


NCGrowth

REPLICATING EXCELLENCE:

**SCALING OUT A
SUSTAINABLE MODEL FOR
ECONOMIC DEVELOPMENT
PROGRAMS**

JULY 2021

**A CAPSTONE PAPER IN FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF DOCTOR OF EDUCATION IN LEADERSHIP AND LEARNING IN
ORGANIZATIONS AT THE PEABODY COLLEGE OF VANDERBILT UNIVERSITY IN
NASHVILLE, TENNESSEE, USA.**

ADVISOR: EVE RIFKIN, ED.D

JENNIFER CUTTS, ANIKA DAVIS, NADINE DE LA ROSA

Table of Contents

Acknowledgements	4
Executive Summary	6
Findings	7
Recommendations	8
Introduction	10
NCGrowth’s Origin	11
Why This Matters	12
Organizational Context	14
NCGrowth and What They Do	14
NCGrowth’s Work	16
The NCGrowth Team: Leadership and Staff	17
Problem of Practice	18
NCGrowth's Current Efforts to Address the Problem	20
Status Quo	20
Literature Review	22
Adopting a New Idea: Organizational Elements	23
People are the System	23
Communication	24
Time	25
Scaling	25
Scaling Choices	26
Scaling Deep	26
Scaling Up	27
Scaling Out	27
Conceptual Framework	29
Conceptual Framework, Literature, and Terms	30
Scaling	33
Research Questions	35
Project Design	37

Data Collection Tools and the Conceptual Framework	37
Data Collection	37
Recruiting Participants and Data Sequence	44
Data Analysis	45
Triangulating the Data	47
Limitations	48
Findings	49
Finding 1	50
Finding 2	53
Finding 3	55
Finding 4	58
Recommendations	60
Recommendation 1	61
Recommendation 2	62
Recommendation 3	63
Recommendation 4	65
Further Considerations	67
Conclusion	70
References	72
Appendices	76
Appendix A	76
Appendix B	76
Appendix C	76

Acknowledgements

Jennifer Cutts

I'd like to thank my very patient and loving husband, Andrew Cutts, who also makes excellent coffee. My children, Sophia and Jacob Cutts who generously shared me with this program. My parents who have always encouraged life-long learning and instilled in me that I could do anything I wanted to with enough persistence and dedication. Nadine De La Rosa and Anika Davis, my marvelous teammates, who are inspirational and instrumental in keeping our focus on the north star to cross the finish line. My Kenan-Flagler Business School mentors Dean Doug Shackelford and Dr. Dave Hoffmann whose support made this dream possible. The NCGrowth team in giving us their valuable time and insight to their impactful work. I'm thankful to be part of a great cohort, including the ever-supporting Diane Marty and Jamie Shaffer, who continuously share their voice of reason and practicality over the last 3-years.

Anika Davis

Thank you, Jesus, for sustaining me throughout this program to achieve a lifelong dream! Jeremiah 29:11. I stand on the shoulders of my ancestors who sacrificed, bled, and died for me to obtain this degree! To Xavier, my amazing husband of 20 years, I love you for always supporting my dreams! To Analisa, my sweet daughter, your encouragement has seen me through the tough times of this doctoral journey! To my capstone partners Jennifer R. Cutts and Nadine A. De La Rosa: the journey and the learnings which emerged from our time together starting way back in 8140: Strategy and Analytics will stay with me for a lifetime! I'm a better professional because to each of you! To the Peabody faculty: thank you for creating a program that allowed me to achieve my educational goals and grow professionally and personally without me having to leave Atlanta. Thank you, Dr. Eve Rifkin, for your guidance and support throughout the program! To Cohort 4: I could not have asked for a more exceptional group of professionals with whom to share this experience! Much success in all of your future endeavors!

Nadine De La Rosa

The doctoral journey is not for the faint of heart. I am beyond thankful for God's provision over my life and seeing me fit to reach this milestone amid several pandemics, managing a professional career, and life changes. To my brilliant research partners, Anika Davis, and Jennifer Cutts, I admire your passion, expertise, and commitment to serving the underserved since we first worked on a consulting project together in 2019; I am a better woman because of you two. I am thankful for all my ancestors who risked their lives and paved the way to create space for me to earn this education; may we continue to break barriers and occupy space. I come as one but stand as ten thousand (M. Angelou). Thank you to Mark Gabriel Little and the NCGrowth team for allowing us to examine their organization to scale their work to small businesses seeking to create jobs for underserved communities. Finally, thank you to my

Cutts, Davis, & De La Rosa
Vanderbilt University Peabody College

resilient parents for supporting me through the years, my family and friends (HT, FD, Kelli, Diana, Mashao, Korrie, Martha) for being my cheerleaders, my advisor- Eve Rifkin, for always having our best interest in mind, and meeting me where I was, to the faculty who led with knowledge & compassion, my mentors for always providing guidance and my witty and dynamic Cohort IV. May we use our expertise to change systems to serve all. Cheers to first-generation little brown girls with big dreams and grit; no one belongs here more than you.

Executive Summary

NCGrowth is a non-profit economic development organization in North Carolina whose mission is to create job opportunities that help stimulate the state's economy, which is essential to the success of small businesses and local under-resourced communities. NCGrowth works in partnership with the United States Economic Development Administration (E.D.A.) to remedy significant economic threats in North Carolina, which ranks nationally among the top 15 states with the highest poverty rates (Rockefeller-Harris, 2020). NCGrowth serves counties with the highest unemployment and poverty rates as well as the economically distressed areas of the state (NCGrowth, 2020b). This is what makes NCGrowth so vital to the economic development of the communities it serves.

NCGrowth has served over 100 projects and clients since its inception in 2012 (NCGrowth, n.d.). Its work includes, but is not limited to, feasibility studies, business plans, business development recommendations, process improvements, strategic planning, market analysis, and policy analysis (Staff, personal communication, March 5, 2021). To reach more communities in need, NCGrowth wants to diffuse its ideas, practices, and solutions to expand impact without growing. In this study, we examine: (1) how NCGrowth currently diffuses their ideas, practices, and solutions, and (2) how they currently leverage existing resources to expand their impact.

The conceptual frameworks we used for our inquiry were grounded in Rogers' (1995) Diffusion of Innovation theory and scaling literature (scaling deep, scaling up, and scaling out). Rogers' DOI conceptual framework outlines four essential elements: innovation, communication, time, and social systems that address the problem of practice. Scaling literature assumes the diffusion of innovation is

actively taking place and focuses on knowledge sharing in order to increase impact to eliminate a social problem (Riddell & Moore, 2015). To ensure the integrity and fidelity of NCGrowth's mission in serving under-resourced communities are upheld, scaling out literature calls to consider the organization's need to scale up and scale deep before NCGrowth scales out its practices. Furthermore, scaling out literature addresses NCGrowth's opportunity in leveraging its resources to broaden its impact without growing. The research questions of the study are:

1. How does NCGrowth currently diffuse its innovations?
2. How does NCGrowth leverage the resources it has in order to scale out without growing?

The study consists of exploratory research and mixed methods design to examine the problem of practice and address the research questions. The data collected consists of a combination of a qualitative (observations, individual interviews, focus groups) and quantitative (business development and economic development client satisfaction surveys and analyst satisfaction surveys) review of NCGrowth documents. Four findings and their corresponding recommendations emerged from the data highlighting NCGrowth's operational processes, staffing model, and feedback from its business and economic development clients, its faculty, and staff. Findings 1, 2, and 3 address the first research question, whereas Finding 4 addresses the second research question.

Findings

- 1: NCGrowth has a proven record of successfully diffusing ideas, practices, and solutions, resulting in effective mission-driven outcomes.

- 2: NCGrowth has opportunities to improve its operational processes including workload management and internal knowledge management.
- 3: NCGrowth has opportunities to evaluate its existing talent management processes to clarify roles and responsibilities to improve efficiency.
- 4: NCGrowth has an opportunity to enhance its existing client engagement process.

Recommendations

- 1: NCGrowth should continue diffusing ideas, practices, and solutions by creating a formal niche for social innovators.
- 2: NCGrowth should evaluate inefficiencies and automate administrative tasks where appropriate.
- 3: NCGrowth should assess and align current strengths of the existing staffing model and adapt where gaps have impacted successful projects or client satisfaction.
- 4: NCGrowth should expand and enhance its existing intake process by implementing a needs assessment survey for all clients.

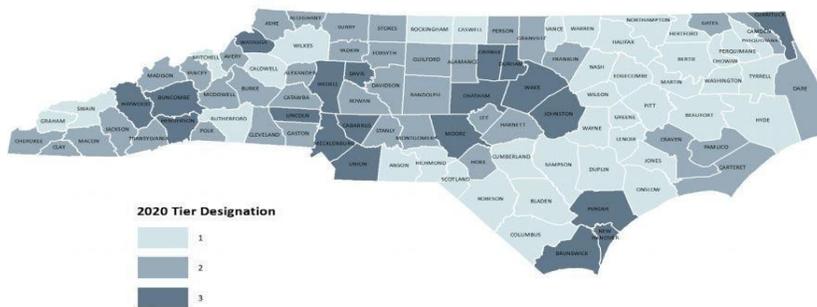
NCGrowth has the necessary components to effectively leverage its people, knowledge, skills, and networks. This study offers a comprehensive analysis and provides NCGrowth with a scale out strategy to increase its impact while maintaining the fidelity and integrity of its mission. This study can inform NCGrowth's future strategic decisions as it seeks to share its ideas, practices, and solutions while expanding its impact. As a result, NCGrowth can continue to fulfill its mission: "to create good jobs and

equitable opportunities for people in rural communities and economically challenged areas" (NCGrowth, n.d.).

Introduction

NCGrowth is a non-profit economic development organization in North Carolina whose mission is essential to the success of small businesses and local communities throughout the state. In partnership with the United States Economic Development Administration (E.D.A.), the organization’s combined mission is critical to remedying significant economic threats in North Carolina. Small businesses make up 85 percent of employers across the state, employ between 1 and 19 employees, and are responsible for almost a quarter of all private-sector jobs and one-fifth of North Carolina’s total annual payrolls (McCall, 2020). The success of these small businesses is crucial to the economic development of the state, as North Carolina falls within the top 15 states with the highest poverty rate at 13.6 percent (Rockefeller-Harris, 2020). NCGrowth serves counties with the highest unemployment and poverty rates (Figure 1, Tier 1 and Tier 2 counties) as well as the economically distressed portions (Tier 3 counties) in the state (NCGrowth, 2020b). The creation of jobs and economic stability is what makes NCGrowth so vital to the economic development of the communities it serves.

Figure 1
2020 North Carolina County Tier Designations



Note. (North Carolina Department of Commerce)

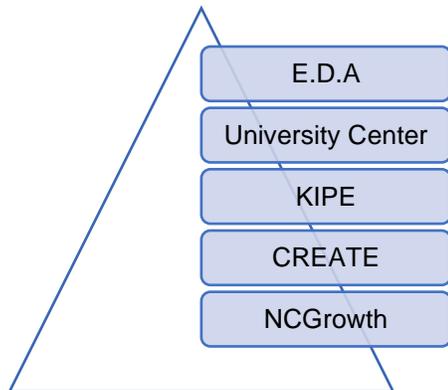
To further demonstrate how NCGrowth’s work is pertinent to underserved communities in North Carolina, Covid-19 severely amplified the economic instability, further elevating the need for economic and business development centers. Early analysis predicted that the pandemic would further exacerbate the impact on small businesses, with 111,477 or 56 percent of small employers having been negatively impacted, with 537,194 or 59 percent of overall jobs at risk (McCall, 2020). The closing of these businesses could result in the loss of earnings, jobs, and tax revenues that stimulate the economy. NCGrowth provided its real-time Covid-19 response by creating an online searchable database (<https://go.unc.edu/covid19resources>) for small business owners and economic developers in North and coastal South Carolina. The database provides 142 resources with links to technical assistance, private and public grants, loans, webinars, and examples of how others in the industry are skillfully meeting the challenges imposed by the pandemic. (NCGrowth, 2020b).

NCGrowth’s Origin

In 1963, the Area Redevelopment Administration (A.R.A.) of the U.S. Department of Commerce set out to provide management and technical assistance to underserved communities across the nation (Glenn, 1979). Known as “University Centers”, the A.R.A. established the program to provide “resources to develop, implement, and support regional strategies to promote (1) job creation, (2) the development of high-skilled regional talent pools, and (3) business expansion in a region’s innovation cluster” (SRI, 2014, p. v). Now managed by the E.D.A., University Centers serve as on-ground organizations allowing the E.D.A. regional access to innovation through education and research, which positively impacts the economic development of the local and overall community (Hayter & Link, 2015). University Centers across the nation focus on various activities: business expansion, commercialization, academic and applied research, entrepreneurship, as well as and applied research, entrepreneurship, as well as innovation and technical assistance, (Jolley & Taimur, 2016). In 2012, the

E.D.A. opened a new University Center at The University of North Carolina- Chapel Hill (UNC-CH) named and funded by the Frank Hawkins Kenan Institute for Private Enterprise (KIPE) and the E.D.A. KIPE focuses on developing and promoting innovative, market-based solutions to vital economic issues creating an intersection for academic researchers, business practitioners, corporate partners, and community stakeholders (Kenan Institute of Private Enterprise, n.d.). NCGrowth is part of CREATE. CREATE is one of 11 centers within KIPE supporting NCGrowth by providing economic development through research, data analytics, and developing policy (CREATE, n.d.). NCGrowth maintains a 60 percent focus on providing technical assistance to local businesses and a 40 percent focus on applied economic development research throughout all 100 counties of North Carolina and the coastal region of South Carolina for municipalities and tribal governments (E.D.A..gov, 2012; NCGrowth, 2020b).

Figure 2
NCGrowth Organizational Reporting Structure



NCGrowth is positioned in a university (Figure 2), connected to a business school, and has established a formal network of diverse talent (Faculty, personal communication, April 28, 2021).

Why This Matters

Economic development organizations are central to helping communities and small businesses adopt successful practices, understand the feasibility for growth, and achieve their goals. When

economic development is successful, communities thrive, and individuals have jobs. Consequently, families develop increased financial stability and hope. The topic of under-resourced communities accessing funding became a theme throughout our inquiry. Specifically, these communities need the financial support of economic development organizations to achieve their goals (Moore et al., 2015; E.D.A.gov, n.d.). Unfortunately, most under-resourced communities and organizations do not typically have the funds or resources to access the appropriate information or talent domains to solve pressing and complex problems independently without support from larger organizations (Funder, personal communication, March 30, 2021). The inability to access suitable resources makes NCGrowth so vital to the economic development of the communities it serves.

Given their limited resources, such as funding and staffing, the KIFE and NCGrowth leadership teams have determined that growing in size is not an optimal means by which to increase impact. This strategic decision leads to examining the existing literature that outlines best practices for diffusing ideas and scaling strategies (scaling deep, scaling up, and scaling out) for an organization looking to increase its impact. While innovation is not the focus of this study, our goal is to understand how innovation diffuses within NCGrowth to examine further how it can scale its practices for significant impact through replication and expansion. Through an exploratory mixed-methods design, this capstone project will review how NCGrowth currently diffuses its programs and leverages its current resources to scale without growing.

