethics: Readings and Cases in Corporate Morality* (4th ed.). Boston, MA.: McGraw-Hill.
- Friedman, M. (1970). The Social Responsibility of Business Is to Increase Its Profits. *New York Times Magazine*.
- Fung, H.-G., Law, S. A., & Yau, J. (2010). *Socially Responsible Investment in a Global Environemnt*. Edward Elgar Publishing Limited.
- Geczy, C. C., Stambaugh, R. F., & Levin, D. (2005). Investing in Socially Responsible Mutual Funds.
- Kakabadse, N. K., Rozuel, C., & Lee-Davies, L. (2005). Corporate Social Responsibility and Stakeholder Approach : A Conceptual Review. *Int. J. Business Governance and Ethics*, 1(4), 277–302.
- Kania, J., & Kramer, M. (2011). Roundtable on Shared Value. Stanford Social Innovation Review.
- Kleine, A., & Hauff, M. von. (2013). Sustainability-Driven Implementation of Corporate Social Respsnability: Application of Integrative Sustainability Triangle, 85(2009), 517–533.
- Lane, E. L. (2013). Green Marketing Goes Negative : The Advent of Reverse Greenwashing. *Intellectual Property & Technology Law Journal*, 25(1), 20–25.
- Lantos, G. P. (2001). The Boundaries of Strategic Corporate Social Responsibility. *Journal of Consumer Marketing*, 18(7), 595–632. doi:10.1108/07363760110410281
- Lechner, C., & Dowling, M. (2003). Firm networks: external relationships as sources for the growth and competitiveness of entrepreneurial firms. *Entrepreneurship & Regional Development*, 15(1), 1–26. doi:10.1080/08985620210159220
- Lii, Y.-S., & Lee, M. (2011). Doing Right Leads to Doing Well: When the Type of CSR and Reputation Interact to Affect Consumer Evaluations of the Firm. *Journal of Business Ethics*, 105(1), 69–81. doi:10.1007/s10551-011-0948-0

- Marin, L., & Ruiz, S. (2006). "I Need You Too!" Corporate Identity Attractiveness for Consumers and The Role of Social Responsibility. *Journal of Business Ethics*, 71(3), 245–260. doi:10.1007/s10551-006-9137-y
- Microsoft Corporation. (2008). *Microsoft BizSpark - Program Guide for Network Partners* (pp. 1–7).
- Microsoft Corporation. (2011). *Microsoft BizSpark - Program Guide for Startups* (pp. 1–14).
- Microsoft Corporation. (2013a). *Annual Report*.
- Microsoft Corporation. (2013b). *Citizenship Report*. Retrieved from <http://www.microsoft.com/about/corporatecitizenship/en-us/reporting/>
- Money, K., Rose, S., & Hillenbrand, C. (2010). The impact of the corporate identity mix on corporate reputation. *Journal of Brand Management*, 18(3), 197–211. doi:10.1057/bm.2010.31
- Pérez, R. C. (2009). Effects of Perceived Identity Based on Corporate Social Responsibility: The Role of Consumer Identification with the Company. *Corporate Reputation Review*, 12(2), 177–191. doi:10.1057/crr.2009.12
- Peters, L., Rice, M., & Sundararajan, M. (2004). The Role of Incubators in the Entrepreneurial Process. *The Journal of Technology Transfer*, 29(1), 83–91. doi:10.1023/B:JOTT.0000011182.82350.df
- Porter, M. (1990). The Competitive Advantage of Nations. *Harvard Business Review*, 69(4), 180. doi:10.2307/20044520
- Porter, M. E., Hills, G., Pfitzer, M., Patscheke, S., & Hawkins, E. (2012). *Measuring Shared Value: How to Unlock Value by Linking Social and Business Results*.
- Porter, M., & Kramer, M. (2002). The Competitive Advantage of Corporate Philanthropy, *Harvard Business Review*, 5–16.
- Porter, M., & Kramer, M. (2006). Strategy and Society: The Link Between Competitive Advantage and Corporate Social Responsibility.
- Porter, M., & Kramer, M. (2011). Creating Shared Value: How to Reinvent Capitalism - and Unleash a Wave of Innovation and Growth, *Harvard Business Review*, (February).
- Reich, R. B. (1998). The New Meaning of Corporate Social Responsibility. *California Management Review*, 40(2), 8–17. doi:10.2307/41165930
- Reich, R. B. (2007). *Supercapitalism*. New York: Vintage Books.
- Sauder, M., Lynn, F., & Podolny, J. M. (2012). Status: Insights from Organizational Sociology. *Annual Review of Sociology*, 38(1), 267–283. doi:10.1146/annurev-soc-071811-145503

- Short, J. C., Mckelvie, A., Ketchen, D. J., & Chandler, G. N. (2009). Firm and Industry Effects on Firm Performance: A Generalization and Extension for New Ventures. *Strategic Entrepreneurship Journal*, (3), 47–65. doi:10.1002/sej
- Stinchcombe, A. L. (1965). Social Structures and Organizations. In *Handbook of Organization* (J., pp. 142–193). Chicago: ILL: RandMcNally.
- Stuart, T. E., & Sorenson, O. (2007). Strategic Networks and Entrepreneurial Ventures. *Strategic Entrepreneurship Journal*, 1, 211–227. doi:10.1002/sej
- Swaim, R. (2011). *The Strategic Drucker*. John Wiley & Sons. Retrieved from [http://books.google.pt/books?id=\\_rtyeXPznPsC&printsec=frontcover&dq=the+strategic+drucker&hl=pt-PT&sa=X&ei=-KprU\\_iiJ\\_Cd0wXt1IHQCA&ved=0CDAQ6AEwAA#v=onepage&q=the strategic drucker&f=false](http://books.google.pt/books?id=_rtyeXPznPsC&printsec=frontcover&dq=the+strategic+drucker&hl=pt-PT&sa=X&ei=-KprU_iiJ_Cd0wXt1IHQCA&ved=0CDAQ6AEwAA#v=onepage&q=the strategic drucker&f=false)
- TerraChoice Environmental Marketing Inc. (2007). The “Six Sins of Greenwashing”, (November).
- The Coca-Cola Company. (2012). *GRI Report* (pp. 1–122).
- Vlachos, P. A., Panagopoulos, N. G., & Rapp, A. A. (2013). Feeling Good by Doing Good: Employee CSR-Induced Attributions, Job Satisfaction, and the Role of Charismatic Leadership. *Journal of Business Ethics*, 118(3), 577–588. doi:10.1007/s10551-012-1590-1
- Waldman, D. A., Siegel, D. S., & Javidan, M. (2006). Components of CEO Transformational Leadership and Corporate Social Responsibility. *Journal of Management Studies*, 43(8), 1703–1725. doi:10.1111/j.1467-6486.2006.00642.x
- Wiggins, J., & Gibson, D. V. (2003). Overview of US incubators and the case of the Austin Technology Incubator. *Int. J. Entrepreneurship and Innovation Management*, 3, 56–66.

#### **Websites:**

Amway - [http://www.amwayentrepreneurshipreport.tum.de/fileadmin/w00bfs/www/2013/Amway\\_Global\\_Entrepreneurship\\_Report\\_2013.pdf](http://www.amwayentrepreneurshipreport.tum.de/fileadmin/w00bfs/www/2013/Amway_Global_Entrepreneurship_Report_2013.pdf)  
 Accessed on 18.06.2014

#### **Bill & Melinda Gates Foundation:**

- <http://www.gatesfoundation.org/Who-We-Are/General-Information/History>  
 Accessed on 10.04.2014

- <http://www.gatesfoundation.org/Who-We-Are/General-Information/Letter-from-Bill-and-Melinda-Gates>  
 Accessed on 10.04.2014

#### **Bizdirect:**

- <http://www.bizdirect.pt/en/bizdirect/company-overview>  
 Accessed on 24.06.2014