Organizational Context

NCGrowth and What They Do

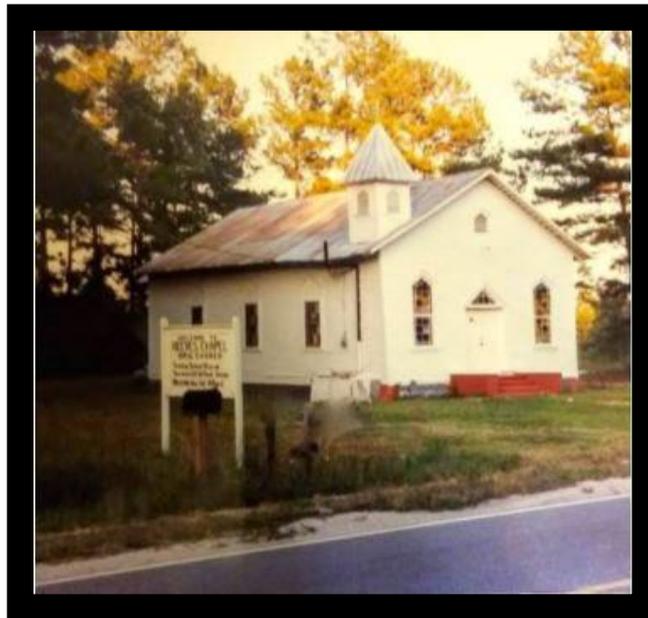
NCGrowth supports economic and business development for municipalities and tribal governments in all 100 of North Carolina’s counties (NCGrowth, 2020b). The organization provides its clients access to fundamental business knowledge, insights, and practices such as feasibility studies, business plans, business development recommendations, process improvements, strategic planning, market and policy analysis (Staff, personal communication, March 5, 2021). NCGrowth’s clients become part of a network with access to business and community forums, routine learning, and networking events (conferences, workshops), and a monthly newsletter (detailing completed, current, and upcoming activities). Through this network, NCGrowth establishes long-term relationships with its existing and former clients, serving as a resource for advice, referrals (for industry partners), and a bridge for clients to refer new clients to NCGrowth. A key focus for the organization is ensuring that at any given time, its client demographic consists of 50% women-owned and 50% minority-owned businesses. This client demographic allows NCGrowth to execute its mission of helping “businesses and communities create good jobs and equitable opportunities...” (NCGrowth, n.d.). This is achieved through careful construction of incoming client cohorts and is part of NCGrowth’s consideration for partnership (Staff, personal communication, February 16, 2021).

NCGrowth provides resources such as research and feasibility studies that address the challenges within these communities and connect stakeholders within its network. NCGrowth can enable financial stability, facilitating solutions that create higher-paying jobs to revitalize the community.

NCGrowth's expertise in building relationships and establishing mutual trust is illustrated in its market research and analysis work with The North Carolina Rice Festival, The Cedar Hill/West Bank Heritage Foundation, and The African American Heritage Museum of Southeastern North Carolina in coastal North Brunswick County to generate cultural tourism opportunities. A focal site of this engagement became the restoration of the Reaves Chapel Church (Figure 3). The church was built in 1866 by recently freed enslaved people from the local Prospect/Cedar Hill rice plantation. Furthermore, the church was subsequently restored to its 1911 condition (NCGrowth, n.d.).

Figure 3

Reaves Chapel Church



Note: (NCGrowth, n. d.-a)

During an interview with the program chair, the client explained how NCGrowth helped define the scope of the work and identified needs that they did not realize they had by bringing fresh eyes to the project (Client interview, personal communication, March 8, 2021). The site will now be a vital part of

the annual N.C. Rice Festival invites tourists to learn more about the history of the region. Although neither party started the conversation with concrete answers in mind, this collaboration demonstrates the evolution of a co-created idea. NCGrowth also demonstrates strong relational ties and the capability to provide new ideas, practices, and solutions, which is evident in the following quote from a public information sheet NCGrowth shares during conferences and webinars. The client testimonial reads, “Dr. Mark Little and his team from the Kenan Institute have been most helpful to Beaufort County Economic Development in structuring a new work plan and developing incentive guidelines. They kept us on task and focused as we worked through the process” (NCGrowth, 2017).

NCGrowth’s Work

NCGrowth’s mission is to create jobs and opportunities for people in underserved communities (NCGrowth, n.d.). They provide a range of economic development educational resources to communities in order to foster financial stability. NCGrowth’s invests in communities with a wide range of diverse industries (manufacturing, energy, workforce development, produce/agriculture, government, transportation, tourism, and residential development) in size and scope as reflected by the projects completed as mentioned below (Frank Hawkins Kenan Institute of Private Enterprise, 2021):

- 250 grants, loans, virtual tools, technical assistance, webinars, and case studies
- 15 Covid-19 webinars engaging 55 panelists with over 1,000 attendees and 1,300 registrants
- 40 businesses and communities in North and South Carolina receiving technical assistance
- Two virtual showcases in June and December featuring 10 panelists, 60 attendees

Between October 2018 and October 2020, NCGrowth produced 65 jobs (saved/created), generated \$3.6 million in private investments and \$275,000 in public sector investments, and had 70

clients who took action due to the technical assistance provided (NCGrowth, 2020b). These results speak to the critical nature of the work NCGrowth does to support the communities in which it serves.

The NCGrowth Team: Leadership and Staff

NCGrowth is part of a complex organization, composed of many different stakeholders (leaders, staff, faculty, students, industry experts). The leadership stakeholders from KIFE are Greg Brown, Director and David Knowles, Interim Managing Director, Director of Business Development and Finance. Mark Little serves as Executive Director and Principal Investigator of NCGrowth. NCGrowth has seven full-time staff and part-time paid student analysts. The full-time staff consists of two assistant directors, three program managers, one economic development manager, and two analysts. The part-time paid analysts are master's level student employees who attend the Kenan-Flagler Business School, North Carolina Central University, Duke University, UNC-Pembroke, East Carolina University, Western Carolina University, North Carolina State University, and other institutions. They represent various disciplines such as public policy, governmental affairs, and business principles. NCGrowth's staff members also maintain various external networks and focus on individual relationships with community leaders and stakeholders in North Carolina and South Carolina.

The triangulation of internal and external stakeholder perspectives, client feedback, insight collected from observations, and quantitative data will offer insights into operational processes. New insights could affect the flow of information and approaches within NCGrowth, resulting in improved internal workflows allowing the organization to increase its impact, shoring up infrastructure, and broadening knowledge distribution outside North Carolina

Problem of Practice

Scaling is the organizational problem of wanting to provide more resources to those who need it without hiring more people, the desire to grow or expand resources for greater impact (Sutton, 2014). Businesses and organizations across a wide spectrum of disciplines experience the challenges of spreading something good from those who have it to those who need it (Sutton, 2014). The organizational constraints that impede scaling measures in the nonprofit sector are access to resources and funding while managing the increased need of under-resourced communities. Other significant challenges include building relationships with communities in need, maintaining continuous and robust communication (Kaminski, 2011), and striving to be a resource for underserved communities and minority-owned small businesses (NCGrowth, n.d.). Economic development centers like NCGrowth look for creative ways to increase impact without growing (Riddell & Moore, 2015). The persistent problem of inquiry is how nonprofit organizations like NCGrowth do more with less tangible resources. Generating a solution that addresses this area of inquiry creates a replicable model that allows similar organizations to increase impact in their communities with limited resources (McGrath & Zell, 2001).

Receiving industry recognition further highlights NCGrowth as a credible resource for innovation. In 2019, NCGrowth was recognized by the University Economic Development Association (UEDA), receiving the Judges' Award of Excellence. This award is awarded by judges' submissions from a consortium of North American higher education institutions to organizations with programs that meet the following criteria: replicability, scalability, sustainability impact, and originality (Kenan Institute of Private Enterprise, 2019). As a subject matter expert, NCGrowth has the ability to replicate and bring sustainable, impactful solutions to scale efficiently and successfully. Scaling out through

replication allows NCGrowth to share its award-winning practices and increase its impact by connecting with more organizations and communities.

Today, the organization continues its outreach through even more projects serving over 100 clients since its inception (NCGrowth, n.d.). NCGrowth's work includes but is not limited to feasibility studies, business plans, business development recommendations, process improvements, strategic planning, market analysis, and policy analysis (Staff, personal communication, March 5, 2021).

NCGrowth wants to diffuse its ideas, practices, and solutions to expand impact without growing to reach more communities in need. In this study, we examine: (1) how NCGrowth currently diffuses their ideas, practices, and solutions, and (2) how they currently leverage existing resources to expand their impact.

As of January 2021, NCGrowth already had plans to expand its work beginning 30 new projects and featuring client communities across several events including showcases, conferences, and webinars (Frank Hawkins Kenan Institute of Private Enterprise, 2021). NCGrowth's inability to broaden its reach due to limited resources and staff, combined with its desire to carry out its mission given its current size, creates a challenge to serve North Carolina's communities and small businesses. This challenge impedes NCGrowth's opportunities to help small businesses create jobs for their communities. There are still communities and counties that do not know NCGrowth is a resource (Economic development client, personal communication, February 27, 2021). As previously mentioned, these small businesses have the capacity to impact the state's economy demonstrating the heightened need for the services NCGrowth can provide. Through the development of its Covid-19 online searchable database, NCGrowth has demonstrated that it can quickly pivot in response to the needs of communities across the state (NCGrowth, 2020b). The demand for economic development resources from underserved communities

is a need that NCGrowth desires to be prepared to meet by scaling out its knowledge and practices (NCGrowth, 2020b).

NCGrowth's Current Efforts to Address the Problem

Previous efforts to address NCGrowth's limitations have included creating a knowledge repository and establishing CREATE which consists of NCGrowth and five other smaller initiatives focused on economic development. CREATE is the academic research, data analytics, and policy development partner that reinforces theory (CREATE, n.d.), while NCGrowth provides technical assistance. CREATE was established to give NCGrowth access to academic research validating NCGrowth's technical assistance practices. NCGrowth currently broadens its technical assistance in the form of ideas, practices, and solutions in partnership with CREATE to assist small businesses in creating more jobs.

Status Quo

NCGrowth's leaders acknowledge the need for sharing their practices, resources, and success formula to help scale out their impact. This sharing allows businesses to create more jobs to serve under-resourced communities. NCGrowth creates intentional solutions by building meaningful relationships with its clients and community members to understand their experiences, needs and recognizes the urgency to find other means to expand and replicate their ideas, practices, and solutions to broaden their outreach. In its 2017 NCGrowth information sheet (NCGrowth, 2017) and currently on its website (NCGrowth, n.d.), the organization asks for funding from its constituents by stating, "Help us increase our impact in North Carolina and beyond" (NCGrowth, 2017). Furthermore, the information sheet states, "the program would like to leverage permanent funding to support a more robust research agenda that will be able to exponentially increase our impact on economically distressed communities" (NCGrowth, 2017). Providing scalable solutions to increase NCGrowth's impact without growing will

allow global access to under-resourced communities who can benefit from their practices; not doing so would be a missed opportunity to stabilize these communities economically.

Literature Review

The foundation of innovation and scale out literature is embedded in social systems, communication, leveraging knowledge, and the time required to adopt new ideas (Menzel & Feller, 1977; Kaminski, 2011). While innovation is not the focus of this literature review, our goal is to understand how innovation diffuses within NCGrowth to examine further how they can scale their practices for more significant impact through replication and expansion. Lundblad (2003) defines innovation as new ideas, practices, and solutions. Economist Joseph A. Schumpeter viewed innovation as different from an invention as it was characterized by (1) the construction of new factories and equipment, (2) the welcoming of new companies, and (3) leadership promotions (Schumpeter, 2000). He defined an invention as discoveries, new methods, or materials, whereas innovation is defined as inventions replicated and used at a large scale to solve a problem (Schumpeter, 2000). In addition, anthropologist H. G. Barnett alluded to innovation as the foundation for cultural change warranting a new way of thinking and behaving differently from the organization's norms (Robertson, 2018). Innovation shows up in research as a noun (Robertson, 2018); it occurs through a process whereby a new thought/behavior different from current practices is conceived and brought to fruition. The interplay of adopting a change idea and the role that organization's cultural elements play, including relationships, the perceived need for a change, communication, and the time it takes for an adoption to occur, all work together to support or impede a change idea. NCGrowth excels in diffusing ideas internally to its clients within the local region; however, leveraging how organizational cultural elements work together to diffuse innovation to prepare for scaling out their work will be vital to expanding impact without growing.

Adopting a New Idea: Organizational Elements

Scholars agree that organizational cultural elements including, relationships amongst people, communication, and time play a prominent role in affecting the adoption of a new idea, further influencing an organization's ability to scale out its practices (Rogers, 1995; Teagarden & Schotter, 2013). The roles and connectivity of interpersonal relationships, idea sharing/communication, dissemination, and time are explored in Ryan and Gross's (1943) research study "*The Diffusion of Hybrid Seed Corn in Two Iowa Communities.*" Community members were more likely to buy corn seed from people they had relationships with versus people they did not know. While the salesman held most of the corn seed knowledge, neighbors carried the most influence over adopting new variations of corn seed. This influence speaks to the significance of building trust and credibility amongst a community to adopt a change idea.

Furthermore, interpersonal relationships among organization members build trust, increasing buy-in and the ability to spread the new idea, build capacity to support a change idea, and create a space for knowledge to be shared and received to sustain the organization as it seeks transformation (Rogers, 1995; Teagarden & Schotter, 2013). The following literature further examines innovation diffusion and scaling research to understand NCGrowth's internal organizational dynamics and how scaling literature addresses expanding NCGrowth's practices for systemic change. These further highlight how important interpersonal relationships, information sharing, communication, and the timing it takes to acquire and facilitate these traits are critical components of NCGrowth's expansion goal.

People are the System

While understanding the spread of innovation and the channels by which organizations share knowledge to scale new ideas is important, one must consider the people within the organizations who will serve as vehicles driving momentum throughout an organization to adopt or reject a change idea.

Social structures are essential to diffusing change across and within organizations. According to Kaminski (2011), opinion leaders exist within organizations and are: (1) aware of external communication and activity; (2) in possession of some higher social status; (3) usually more innovative; (4) thoughtful and influential in the communication system. These characteristics help to spread new ideas throughout an organization. Likewise, change agents can help change organizational members' behavior. A change agent is an individual who influences decisions made in organizations seeking to adopt a change initiative (Rogers, 1995). A change agent can act as an internal or external player to the group or the organization. In contrast, the opinion leader resides within the group and can use their credibility and influence to adopt the idea. The interpersonal relationships and efforts of stakeholders who become opinion leaders and change agents can persuade others to support or reject the change idea, influencing the adoption rate (McGrath & Zell, 2001). Therefore, identifying who plays these roles in an organization creates an opportunity to increase knowledge of the innovation, giving actors credibility to influence others, enabling, or blocking the momentum of accepting a new idea (Rogers, 1995).

Communication

Effective communication involves having interpersonal communication, individual relationships, trust, accessible information, and a respected network (Kinnunen, 1996). Furthermore, effective communication of new ideas leads to early adopters who can become opinion leaders, helping to leverage their influence through peer-to-peer communication, role modeling, changing behavior, and networking (Kaminski, 2011). Communication is a critical component of engaging internal and external stakeholders in all stages of understanding, accepting, and implementing a new idea (Lundblad, 2003). Communication channels across internal and external members are crucial as they ensure all parties move in the same direction (McGrath & Zell, 2001). NCGrowth must continue to leverage its communication strategies to a diverse population of clients. Scholars suggest that this is critical to

maximizing credibility and trust in forming connections and expanding outreach to increase innovation adoption rates across organizations (Riddell & Moore, 2015; Anandajayasekeram, 2016).