- <http://www.bizdirect.pt/pt/bizdirect/noticias-e-eventos/press-releases/411-bizdirect-fomenta-a-criacao-de-emprego-em-tecnologia-microsoft>  
Accessed on 24.06.2014

Cisco - <http://www.cisco.com/web/learning/netacad/index.html?academyID=6345>  
Accessed on 20.03.2014

DreamSpark - <https://www.dreamspark.com/What-Is-bizspark.aspx>  
Accessed on 02.06.2014

EC:

- [http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index\\_en.htm](http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm)  
Accessed on 19.06.2014

- [http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/index_en.htm)  
Accessed on 21.06.2014

- [http://ec.europa.eu/research/innovation-union/index\\_en.cfm](http://ec.europa.eu/research/innovation-union/index_en.cfm)  
Accessed on 21.06.2014

Económico - [http://economico.sapo.pt/noticias/microsoft-ventures-apoia-primeirohub-de-inovacao-em-portugal\\_192634.html](http://economico.sapo.pt/noticias/microsoft-ventures-apoia-primeirohub-de-inovacao-em-portugal_192634.html)  
Accessed on 26.06.2014

EP - <http://www.europarl.europa.eu/oeil/popups/summary.do?id=1127670&l=en&t=E>  
Accessed on 21.06.2014

Evidensys - <http://www.evidensys.com/Clientes>  
Accessed on 02.07.2014

E!Sharp - <http://esharp.eu/big-debates/societal-entrepreneurship/197-fail2succeed-overcoming-the-stigma-of-failure/>  
Accessed on 19.06.2014

Forbes:

- <http://www.forbes.com/companies/microsoft/>  
Accessed on 02.04.2014

- <http://www.forbes.com/2000/01/13/mu7.html>  
Accessed on 06.04.2014

- <http://www.forbes.com/sites/luisakroll/2011/05/19/the-worlds-biggest-givers/>  
Accessed on 10.04.2014

- <http://www.forbes.com/profile/warren-buffett/>  
Accessed on 12.04.2014

- <http://www.forbes.com/sites/alexmorrell/2013/07/08/buffett-donates-2-6-billion-in-berkshire-hathaway-shares-to-gates-foundation-other-charities/>  
Accessed on 12.04.2014

- [http://www.forbes.com/2005/10/30/malaria-gates-philanthropy-cz\\_ec\\_1030malaria.html](http://www.forbes.com/2005/10/30/malaria-gates-philanthropy-cz_ec_1030malaria.html)  
Accessed on 12.04.2014

Imagine Cup - <https://www.imaginecup.com/#?fbid=6ogBlABOfCg>

Accessed on 10.05.2014

Informa D&B Portugal - [http://www.einforma.pt/images/tecido\\_empresarial.pdf](http://www.einforma.pt/images/tecido_empresarial.pdf)

Accessed on 15.06.2014

Microsoft:

- [http://www.microsoft.com/about/en/xm/importedcontent/about/diversity/en/us/visio  
n.aspx#Our Global Diversity & Inclusion Vision Statement](http://www.microsoft.com/about/en/xm/importedcontent/about/diversity/en/us/visio<br/>n.aspx#Our%20Global%20Diversity%20&%20Inclusion%20Vision%20Statement)

Accessed on 02.04.2014

- <http://www.microsoft.com/investor/reports/ar13/shareholder-letter/index.html>

Accessed on 03.04.2014

- <http://www.microsoft.com/en-us/news/press/2013/jul13/07-11onemicrosoft.aspx>

Accessed on 03.04.2014

- <http://www.microsoft.com/en-us/news/press/2006/jun06/06-15corpnewspr.aspx>

Accessed on 06.04.2014

- <http://www.microsoft.com/about/corporatecitizenship/en-us/youthspark/youthsparkhub/>

Accessed on 02.05.2014

- <http://www.microsoft.com/about/corporatecitizenship/en-us/youthspark/>

Accessed on 02.05.2014

- [http://www.microsoft.com/about/corporatecitizenship/en-us/serving-  
communities/employee-giving/](http://www.microsoft.com/about/corporatecitizenship/en-us/serving-<br/>communities/employee-giving/)