Time

As we consider the power of relationships across organizations and effective communication, these factors are influenced by time. Rogers (1995) highlights five attributes that occur within the time frame of adopting a new idea: knowledge, persuasion, decision, implementation, and confirmation, all work together to accelerate the adoption of a new idea. These attributes outline a process explaining the time needed for the five-decision making steps that introduce the innovation, persuade people that there is a need for innovation, decide to adopt or reject the innovation, create, and implement processes, and evaluate the results the innovation (Rogers, 1995). Effective communication directly impacts the adoption rate, whereas time indicates the bandwidth and resources to implement an idea (Rogers, 1995; Lundblad, 2003). To address NCGrowth's desire to expand without growing, it is essential to consider time as foundational for understanding the life cycle of adopting a new idea within the given social systems.

Scaling

While innovation diffusion literature examines NCGrowth's internal dynamics for spreading new ideas, scaling literature focuses on sharing knowledge to increase impact to eliminate a social problem (Riddell & Moore, 2015). There are three distinct types of scaling: scaling deep, scaling out, and scaling up that work together in alignment to scale social innovations (Riddell & Moore, 2015). While scaling literature interchangeably uses scale up and scale out, Van den Bosch and Rotmans (2008) describe the three mechanisms of sharing knowledge for expansion as the following: scaling deep (learning about an organization's norms, culture, and values to impact hearts and minds), scaling out (repeating an

experiment or a practice within different contexts/niches to broaden social impact by increasing their reach), and scaling up (infusing change across foundational policies, rules, and laws in an organization).

Scaling Choices

The selected scaling approach depends on the organization's conditions; the context by which the problem is surrounded; the organization's constituents; timing of opportunity; and the organization's cultural, political, and social climate (Moore et al., 2015). In addition, scaling is contingent upon facets (labor needs, funding, stakeholder support) from the organization's internal and external environment (Bloom & Chatterji, 2009). One study coined the SCALERS conceptual model outlined seven organizational capabilities: staffing, communications, alliance building, lobbying, earnings generation, replication, and stimulating market force (Bloom & Chatterji, 2009). These seven organizational capabilities work together in an integrated manner to encourage successful scaling in social entrepreneurship (Bloom & Smith, 2010). NCGrowth must consider its scaling strategies to appropriately assess which type of scaling (deep, up, or out) is necessary at the appropriate time and with the appropriate stakeholders.

Scaling Deep

In scaling literature, there is a concept of "broadening the problem", which aims to focus on an organization's cultural challenges in their entirety to solve the root of the problem before considering a scaling strategy (Moore et al., 2015). As broadening the problem aims to get to the root of a problem, scaling deep seeks to consider how the people, relationships, and communities in the culture have the power to shift a deeply rooted organizational problem (Moore et al., 2015). Scaling deep involves using the organizations' norms, values, and people as a vehicle to changing its narrative about the organizational problem, ultimately changing cultural norms and beliefs about the problem (Moore et al., 2015). Creating learning opportunities is a scale deepening strategy to assist with changing an

organization's culture through mentorship, defining new routines, practices, and beliefs (e.g., Dweck, 2007, Crutchfield & McLeod Grant, 2008). Scaling out innovation considers the organization's internal cultural needs, problems, and limitations to intentionally adopt or replicate a new idea.

Scaling Up

As scaling deep relies on understanding an organization's culture and internal problems (people, norms, beliefs, values), scaling up centers on how policies and legal administrative infrastructures impact replicating or adopting a new idea (Moore et al., 2015). The interconnection of Strategic Niche Management (S.N.M.) literature appears in the scale up research as it emphasizes the importance of creating niches. S.N.M. literature is concerned with creating niches as safe spaces where social innovators can grapple with their organizational complexities and create new learning pathways for problem-solving efforts that aid in managing strategies for scaling without causing professional or organizational harm (Van der Laak et al., 2007; Schot & Geels, 2008; Smith & Raven, 2012). Scaling up aims to create new policies or governing structures that transform the existing system in order to impact social innovation (Smith & Raven, 2012). Niche communities are essential to scaling up as creating new policies can be seen as disrupting existing systems. NCGrowth must consider how their scale-out initiatives will impact other organizations and develop intentional ways to share their success formula while considering the political infrastructures of the organizations with which they seek to share their knowledge (Moore et al., 2015).

Scaling Out

While scaling deep or up is concerned with how an organization's culture shifts a problem through the people, relationships, and communities in culture, scaling out focuses on how policies and legal administrative infrastructures impact replicating or adopting a new idea. NCGrowth will adopt a scaling out approach due to NCGrowth's desire to expand its impact in serving under-resourced

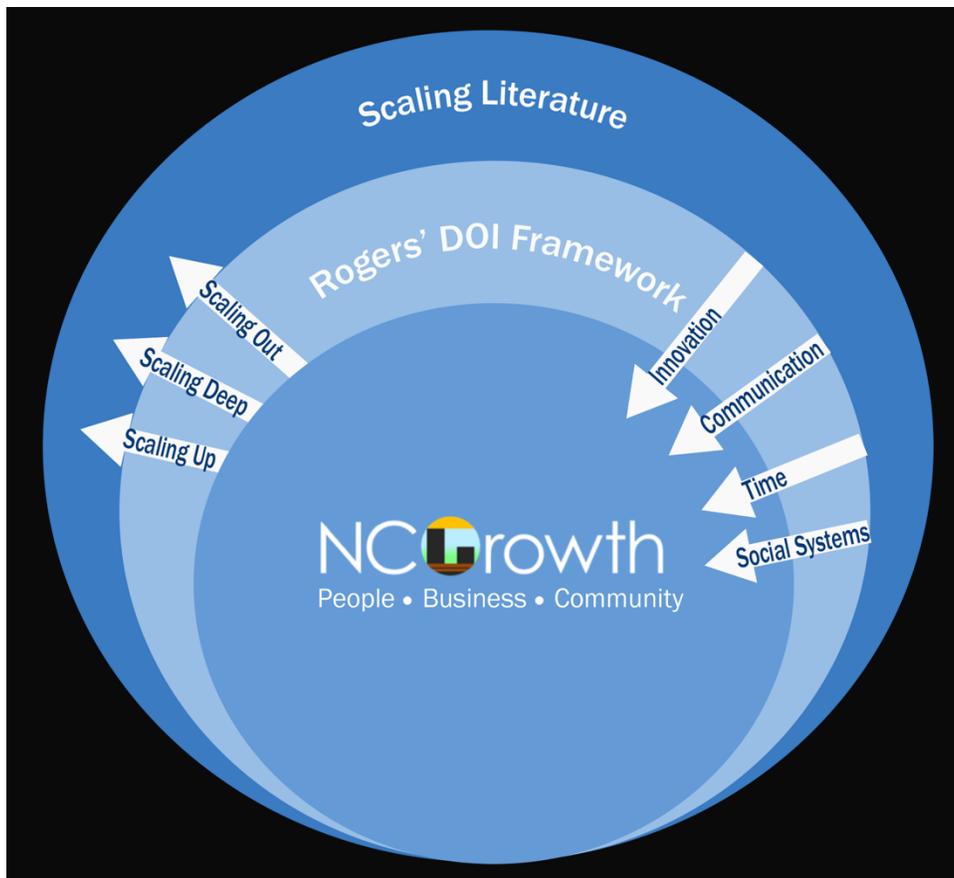
communities. Scholars have examined the notion of scaling out in various ways, using a range of terminology. Anandajayasekeram (2016) defines horizontal scaling up (often referred to as scaling out) as the mechanism by which “innovations are replicated in different geographical sites or are extended to serve a larger or new set of beneficiaries” (p. 13). In contrast, Raven (2005) defines “broadening” (distinct from the concept of “broadening the problem” referenced above) as the mechanism of repeating a transition experiment in different contexts and linking it to other functions or domains. Broadening relates to the notion of various experiments existing together and building on each other over time (Raven, 2005). Moore et al. 's (2015) definition of scaling out recognizes that the literature of broadening and horizontal scaling up is prevalent in the social entrepreneurial context. It aims to lead organizations dedicated to alleviating a social problem by organizing innovative change strategies to address the new approach (Bloom & Chatterji, 2009) or new ideas.

Regardless of terminology, these scholars all agree that there are variations of scaling that organizations should consider before scaling out. These various definitions were considered in order to identify which scaling strategy precisely aligned with NCGrowth's desire to share its success formula with other organizations with shared missions. Scaling out aligns with NCGrowth's needs and involves leveraging resources and successes to impact social issues and receive a high social return on investments without increasing employment or projects within the organization (Moore et al., 2015). To build the capacity required to spread NCGrowth's practices, scaling out provides an avenue to accelerate disseminating knowledge and information to achieve systemic change (Moore et al., 2015). However, to seriously impact large systems change in economic development, using scale out strategies alone will not suffice. Including variations of scaling up or scaling deep helps change the system's dynamics with integrity and fidelity instead of just adopting a popular new idea (Moore et al., 2015). NCGrowth will need to consider these approaches as it moves forward.

Conceptual Framework

The DOI conceptual framework and the scaling literature work in tandem to address the problem of practice and research questions considering the multi-layered nature of NCGrowth’s intent to scale out impact without growing (Figure 4). First, we use Rogers’ DOI framework to assess NCGrowth’s current practices in diffusing new ideas to its clients and its internal readiness for scaling. Second,

Figure 4
DOI Framework and Scaling Literature

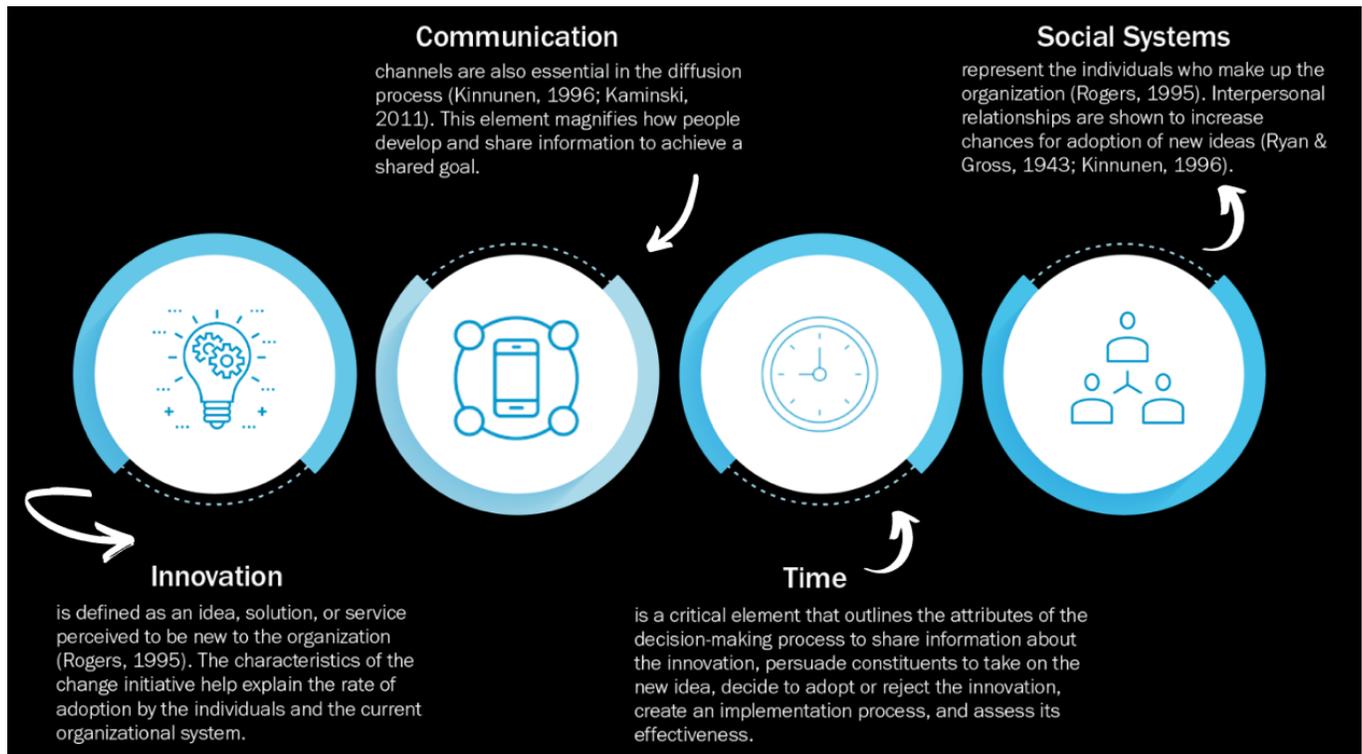


scaling literature helped us arrive at recommendations informed by our client organization's objective expressed in our initial scoping conversations. Several concepts within both areas of research, such as building and maintaining relationships, effective communication, buy-in, community trust, and measuring effectiveness, are recurring themes. We use the interdependence of these concepts to identify NCGrowth's effective processes and gain insight into the requirements necessary to build NCGrowth's capacity to expand its impact.

Conceptual Framework, Literature, and Terms

Our research questions focus on how NCGrowth currently diffuses its ideas (DOI framework) and how it leverages its resources to scale out its practices without growing (scaling literature). Overlapping themes emerged between scaling strategies and the four elements within Rogers' DOI (1995) theory: innovation, communication, time, and social systems. Like Rogers (1995), Moore et al. (2015), in their scaling research, define innovation as “any initiative, product, programme, platform or design that challenges, and over time changes...the social system where the innovation occurs” (p. 69).