Accessed on 20.05.2014

- [http://www.microsoft.com/about/corporatecitizenship/en-us/working-  
responsibly/principled-business-practices/HumanRightsCenter.aspx](http://www.microsoft.com/about/corporatecitizenship/en-us/working-<br/>responsibly/principled-business-practices/HumanRightsCenter.aspx)

Accessed on 24.05.2014

- <https://www.microsoft.com/bizspark/signup/default.aspx>

Accessed on 02.06.2014

- <http://www.microsoft.com/BizSpark/partners/default.aspx>

Accessed on 02.06.2014

- [http://www.microsoft.com/eu/transforming-business/multimedia/president-of-the-sme-  
union-on-what-makes-an-innovative-and-entrepreneu.aspx](http://www.microsoft.com/eu/transforming-business/multimedia/president-of-the-sme-<br/>union-on-what-makes-an-innovative-and-entrepreneu.aspx)

Accessed on 21.06.2014

- <http://www.microsoft.com/portugal/presspass/comunicados.aspx?ID=231>

Accessed on 27.06.2014

- <http://www.microsoft.com/business/pt-pt/a-par-e-passo/Paginas/programa-mais.aspx>

Accessed on 29.06.2014

NASDAQ OMX:

- [https://indexes.nasdaqomx.com/docs/methodology\\_QCRD.pdf](https://indexes.nasdaqomx.com/docs/methodology_QCRD.pdf)

Accessed on 29.05.2014

- <http://ir.nasdaqomx.com/releasedetail.cfm?ReleaseID=532129>

Accessed on 29.05.2014

Observador - <http://observador.pt/microsoft-quer-criar-dez-mil-empregos-ate-2017/>

Accessed on 25.06.2014



Orange Magazine - <http://www.orangemagazine.eu/if-you-fail-it-is-like-dying/>  
Accessed on 19.06.2014

Parkurbis -

[http://www.parkurbis.pt/index.php?option=com\\_content&view=article&id=46&Itemid=1](http://www.parkurbis.pt/index.php?option=com_content&view=article&id=46&Itemid=1)  
Accessed on 02.07.2014

Público - <http://www.publico.pt/economia/noticia/site-sobre-a-crise-passa-a-incluir-analise-regular-sobre-tecido-empresarial-1627292>  
Accessed on 16.06.2014

Skype in the Classroom - <https://education.skype.com/>  
Accessed on 10.05.2014

TakingITGlobal - <https://www.tigweb.org/about/>  
Accessed on 10.05.2014

The Economist - <http://www.economist.com/node/11614315>  
Accessed on 03.04.2014

The Giving Pledge website - <http://givingpledge.org/>  
Accessed on 12.04.2014

The New York Times:

- <http://www.nytimes.com/1997/01/09/world/for-third-world-water-is-still-a-deadly-drink.html>

Accessed on 10.04.2014

- <http://www.nytimes.com/2013/07/12/technology/microsoft-revamps-structure-and-management.html?pagewanted=all&r=2&>

Accessed on 12.04.2014

The Tech Awards - [http://thetechawards.thetech.org/global\\_humanitarian/2006](http://thetechawards.thetech.org/global_humanitarian/2006)  
Accessed on 20.04.2014

The Telegraph:

- <http://www.telegraph.co.uk/finance/financetopics/davos/7106626/Bill-Gates-makes-10-billion-vaccine-pledge.html>

Accessed on 12.04.2014

- <http://www.telegraph.co.uk/news/worldnews/asia/india/10632759/Ending-polio-in-India-is-worlds-greatest-health-achievement-says-Bill-Gates.html>

Accessed on 12.04.2014

The Wall Street Journal - <http://blogs.wsj.com/tech-europe/2011/06/14/technology-is-cheap-as-chips-but-venture-capitalists-fail-to-cash-in/>

Accessed on 21.06.2014

UN Global Compact - <http://www.unglobalcompact.org/AboutTheGC/index.html>  
Accessed on 18.04.2014