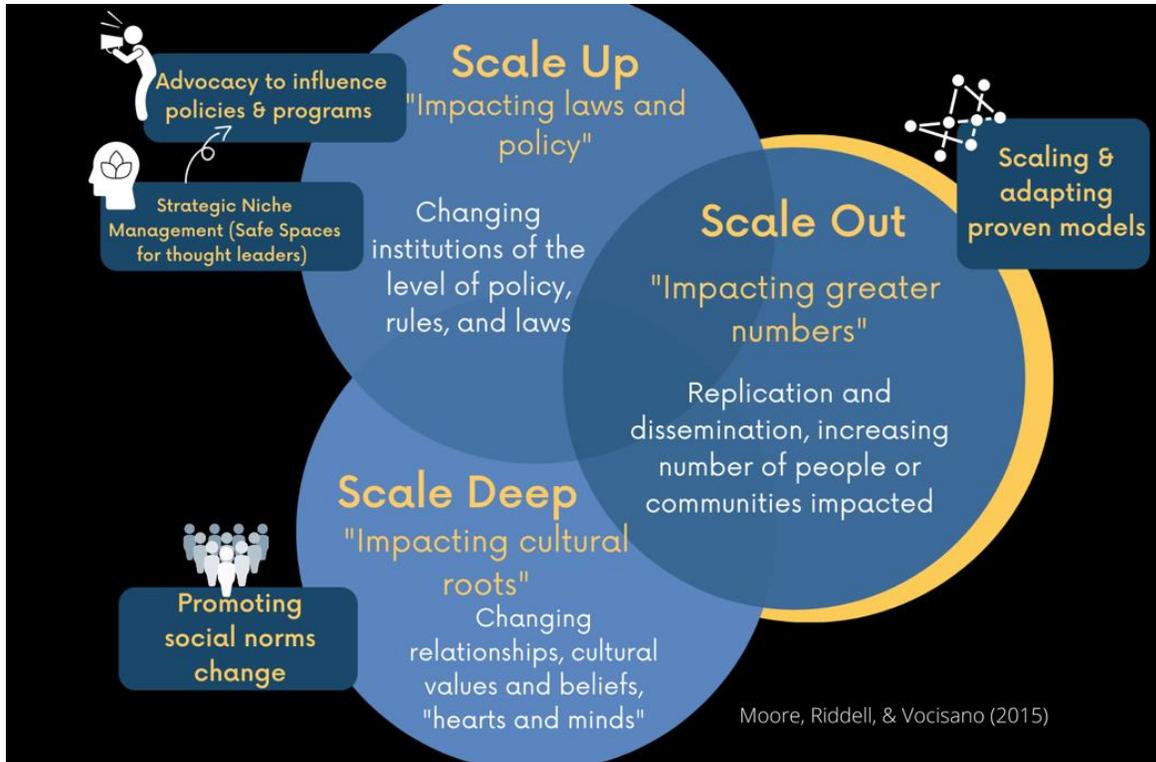
Figure 5
Rogers' (1995) DOI Elements



Rogers’ DOI theory and scaling literature highlight the intersection of diffusion of an idea and internal organizational capability to scale out their processes. The literature highlights the interdependencies across Rogers’ four elements: innovation, communication, time, and social systems (Figure 5); these concepts also show up in the scaling literature. **Innovation** (*element 1*) is defined as an idea, solution, or service perceived to be new to the organization (Rogers, 1995). The characteristics of the change initiative help explain the rate of adoption by the individuals and the current organizational system. Five factors appear in innovation research linked to diffusion: relative advantage, compatibility, complexity, trialability, and observability (Rogers, 1995). As these factors increase, the rate at which innovation diffuses in an organization will also increase. Key takeaway: for innovation to occur, all of these must increase, significantly elevating innovation adoption. Research shows that accessible **communication** (*element 2*) channels are also essential in the diffusion process (Kinnunen, 1996;

Kaminski, 2011). This element magnifies how people develop and share information to achieve a shared goal. Innovation research shows that accessible communication channels are essential in the diffusion process; however, how the adopter views the person delivering the communication about the innovation is more critical. The more trusted the source of information to the adopter, the faster the adoption takes place. **Time** (*element 3*) is a critical element that outlines the attributes of the decision-making process to share information about the innovation, persuade constituents to take on the new idea, decide to adopt or reject the innovation, create an implementation process, and assess its effectiveness (Rogers, 1995). This element speaks to three functions: (1) the innovation-decision process, (2) adopter categories, and (3) the rate of adoption that occurs from the time the innovation is introduced to implementation or rejection of the innovation (Rogers, 1995). Time plays two key roles, how long does innovation take to go through the process (a project completion) and, internally, the time within the process (the effort to complete tasks). **Social systems** (*element 4*) represent the individuals who make up the organization (Rogers, 1995). Interpersonal relationships are shown to increase chances for adoption of new ideas (Ryan & Gross, 1943; Kinnunen, 1996). Inherent within the social system of the organization, change agents, opinion leaders, and stakeholders either enhance the innovation process or inadvertently present barriers to adoption (Katz, 1957; Rogers, 1995; Moore et al., 2015). The interpersonal relationships within social systems have the power to leverage their communication networks reputation and trust to advocate or reject an idea (Kinnunen, 1996; Junnarkar, 1997).

Scaling

Figure 6*Three Types of Scaling*

Note. (Moore, Riddell, & Vocisano, 2015)

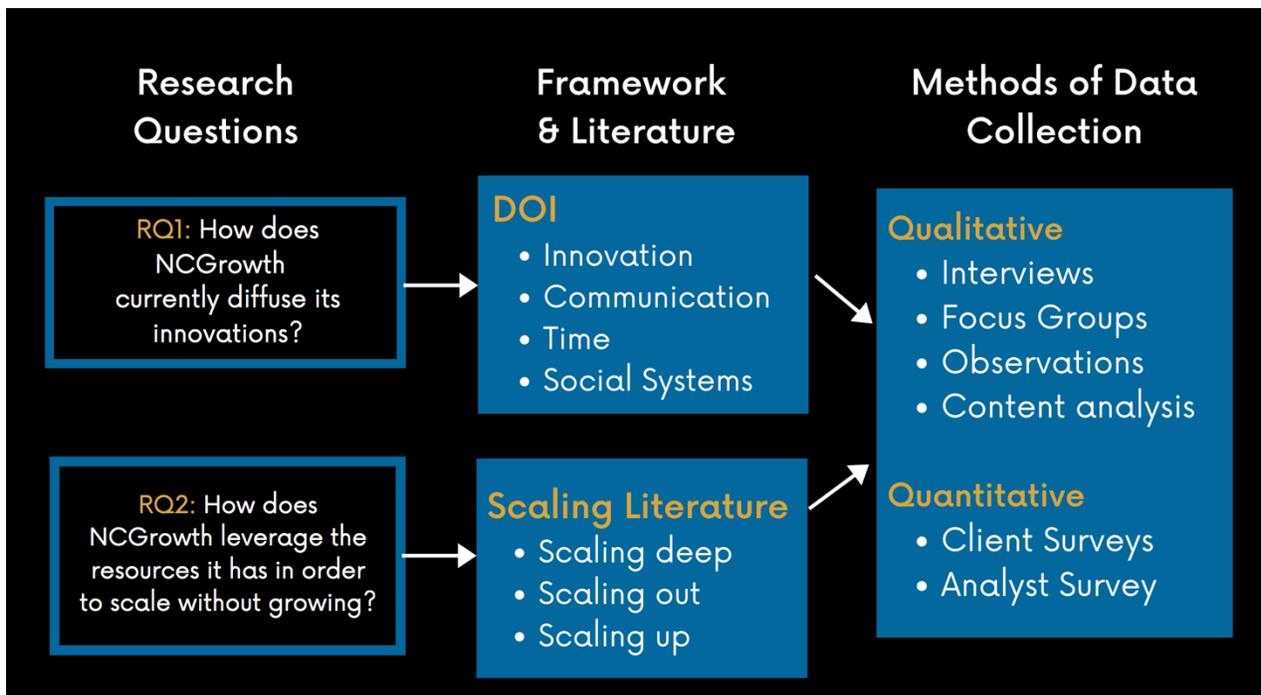
Scaling literature (Figure 6) creates an opportunity to assess the specific characteristics of an organization and choose scaling strategies that specifically target the unique situation within the organization. Some factors are necessary for any scaling strategy, such as building networks across a sector and the value of expert collaboration to pool resources and extend an organization's sphere of influence (Moore et al., 2015). **Scaling out** literature identifies ways to increase impact with replicating current practices, directly aligning to NCGrowth's goal to expand impact without growing in size. Scaling out literature mirrors Rogers' DOI communication element as it emphasizes the need for ideas to spread via mass media and interpersonal communication channels (Lundblad, 2003; Moore et al., 2015) for ideas to be adopted or rejected. Scaling out strategies views social systems as a means to take

a deeper look into internal organizational relationships and the necessary characteristics (networks, norms, influencers). It assumes the process of diffusing a new idea successfully already exists through previous experimentations and small pilots. Scaling out leverages these successes and magnifies its reach through replication. Similarly, **scaling deep** seeks to consider the organization's deeply rooted cultural challenges by shifting the problem through the people, relationships, and communities in culture (Moore et al., 2015). Scaling deep involves using the organizations' norms, values, and people as a vehicle to change its narrative, ultimately changing cultural norms and beliefs about the problem before considering a scale out initiative (Moore et al., 2015). NCGrowth is a learning organization, one of its primary assets is its knowledge curation of practices, experiences, and learnings that can be shared and redeployed. Scaling deep leverages networks and communities, focusing an additional layer of investment in transformative learning (Moore et al., 2015). NCGrowth's connection to CREATE and KIPE creates an opportunity for optimizing existing learning platforms. In addition, **scaling up** centers on how policies and legal administrative infrastructures impact replicating or adopting a new idea (Moore et al., 2015). Scaling up becomes the mechanism to transform through policy. While the scaling out approach through replication and dissemination is designed to reach more people and increase impact, to seriously impact large systems change, including variations of scaling up and scaling deep helps change the system's dynamics with integrity and fidelity (Moore et al., 2015). NCGrowth must consider its scaling strategies to appropriately assess which type of scaling (deep, up, or out) is necessary at the appropriate time and with the appropriate stakeholders.

Research Questions

The DOI conceptual framework and Moore’s scaling out literature outline approaches for spreading ideas and scaling out practices to a broader audience supported our inquiry. Rogers’ DOI conceptual framework outlines four essential elements: innovation, communication, time, and social systems that frame our inquiry into NCGrowth’s current practices. Scaling out literature addresses how NCGrowth can leverage the resources it has to broaden its impact without growing.

Figure 7
Research Questions with Conceptual Framework/Literature and Data Collection Method



The study took a two-pronged approach towards viewing the research questions through both DOI framework and scaling literature (Figure 7). Our project design was informed by DOI and scaling literature to provide NCGrowth with findings, recommendations, further considerations, and a conclusion that will address the organization's needs.

Project Design

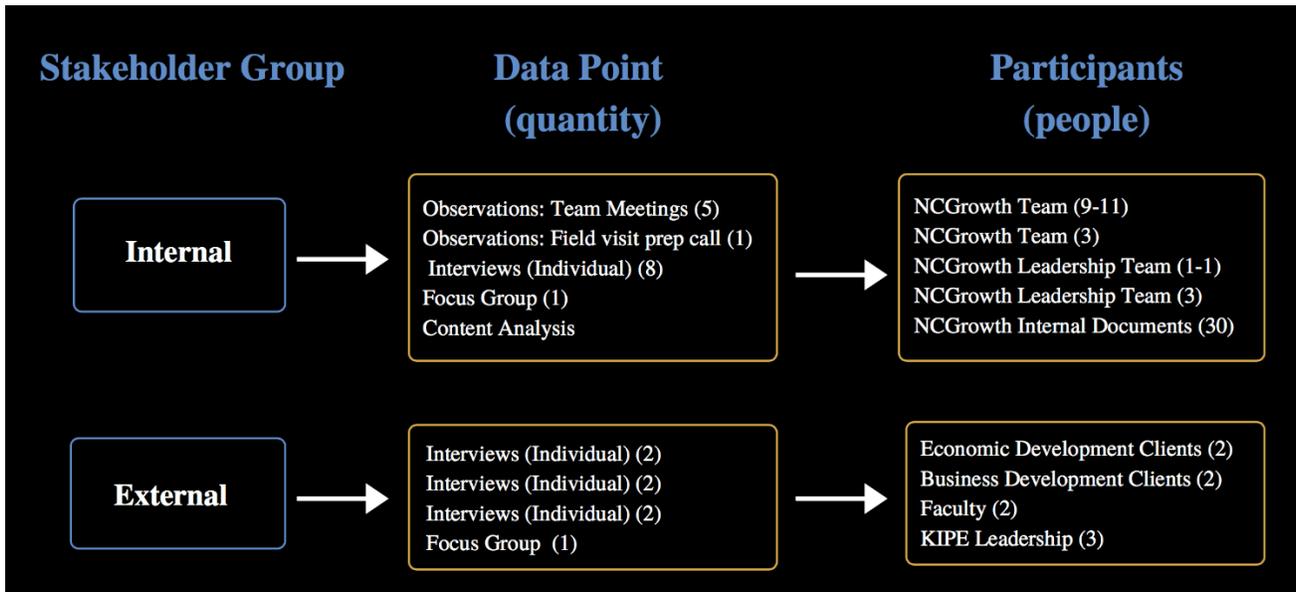
Data Collection Tools and the Conceptual Framework

To address the problem of practice, an exploratory mixed-methods design was employed to examine how NCGrowth currently diffuses its ideas and solutions and how it might leverage current resources to scale out without growing. The DOI framework and scaling out literature informed the data selected for review to thoroughly examine Rogers' (1995) four elements (innovation, communication, time, and social system) and of Moore et al.'s (2015) Scaling out literature (dissemination, replication, and spreading principles) with attention to other scaling strategies as appropriate. The DOI framework elements and scaling out literature concepts served as the foundational premise for creating the qualitative interview protocols and quantitative satisfaction survey questions.

Data Collection

A combination of qualitative (Figure 8) and quantitative data (Figure 9) were collected and analyzed to explore the two research questions. The qualitative data consisted of meeting observations, individual interviews, focus groups, and a content analysis of NCGrowth's program collateral documents (Figure 13).

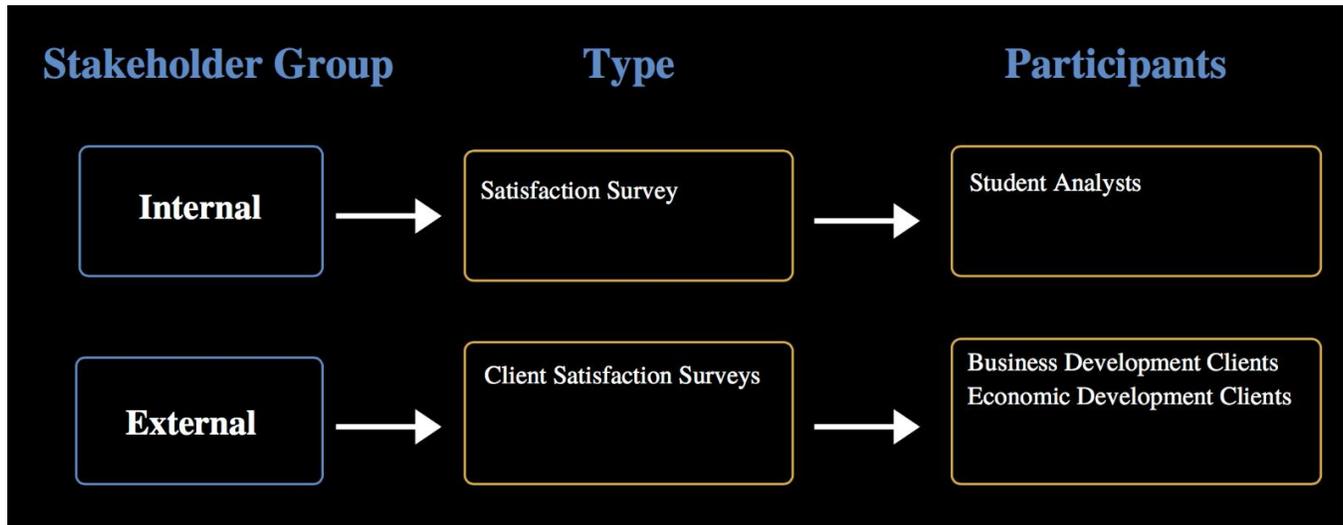
Figure 8
Qualitative Data



These documents included but were not limited to: analyst recruiting and hiring protocols, marketing materials, website review, webinar sessions, operational procedures, annual reports, business development in-take surveys, and historic longitudinal client and student analyst satisfaction surveys.

The capstone project team conducted observations of five NCGrowth team meetings and one field visit preparation meeting. These observations were used to provide insight into team interpersonal relationships, idea generation, and knowledge sharing as seen through the DOI framework and the scaling literature. We interviewed current and former clients, funders, and NCGrowth’s staff, faculty, and leadership team to understand their current scaling out practices to spread ideas to their community partners. The quantitative data consisted of business development and economic development client satisfaction surveys and student analyst satisfaction surveys that NCGrowth currently distributes in order to collect data for reporting purposes (Figure 9).

Figure 9
Quantitative Data



Once NCGrowth completes a client engagement, it sends post-project or satisfaction surveys to its business and economic development clients every six months thereafter. Student analysts also receive post-project surveys after each project they complete. The surveys administered are listed along with the number of respondents and the response rate for each survey during the data collection period of Spring 2021. NCGrowth has routine pre-existing survey questions that include requesting updates about its clients' growth such as new job created, funding received, new contracts obtained, or new employees hired since project completion (Figure 10). To each of the client surveys, the capstone project team added four questions aligned to a specific element in Rogers' DOI framework and the scaling literature (Figure 11). We added these questions to gauge: (1) diffusion within the organization, (2) evaluate organizational processes, and (3) surface gaps or barriers to NCGrowth's efforts to scale out.

Figure 10
Pre-existing Client Satisfaction Survey Questions

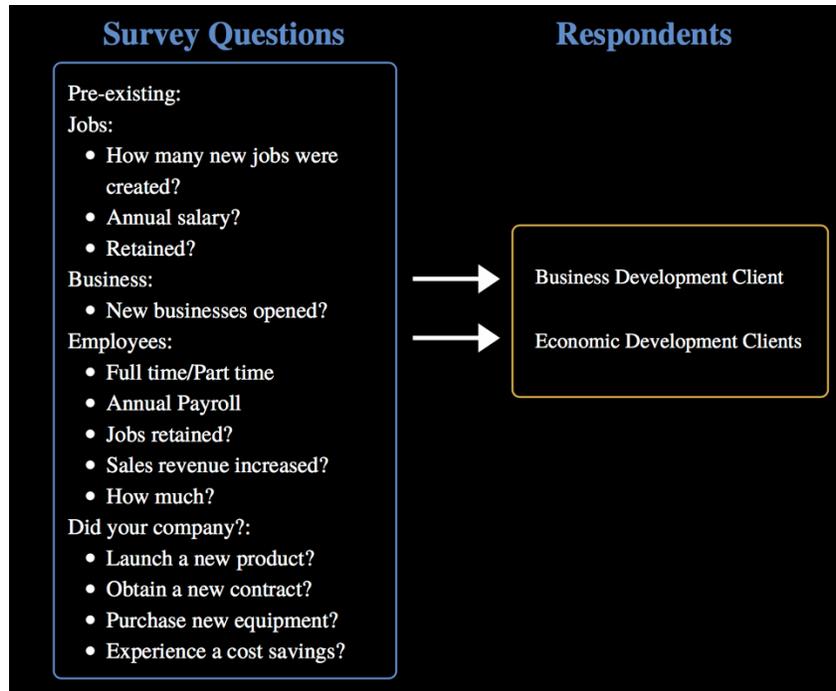
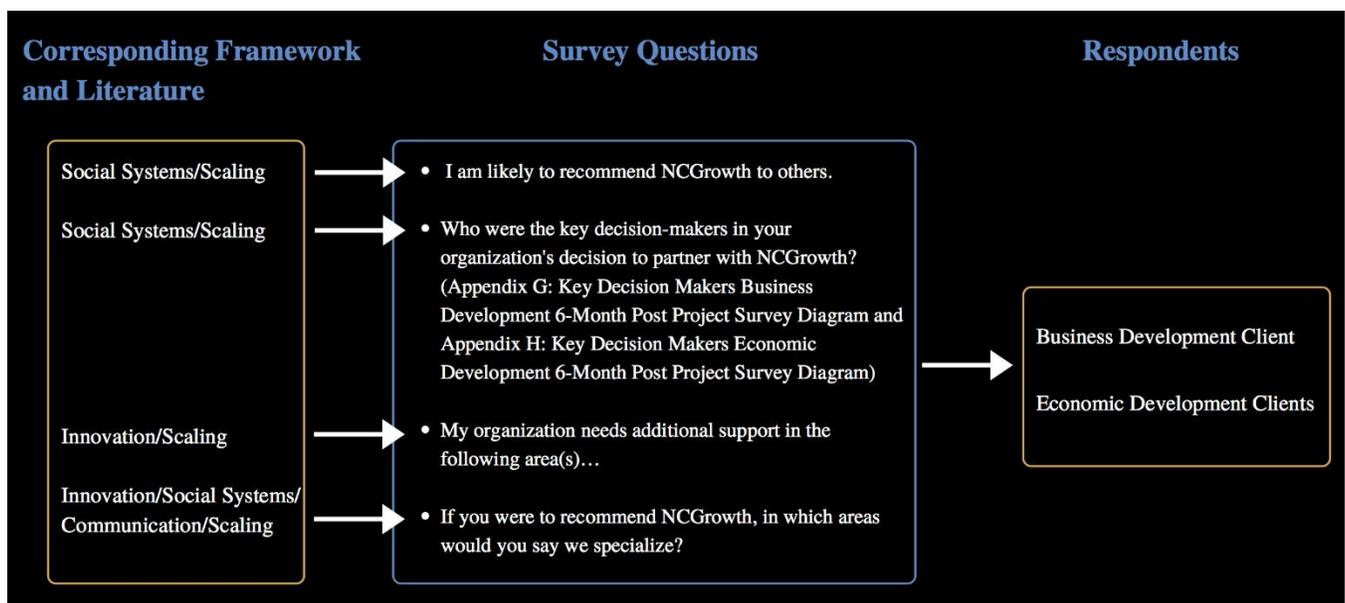


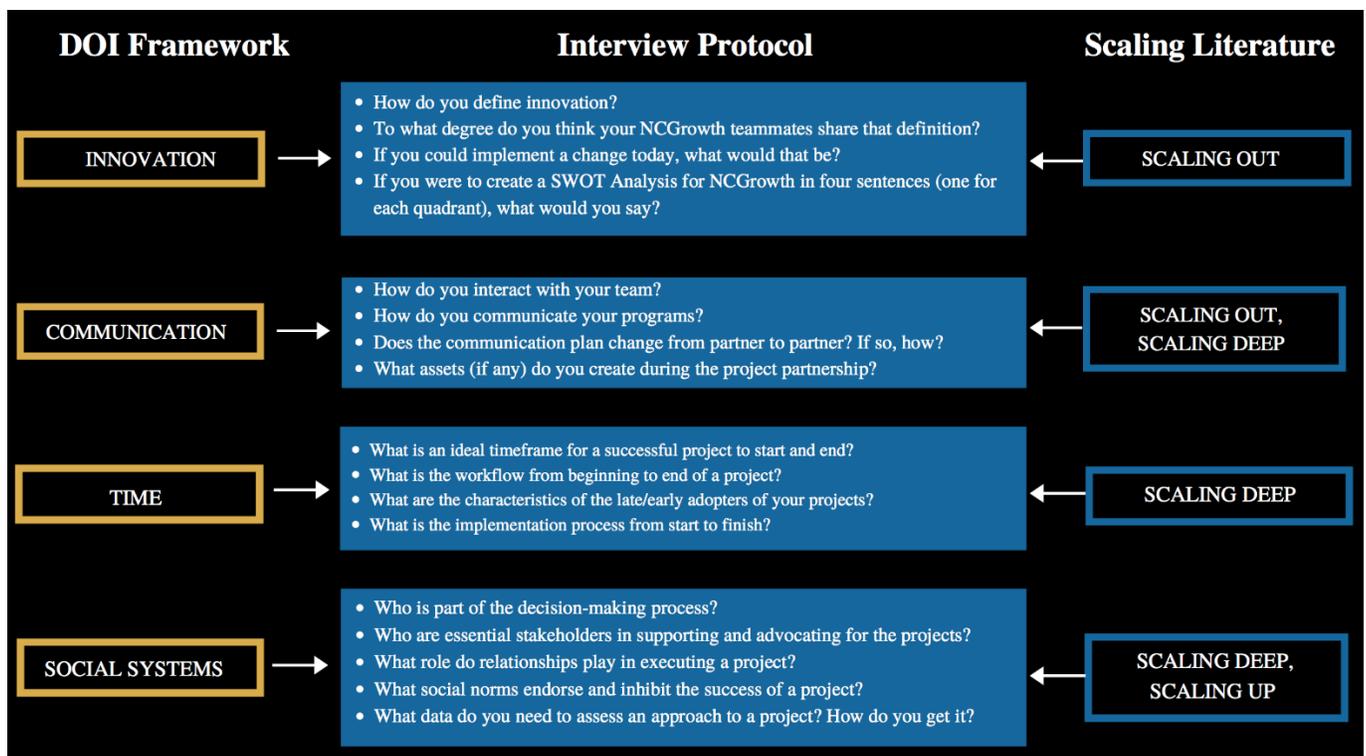
Figure 11
Questions added to the Client Satisfaction Surveys based on Framework/Literature



Data Collection: Qualitative

The capstone project team followed a semi-structured interview format for all interviews and focus groups conducted. Interview questions were open-ended and designed to elicit perceptions on diffusing innovation and scaling out within NCGrowth from various stakeholder perspectives: the NCGrowth leadership team, faculty advisors, clients, and funders (Figure 12).

Figure 12
NCGrowth Leadership Interview Protocol and Framework/Literature

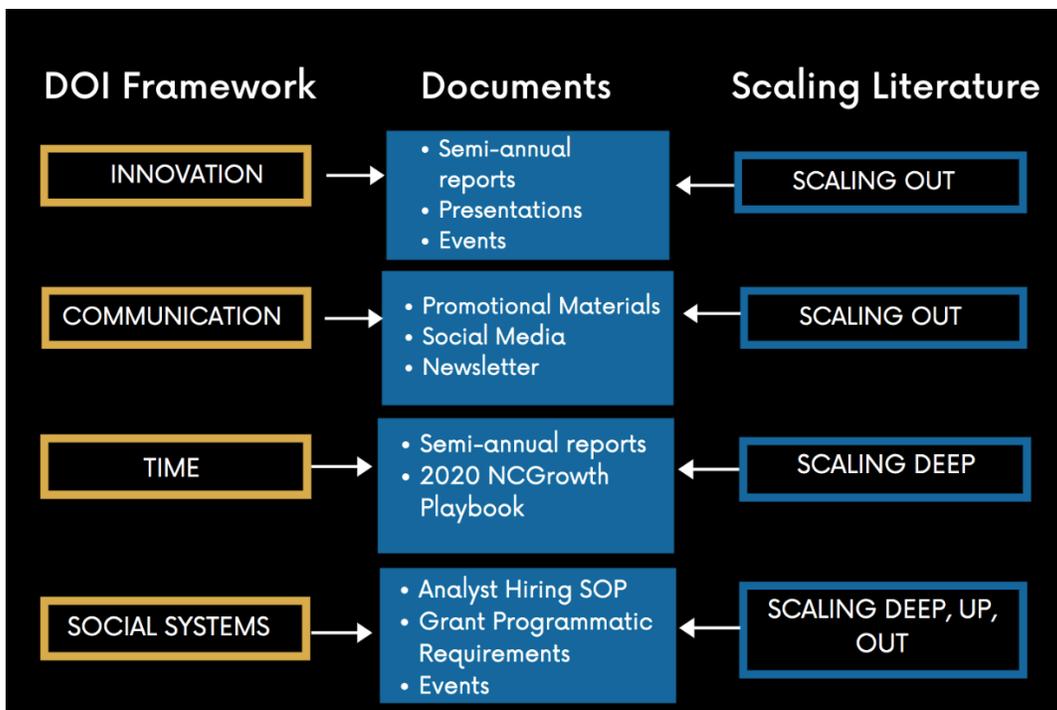


We developed similar interview protocols modeled after the DOI framework (innovation, communication, time, and social systems) and the scaling out literature (dissemination, replication, and spreading principles) for clients, funders, and the faculty (Appendix A: *Interview Protocol: Clients*; Appendix B: *Interview Protocol: Funders*; and Appendix C: *Interview Protocol: Faculty*). In addition to interviews and focus groups, the capstone project team observed four NCGrowth Zoom team meetings

and one field visit preparation call to gain insight to processes, workflow, interpersonal connections, and organizational dynamics.

The content analysis of the program collateral (Figure 13) created a window into NCGrowth’s internal processes, communication efforts, and strategic initiatives. NCGrowth’s executive director uploaded proprietary organizational documents to the Vanderbilt box secure site. Documents were selected for review based on the DOI framework four elements: innovation, communication, time, and social systems as well as if they provide any insight into how NCGrowth’s current practices scale out.

Figure 13
NCGrowth’s Document Content Analysis and Framework/Literature



The semi-annual reports illustrate how NCGrowth reports its efforts to the E.D.A. and measures its impact. The presentations show NCGrowth’s positioning of its mission and purpose to broader audiences by sharing its goals and spreading knowledge and best practices. The various events depict

NCGrowth's efforts to reach different audiences with its best practices and increase knowledge of who they are and how they become a resource to economically challenged communities. In addition to the documents reflecting external communication and efforts to reach different audiences and communities, NCGrowth's program collateral offered insight into internal processes, communications, and efforts to engage and support their clients and their student analysts. NCGrowth's program collateral is a glimpse into the depth of knowledge curated over time by the NCGrowth team. Figure 11 outlines the collateral reviewed and its corresponding framework/literature component.

Most interviews and focus groups were video and audio recorded. In instances in which the interviewee did not prefer to be recorded via video or audio, the capstone interviewer transcribed notes. Observations were not recorded. The capstone project team members reviewed transcribed notes. Overall, the team reviewed around 20 hours of content from 20 interviews, focus groups, and observations.

Data Collection: Quantitative

NCGrowth conducts satisfaction surveys with its business and economic development clients bi-annually and student analysts within two weeks of each project completion (Figure 12). The client satisfaction survey assesses NCGrowth's business and economic development client experience. These surveys garner feedback on the benefits and limitations of their partnership and how the client improved their business and community as a result of working with NCGrowth. The analyst satisfaction survey assesses the type of project completed, reflections on what they learned, and garners feedback on operational efficiencies. These surveys explore their experiences with the project managers, support received, what they learned, and if they planned to return to serve on future projects.

Recruiting Participants and Data Sequence

Identifying critical stakeholder groups became a priority early in the communication process with the NCGrowth leadership team. The NCGrowth leadership team provided a list of potential interview candidates targeting faculty, student analysts, the KIPE leadership team, business and economic development clients, community leaders, and funders. The capstone project team contacted each person individually with an interview request. The individuals who accepted our request became participants of our individual interviews and focus groups.

Student analysts, faculty advisors, subject matter experts, project leads, and full-time staff are all represented in the data as “internal stakeholders.” “External stakeholders” consist of clients, business and economic development partners, community leaders, and government or community funders (grants, donors, E.D.A., business partners, university funding). Given the nuanced nature of the relationship with internal and external stakeholders, a random sample was not possible in this context. NCGrowth surveys its business and economic development clients within two weeks of the project’s projected completion date and again every six months (in January and July) for two and one-half years (NCGrowth, 2020a). Given the existing survey plan schedule, the capstone project team was able to add questions informed by the DOI framework and scaling literature to the six-month survey administered in January 2021. Student analysts receive the post-project analyst survey within two weeks of project completion. The survey is designed “to gather analyst perspectives after project completion on NCGrowth processes, project managers, and project work” (NCGrowth, 2020a). NCGrowth emails their client and analyst satisfaction surveys in accordance with the schedule outlined above. The capstone project team assessed the data collected from the satisfaction surveys submitted by those who participated between January through March 2021.

The capstone project team aligned our quantitative data collection efforts into NCGrowth’s existing survey schedule based on their annual calendar and existing operational processes. Between October 2020 and April 2021, quantitative (Table 1) and qualitative were collected.

Table 1
Quantitative Data Sampling

	Economic Development Clients	Business Development Clients	Student Analysts
Surveys Administered	35	55	29
Respondents	19	34	8
Response Rate	54%	62%	29%

Quantitative data, collected in the form of client satisfaction surveys, were conducted by NCGrowth for both its economic development and business development clients between January and March 2021. Post-project analyst survey data was collected between December 2020 and February 2021. The qualitative interviews occurred after reviewing and analyzing NCGrowth’s program collateral content and the quantitative survey data.

Data Analysis

The capstone project team uploaded all interviews and focus group recordings and transcribed notes into Dedoose, a coding software program. The team then created a codebook defining the four elements of Rogers’ DOI framework (innovation, communication, time, and social systems) and the key

strategies to scaling out (impact, deliberate replication, spreading principles, and collaboration). The relevant components of DOI and scaling strategies became our topic codes. These topic codes were codified into our codebook and agreed upon as a capstone project team by reviewing an interview together and assigning elements and strategies connecting them with a topic code. Utilizing Dedoose, the team then used the codebook to code interview recordings and transcriptions individually. After each interview was coded, the group met to discuss emerging themes from the coded interviews to evaluate intercoder reliability. The team examined transcripts and notes for emerging themes aligning with the DOI framework and scaling out literature by identifying salient words and phrases across the interviewees. Throughout the coding process, capstone project team sought to maintain interrater reliability. Interrater reliability assesses the degree to which multiple reviewers would come to the same conclusion in their assessment of the data (Babbie, 2017). As a trio, the capstone project team wanted to ensure consistent qualitative and quantitative data coding resulting in more accurate data analysis. In addition to an extensive codebook, we also reviewed each other's interviews and frequently discussed the codes we assigned to each of our interviews during routinely scheduled meetings. If a discrepancy was identified, we discussed the data as a team and agreed upon a code to ensure consistency.

Triangulating the Data

The project team examined the framework and literature to connect the qualitative and quantitative data. Using the DOI framework four elements and scaling literature (up, deep, and out) as our topic codes, descriptive codes emerged as we analyzed both qualitative and quantitative data. These descriptive codes led to repeatedly mentioned words and phrases, which became the key thematic codes, resulting in our four findings as indicated in Figure 14 and Figure 15. Responses from interviews, focus groups, client satisfaction surveys, student analyst satisfaction surveys, and documents provided by NCGrowth (i.e., marketing materials, semi-annual report documents) were also coded using the topic codes.

Figure 14
Coding Thematic Analysis: Rogers' DOI

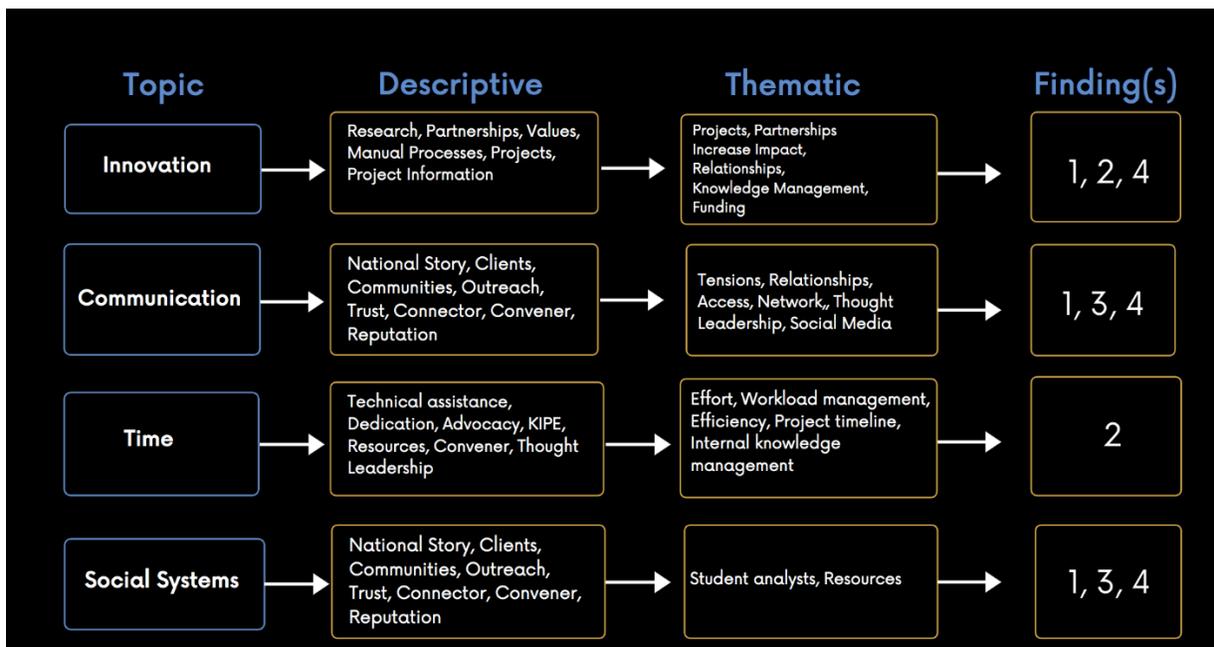
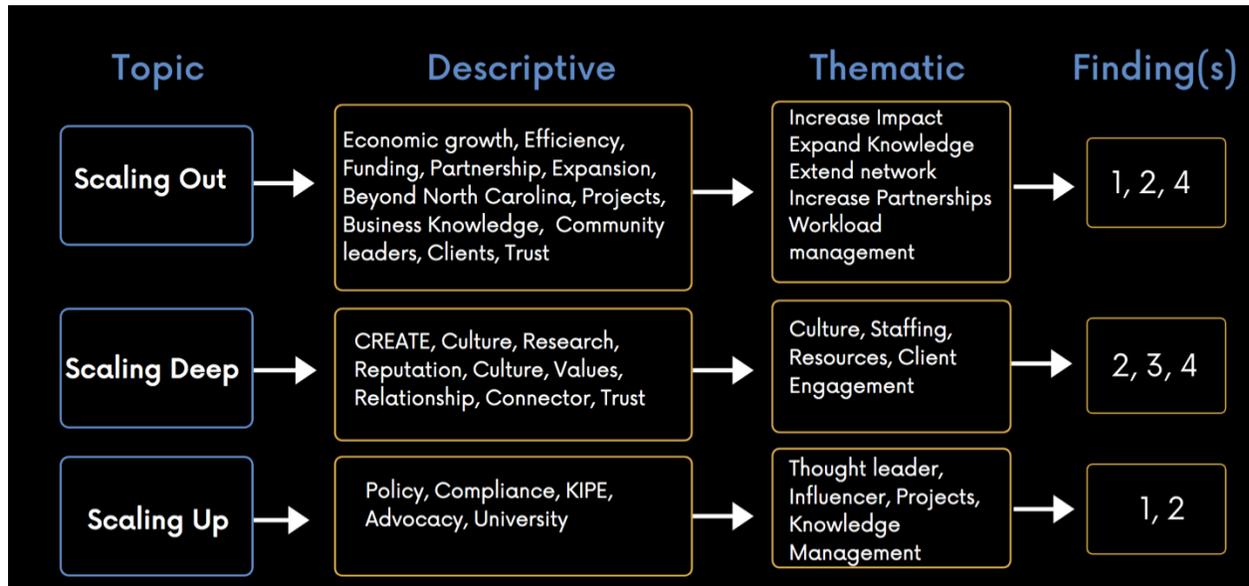


Figure 15
Coding Thematic Analysis: Scaling Literature



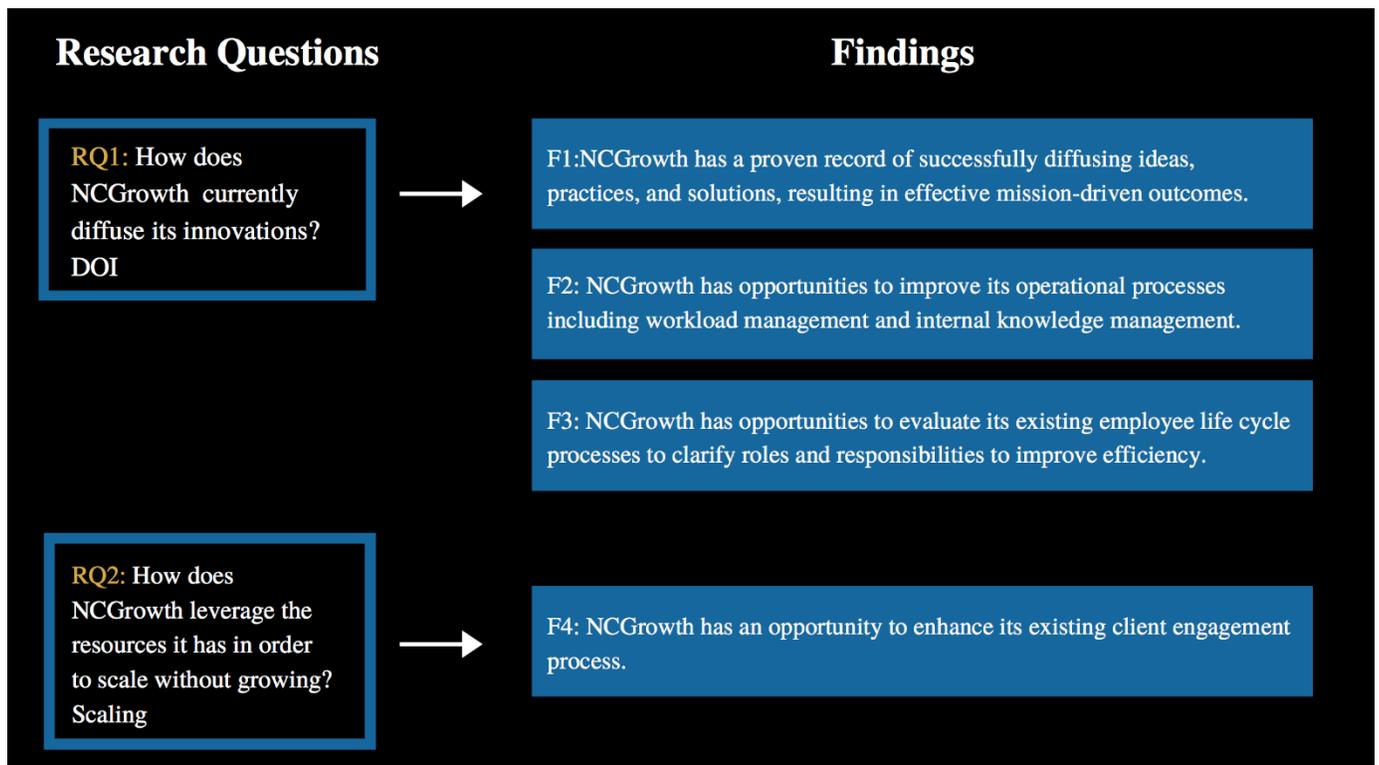
Limitations

The client satisfaction surveys did not require submissions for every question, resulting in nonresponse errors. Nonresponse bias occurs when analysis is based on a failure to solicit consistent responses from each question (Babbie, 2017). Additionally, the interpretation of participant responses to the client satisfaction survey question: *"Who were the key decision-makers in your organization's decision to partner with NCGrowth?"* included "Other" as a response option. This created ambiguity in the interpretation of the participants' feedback. This option does not provide adequate insight into who or what "Other" might be in the context of participants' organization. This made coding this data difficult since we did not have context as to what "Other" meant. The qualitative and quantitative data collected focused on the internal and external stakeholders familiar with NCGrowth. Time permitting, surveying small businesses and other economic development agencies not familiar with NCGrowth would have been helpful to gauge the span of NCGrowth's brand reputation.

Findings

Four findings emerged from the research questions (Figure 16):

Figure 16
Research Questions and Findings



The first three findings examine the first research question: How does NCGrowth currently diffuse its innovations? Finding 4 examines the second research question: How does NCGrowth leverage the resources it has in order to scale without growing?

Finding 1

NCGrowth has a proven record of successfully diffusing ideas, practices, and solutions, resulting in effective mission-driven outcomes.

The first finding emerged from the interviews and business development client satisfaction data collected during the study. During qualitative interviews, the capstone project team learned that NCGrowth won the 2019 University Economic Development Association Judges' Award of Excellence. This organization recognizes higher education institutions across North America in the categories of innovation, talent, and place. The Association judges submissions on “replicability, scalability, sustainability, impact, and originality” (Kenan Institute of Private Enterprise, 2019). During their interview when asked: *“How do you define innovation and to what degree do you think the NCGrowth team shares that definition?”*, a faculty member stated: “I think that's one component [of innovation] in terms of the consulting and technical assistance projects. And then I think there's also from an educational perspective, innovation with respect to NCGrowth capturing the learning from the project work. Figuring out how to package that and disseminate it in ways that will highlight innovation, creative solutions to the challenges of, you know, Community Economic Development, workforce development, and whatever their specific issue might be. So, capturing that innovation, disseminating it in useful ways that others could benefit from” (Faculty, personal communication, March 9, 2021). During interviews with staff members, we posed the question: *“If you were to create a SWOT Analysis for NCGrowth in four sentences (one for each quadrant) what would you say?”* regarding opportunities, a staff member stated: “I mean, I think there's an opportunity for us to spread across the nation and share this model everywhere. And really be like the flagship model for economic development in challenged places” (Staff, personal communication, February 16, 2021).

A review of the client satisfaction survey data revealed that NCGrowth's business development clients have experienced success as a direct result of the partnership. In response to the existing survey question (Q3): "Number of jobs retained due to the NCGrowth project", 34 respondents stated that 68 jobs had been retained. In response to the question: "In the last six months have your company's sales revenues increased?" participants noted experiencing anywhere from a \$2,000 to \$350,000 increase while others stated experiencing anywhere from a five percent to 121 percent increase in sales.

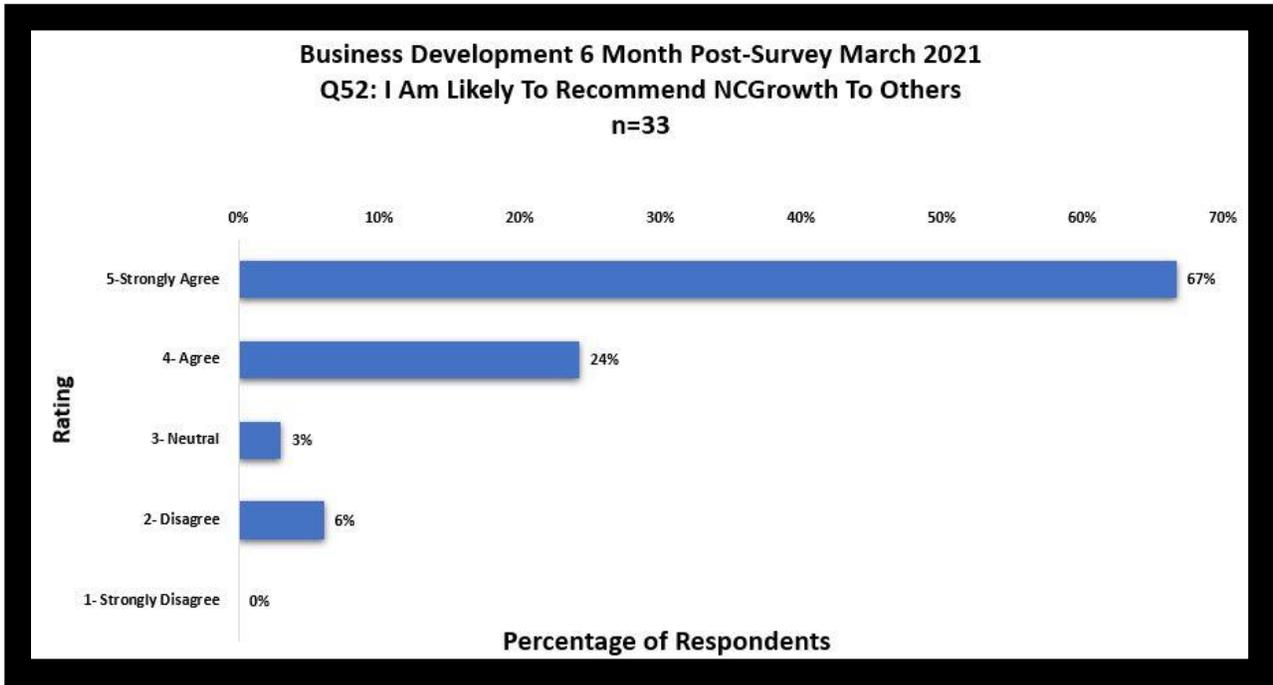
In response to the questions (Q5/Q8): "*In the last six months did your company get new funding? and 'You reported new funding, Congratulations! Tell us more- how much, and what type of funding and who is the funder.'*", responses ranged from receiving \$5,000 to \$990,000 from various sources including the Small Business Administration. In response to the question: "*In the last six months did your company obtain a new contract?*" responses from three participants were: (1) "\$15,000 awarded by Forsyth County", (2) "We signed 2Souls Wine Bar \$35,000", and (3) "Orangeburg County School District- \$172,000 and the City of Augusta Airport- \$62,000." All of this suggests that as NCGrowth's clients adopt the solutions presented, they experience positive business results.

In response to the question (Q27): "*How did working with NCGrowth benefit your company?*", three responses were: (1) "Provided a template for us as a startup organization for us to build on", (2) "Gave us a fluid business plan to use from year-to-year analysis and comparison", and (3) "NCGrowth helped Sandbar Oyster Company better set product prices underpinned by a more rigorous analysis of costs for materials, labor, shipping and company management."

In response to the question (Q52/Q72): "*I Am Likely To Recommend NCGrowth To Others?*", 91 percent of its business development clients (Figure 17):

Figure 17

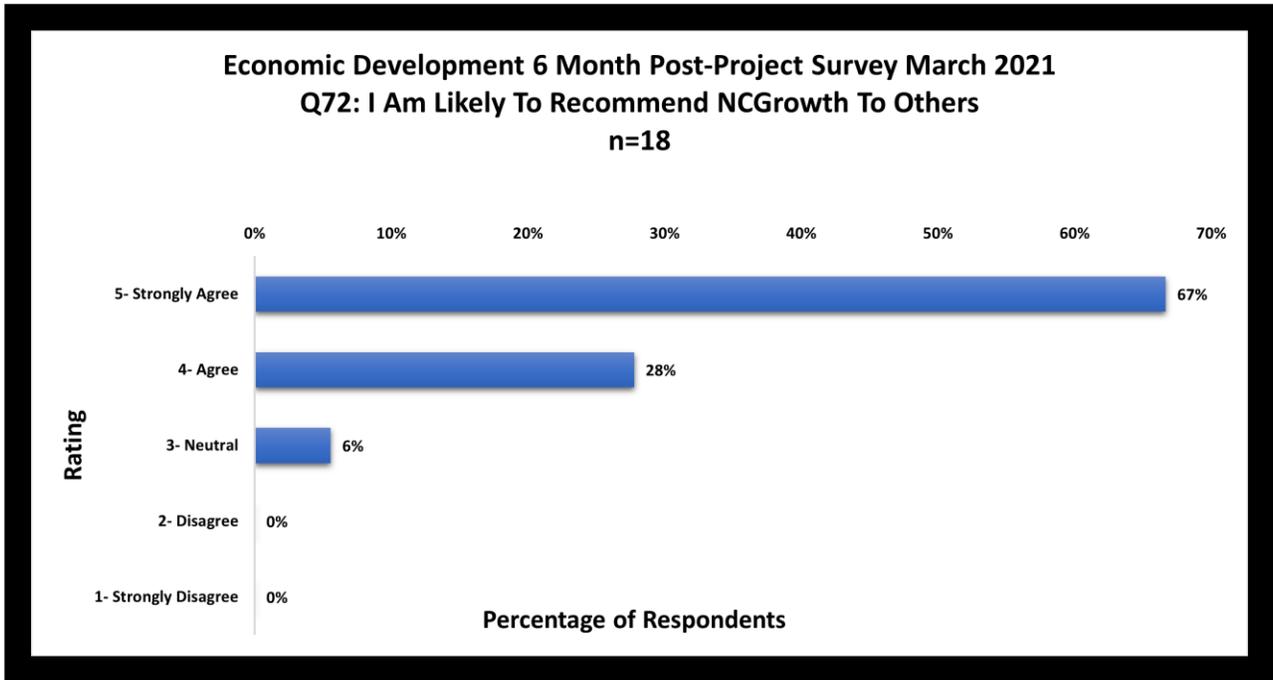
Post Project Survey Question 52: Recommending NCGrowth- Business Development



and 95 percent of its economic development clients (Figure 18) responded that they would recommend NCGrowth, reinforcing the common themes that appeared indicating they have strong social networks, relationships, and an ability to connect with communities and establish trust and credibility. Given the responses from qualitative interviews and quantitative data, new ideas are being adopted and diffused to its clients, actualizing its solutions in practice.

Figure 18

Post Project Survey Question 52: Recommending NCGrowth- Economic Development



Note. (*The total completion percentages for each question vary as some participants did not respond to each question.)

Finding 2

NCGrowth has opportunities to improve its operational processes, including workload management and internal knowledge management.

While Finding 1 highlights the success NCGrowth has achieved by diffusing its knowledge to clients and stakeholders, Finding 2 calls attention to the opportunities NCGrowth has to improve two key internal processes: (A) internal knowledge management and (B) workload management. Non-standardization of processes creates inefficiencies such as inconsistent workflows from person to person, reducing time, effort, and attention between administrative tasks and time-sensitive client engagements. The qualitative interviews with NCGrowth faculty and staff unearthed several comments regarding operational inefficiencies:

A. **Internal Knowledge Management:** Staff and faculty members showcased inefficient operational processes in conducting administrative tasks and the fragmented approach for compiling an organizational knowledge repository. In response to the analyst satisfaction survey question: *“What can we improve to provide a better experience for future analysts? Please be as specific as possible.”*, a student analyst stated: “Future analysts will need better ways to store and access project files.” In response to the same question regarding the project management planner used as a guide for completing projects, another analyst stated: “Improving the PMP and walking through what should be on it would be helpful.” Likewise, one interviewee, when asked to share an NCGrowth weakness stated, “I think it kind of does come back to those internal processes and almost like being a victim of our own success in a way of like that fast growth, but we need that internal stuff so that we can easily bring more people into it to continue to grow” (Staff, personal communication, February 26, 2021).

B. **Workload Management:** The NCGrowth team is responsible for all facets of project management, client relationships, and student analyst training and onboarding. Since the team has grown, our responsibilities have increased as well. Having employees manage large workloads no longer fits the current demands. One interviewee stated: “As a smaller team, we experienced managing various facets of the work together, but now that we’ve grown, our work has been spread across the organization, making it more difficult to build out a cohesive and comprehensive training and onboarding system for new employees. We need a process that captures the work we do in its entirety to train new people properly.” (Staff, personal communication, February 26, 2021).

A faculty interviewee shared: “I think they could also benefit from another level of staff.... But they could also use some more back of the house people and what I mean by that is like the financial people

and the people who are fundraising and the people who are lobbying the state government and people who are twisting arms and elbows and stuff at the university to get resources. I think that the current NCGrowth team does all of that. And they're client facing and so that back of the house stuff, if they could get somebody who was onboard with the commitment and loyal to the cause, essentially, then that stuff that could really happen so that the core or the entire NCGrowth now team could really be core to client facing customer facing high impact on the ground kind of stuff.” (Faculty, personal communication, March 16, 2021). Staff, faculty, and analysts shared concerns in scaling and sustaining organic processes that resulted in different project experiences. By not educating new staff on institutional and historical knowledge creates communication gaps, creating a disjointed system. Quantitative and qualitative data reflect a need to develop and replicate efficient processes. The content analysis of the program documents illustrated a wealth of knowledge but noted a lack of a central and accessible repository. Rogers’ DOI elements created a window to see inside the organization and assess internal readiness to scale out their practices. As the team grows, managing and effectively delegating responsibilities while accessing necessary information for projects when needed became common themes across staff and student analysts.

Finding 3

NCGrowth has opportunities to evaluate its existing talent management processes to clarify roles and responsibilities to improve efficiency.

The third finding also emerged from interviews, business development client satisfaction survey, and student analyst survey data collected during the study. Talent management includes all aspects of the employee life cycle including attraction, recruiting, onboarding, learning and development, and retention. During qualitative interviews, NCGrowth’s faculty and staff shared comments addressing the need to evaluate its existing staff and student analysts to clarify roles and responsibilities to improve

efficiency. The following topics pertaining to talent management emerged in the interviews: (A) the importance of hiring and retaining the right people, (B) sustaining all client and staff relationships, and (C) ensuring the right skill sets get deployed across projects with the appropriate level of engagement to build trust and credibility. Rogers' DOI framework social system elements suggest that interpersonal relationships increase the chances of adopting new ideas (Ryan & Gross, 1943; Kinnunen, 1996). When working with clients, student analysts must understand the importance of relationship-building when engaging NCGrowth's clients.

A. Hiring and retaining the right people.

NCGrowth routinely hires seasonal student analysts, primarily available during the academic year with varying knowledge, capacity, expertise, and skills to support organizational projects which impacts project outcome. This challenge was stated by a faculty interviewee: "Um, I would say that if they could find a way to augment their staff capacity, so that they are not as reliant and dependent on students. I guess student work... in a student model is great. But I think that there can be variation in terms of student capacities and expertise and skills. And so, when it's possible to have staff, permanent full-time staff that can oversee and direct the student work, I think that that produces better results" (Faculty, personal communication, March 9, 2021).

B. Sustaining all client and staff relationships.

Another faculty interviewee stated: "So it's not twice the staff that I get five times the reach, or something like that, because a huge part of what they do is compassion and relationship and interpersonal. Right. And so that stuff isn't that skill, right? I mean, it's scalable to a degree, but it's not like you could have one person managing 500 projects, the same way that she would manage five

projects, this is not possible. So instead of doubling the staff, I wonder about more effective partnerships” (Faculty, personal communication, March 16, 2021).

In the business development client satisfaction survey, in response to the free-response questions (Q27/Q22): “*How did working with NCGrowth benefit your company?*” and “*Anything else you’d like to share?*” NCGrowth received negative feedback regarding their interactions with the student analysts and these students’ contribution to their assigned projects. One client expressed concern over the absence of a project plan: “*I was very disappointed in working with NCGrowth. I committed myself to regular meetings with [] and [] and provided a considerable portion of my bandwidth to help them learn about our business strategy and vision. At the end of the project, they both went radio silent and we did not receive a deliverable from them. I cannot attest to their involvement as being beneficial to our company.*” Another business development client stated: “*I found this project to ultimately be a waste of my time. It was poorly supervised, and the students did not deliver anything at the end.*”

C. Establish clear and measurable expectations for projects.

Additional findings from the NCGrowth student analyst satisfaction survey yielded comments regarding the analysts’ role, responsibilities, onboarding, and ongoing project management training. In response to the question: “*What can we improve to provide a better experience for future analysts? Please be as specific as possible*”, one student analyst stated: “*Emphasize that current and future projects should conclude with specific and actionable recommendations. Avoid getting stuck in theory and analysis and make sure to bring it all together to help the client.*” In response to the same question, a second student analyst remarked: “*Have more specific projects in mind with the clients so that the analyst project is clear.*” According to Rogers’ DOI framework communication element, how people

develop and share information to achieve a shared goal determines the quality of information spread (Rogers, 1995).

Finding 4

NCGrowth has an opportunity to enhance its existing client engagement process.

NCGrowth does not have current official criteria for assessing and gauging when to enter a partnership or knowing when a client may be ready for a specific initiative or change. The implicit organizational norm that would dictate a refusal to partner is noticeable differences or apparent variances in the mission or purpose of the client organization (Staff, personal communication, November 6, 2020). One interviewee stated a general list of characteristics that are important to a successful partnership, “at the very end it’s very basic level there’s no approval process it’s really it’s like okay well let’s have a conversation and let’s see if there are ways we might work together. And a lot of times, those partnerships are really just like the beginnings of relationships that get us down the road. But a lot of our partnerships are just other people who care about what we care about, and I’d say that the two main things that we care about are you know, helping create jobs in places that need them and the lack then also like being equitable in our approach to that mission” (Staff, personal communication, February 16, 2021).

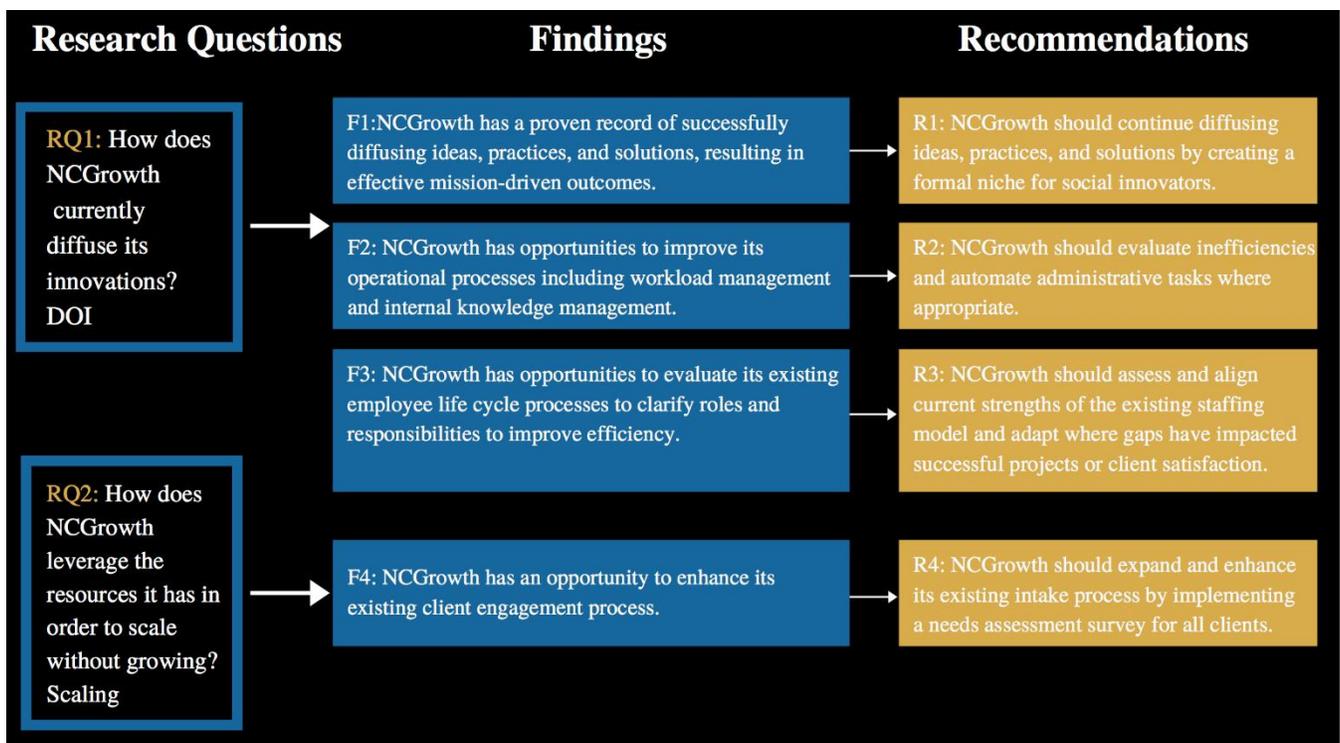
The characteristics of a successful project are essential to identify. Currently, there is no way to gauge the variation of these characteristics within a prospective client organization. Sometimes, that information is evident in the early stages of the process. Sometimes, it becomes evident in the later stages of the discussions. One interviewee shared, “But then you start to realize...the culture of that community [is] closed to change and that’s actually probably why they are where they are now. And so, some of that is trying to meet the client where they are and provide actionable stuff and that’s going to

be different in each community and sometimes. You know the biggest outcome that we can expect is we're able to set a meeting between two groups that never talked face to face before and like that's a win. But that feels very different from a place where we're able to make recommendations and they're just like boom, let's go you know" (Staff, personal communication, February 26, 2021). NCGrowth's inability to assess a client's organization readiness for change contributes to a reactive climate that impacts work processes and client communication and support.

Recommendations

Following the best practices outlined in Rogers’ (1995) DOI framework and the scaling literature, as well as a rigorous understanding of NCGrowth’s organizational context, below are our recommendations:

Figure 19
Research Questions, Findings, and Recommendations



Recommendation 1

NCGrowth should continue diffusing ideas, practices, and solutions by creating a formal niche for social innovators.

Receiving industry recognition demonstrates that NCGrowth is perceived as a credible resource for innovation and for creating new ideas, practices, and solutions by its peers. As a subject matter expert, NCGrowth has the ability to replicate and bring sustainable, impactful solutions to scale efficiently and successfully. NCGrowth's proficiency with managing successful interpersonal relationships will, as scholars suggest, increase the chances of their clients adopting the new ideas being shared (Ryan & Gross, 1943; Kinnunen, 1996). NCGrowth is uniquely positioned around resource-rich organizations and systems with a vast repository of educational, systemic, industry knowledge and operational processes that can be the foundation in disseminating this knowledge and practices to a larger audience. NCGrowth should inventory the proficient knowledge areas they seek to scale and consider its ecosystem of resources when generating the guiding principles and scalable knowledge areas. Additionally, creating a space for thought leaders to grapple with innovative ideas and challenges they encounter for formulating sustainable changes can help garner support and knowledge expansion in their process towards scaling out.

To foster a space for leaders to exchange innovative ideas and their challenges amongst support and knowledge, NCGrowth should create a strategic niche management community and formalize the location in which it exists (in-person, online, individual, or group meetings). Strategic Niche Management (S.N.M.) explains the necessity for creating safe spaces where social innovators can grapple with their organizational complexities. These niches also create new learning pathways for problem-solving efforts that aid in managing strategies for scaling without causing professional or organizational harm (Van der Laak et al., 2007; Schot & Geels, 2008; Smith & Raven, 2012). These

efforts allow NCGrowth to create a cohesive strategy that outlines an approach to magnify the impact of the network and relationships, a diversified, safe place for stakeholders to communicate and leverage available tools and resources. NCGrowth's establishment of the Homegrown Tools website is a demonstration of this approach as it creates space to work through case studies, resulting in generating innovative solutions. Leveraging NCGrowth's knowledge, practices, and solutions into a defined roadmap for users to access creates a chain reaction within the network that acts as a catalyst for social change. Creating a niche community, inclusive of current partner organizations, such as CREATE, NCGrowth's local and national network, will help create new learning pathways for problem-solving that build a robust community, regardless of geographic location.

Recommendation 2

NCGrowth should evaluate inefficiencies and automate administrative tasks where appropriate.

Optimizing resources and the various operational components such as internal knowledge and workload management that are part of NCGrowth are essential to scaling out its initiatives. To be successful at scaling out, Rogers' DOI framework and scaling literature express the need for internal readiness and capacity (on behalf of the organization sharing knowledge) for effective implementation and eventually optimizing scaling solutions (Rogers, 1995; Riddell & Moore, 2015). Moore et al. (2015) suggest that organizations should consider scaling deep and scaling up before scaling out to ensure the fidelity and integrity of the innovation is not compromised. NCGrowth should assess its organizational readiness and capacity to support the internal change before scaling out processes and knowledge to other client organizations. Once addressed, it may expedite scaling strategies for NCGrowth.

Every minute counts and inefficient processes rob the NCGrowth team of time spent connecting with clients. The time it takes to conduct administrative processes, and access critical resources within

NCGrowth is crucial to organizational readiness to share their knowledge and strategies with other organizations (Rogers, 1995). NCGrowth could digitize onboarding, training, and administrative documents for staff and student analysts. Digitization of critical components of the onboarding and training of staff and student analysts allows employees to have easy access to organizational knowledge when working on projects. Providing staff and student analysts access to training and foundational administrative materials could accelerate the learning process, creating more time to spend on scaling out efforts. In addition, creating efficient processes allows NCGrowth staff to spend more time with their client organizations by building capacity through effective use of resources. Standardizing specific parts of the process and strategically repurposing others by task or role could create space for more time-intensive efforts to build relationships and grow the network.

Recommendation 3

NCGrowth should assess and align current strengths of the existing staffing model and adapt where gaps have impacted successful projects or client satisfaction.

For NCGrowth to successfully diffuse its ideas, practices, and solutions to leverage its resources to scale out without growing, assessing internal capacity, and maintaining staff efficiency is necessary. NCGrowth must create a well-defined process that aligns the strengths of the staff and student analysts with the project and client being served. As stated in DOI and scaling literature, meaningful relationships and successful projects increase impact towards social innovation (Ryan & Gross, 1943; Rogers, 1995; Riddell & Moore, 2015).

Furthermore, Riddell and Moore (2015) state for the diffusion of innovation and replication to occur, “scaling for impact” refers to establishing a relationship between a product (NCGrowth’s solutions and practices) and the organizations with whom NCGrowth wishes to scale out its practices. In

this case, the NCGrowth team should be capable, responsive, and ready to participate in a complex project. To scale out their practices, NCGrowth should consider the following options:

A. Hire and Onboard the Right People

Hire individuals that have competencies in building/leveraging/sustaining relationships in the business and economic development realm. Once hired, these individuals should participate in training that further hones these skills.

B. Increase Access to Information and Frequency of Training

Consider deploying a competency assessment designed to highlight staff and student competencies to identify which individuals are better equipped to create critical resources needed to execute projects such as market analysis, feasibility studies, etc. These items can be stored in a repository for future reference or provided through asynchronous training.

C. Restructure Employee Responsibilities

- Reassess student analysts' responsibilities to minimize negative client experiences.
- Consider hiring doctoral/ master's program students participating in longer programs of study who are able to build/leverage/sustain long-term client relationships. This approach will procure students with greater knowledge levels and reduce turnover.
- Hire grant writers to remove this task from employees working on the ground. This will increase the time they have to focus on the work done with clients.

The issues arising from unpreparedness, a lack of communication, or misalignment with the clients may negatively impact NCGrowth's reputation and credibility. Addressing these challenges will

create internal readiness and capacity to support the implementation of a successful scaling strategy by considering all three types of scaling: scaling up, scaling deep, and scaling out.

Recommendation 4

NCGrowth should expand and enhance its existing intake process by implementing a needs assessment survey for all clients.

As part of their operational review, NCGrowth should look for process improvements in compiling data from organizations seeking knowledge or to replicate their practices. NCGrowth should consider an assessment tool to gauge prospective client organization's readiness for implementing NCGrowth practices. Although there is currently a business development client intake survey, the questions only collect standard details about the business development client's employees, revenue, and history (NCGrowth, 2020a). The current in-take survey asks for demographic information about the organization. However, there is a missed opportunity to learn more about the potential client organization, such as its growth goals, challenges, and readiness.

NCGrowth should consider: (1) expanding this intake survey to its economic development clients, (2) including specific questions about the areas the new client organization needs assistance with, (3) inquiring about the timing of when they can begin working with NCGrowth, and (4) understanding client goals for the partnership. The intake survey should mirror the bi-annual client satisfaction surveys provided to clients seeking feedback from the partnering organizations on their experiences, needs, and success in working with NCGrowth. This will allow NCGrowth to measure its progress in a more systematic manner.

Depending on in-take survey results, NCGrowth could:

- A. **Option 1:** Decide to engage the potential client and appropriate necessary resources.

- B. **Option 2:** Provide a technical assistance readiness kit to prepare the organization for an engagement at a future date.
- C. **Option 3:** Refer the potential client to different resources within NCGrowth's network better suited to meet that potential clients' need if it's outside NCGrowth's purview.

To supplement each of the options above, NCGrowth should consider creating an open access knowledge repository for the NCGrowth network to the accumulated knowledge from projects, experiences, and shared learnings from NCGrowth's technical assistance knowledge and practices.

Using the process outlined above, NCGrowth can build a pipeline of clients they can prioritize, given the prospective organization's readiness to adopt their practices. The survey results will identify which organizations are ready to receive NCGrowth's scale out initiatives versus those who may need scale deep or scale up support from other resources. The survey helps prioritize and categorize prospective clients concisely, allowing NCGrowth to coordinate the next steps for adopting their practices or directing them to other resources with efficiency. NCGrowth could strategically organize client engagements based on who is ready to partner and begin work.

Further Considerations

A few issues materialized in the qualitative and quantitative data that are noteworthy, but were outside the scope of this study:

- **The relationship dynamic between CREATE and NCGrowth.**

There is general confusion regarding roles, responsibilities, and how both entities can work together to effectively reach underserved communities and small businesses with shared economic development goals. Aligning efforts and clearly outlining CREATE and NCGrowth's relationship, responsibilities, and interconnectivity within KIFE is a foundational element to support NCGrowth's scaling out strategy. Defining this relationship will influence how NCGrowth will continue to be a fundamental resource to economically challenged communities. Given the existing interconnectivity, an opportunity exists for NCGrowth to optimize CREATE's academic research and KIFE's institutional platform. Leveraging these synergies strengthens NCGrowth's position to broaden its messaging, networking, branding, and marketing efforts, increasing its impact.

- **NCGrowth's position within the organizational structure.**

Although there are many benefits of being attached to a university, there can be many challenges, such as understaffing, limited funding, lack of scalability, and long bureaucratic decision-making. As NCGrowth, CREATE, and KIFE clearly define their relationship as mentioned above, NCGrowth should seek to leverage which components or aspects of this relationship are most beneficial to achieving its organizational goals. One interviewee offered a

thought on the future regarding NCGrowth's connection to the University of North Carolina system, "I wonder about more effective partnerships, right, institutional partnerships... 50 years from now, maybe NCGrowth is across [UNC] campuses. NCGrowth is a UNC entity rather than just a UNC-Chapel Hill entity. And they're able to have centers all over the place..." (Staff, personal communication, March 16, 2021). Another interviewee mentioned, "I think it would be beneficial for them to have... a regional-type relationship... And if you added a rep for a territory, you're likely to see an increase in volume in that territory, because somebody is mining those opportunities." (Client, personal communication, February 27, 2021). The addition of qualified and trained representatives across the NCGrowth footprint allows it to expand geographically, scaling out its operational practices and knowledge sharing.

- **Sustainable Funding Challenges**

The project team did not create a question targeting funding yet concerns regarding sustainable funding permeated throughout the qualitative interviews and across stakeholders. The nature of funding will affect the degree to which NCGrowth can increase impact without growing in size. According to Moore et al. (2015), "funding was not only perceived to support the scaling process, but it was also sometimes perceived as a necessary precursor to scaling in order to build internal capacity for systems approaches" (p. 76). Stakeholder concerns included uncertain and inconsistent funding, budget cuts, clients and small business owners not having access to the educational process for acquiring grants, and NCGrowth's need for additional funding. The nature of being grant dependent confines the NCGrowth team to the timing and rules of the grant, reducing agility, and limiting the time that NCGrowth's staff can spend with its clients. One interviewee stated, "I think it would be great if we were an endowed center, I mean I guess

it would take just one, it could be one big very supportive donor and that would be helpful, it would free up the time of [staff member] to do other things besides looking for funding and applying for grants" (Staff, personal communication, February 16, 2021).

Funding challenges are not new obstacles to organizations in the economic development space, but the concerns mentioned by interviewees ranged from simple concern to a perceived fundamental threat to NCGrowth and its goal to continue to expand the impact to under-resourced communities and small businesses. New business models are essential to consider, especially if NCGrowth intends to remain true to its purpose and these funds can be used to grow the organization. Moore et al. (2015) state that when undertaking a scaling approach, "new funding, or entirely new funding models than what their original initiative required" may be necessary to "build internal capacity for systems approaches" (p. 76).

Conclusion

NCGrowth wants to diffuse its innovative practices beyond its current geography to expand its impact without growing. Codifying ideas, practices, solutions, and resource management into a blueprint that can be replicated and expanded while considering potential scale-up and scale deep needs will allow NCGrowth to execute its mission of “creating jobs and equitable opportunities” (NCGrowth, n.d.), increasing impact without growing.

One interviewee asked, “How do you move on, how do you make sure that the vision of the founder is sort of ingrained but doesn't hold it back?” (Staff, personal communication, February 26, 2021). Both Rogers’ (1995) DOI framework and Moore et al. (2015) outline the necessary components to diffuse and scale innovation while maintaining the importance of community, communication, and integrity to the mission and purpose of the organization. Furthermore, scaling literature calls for organizations to consider scaling deep and scaling up to ensure scale-out practice maintains its fidelity and integrity (Riddell & Moore, 2015).

The guiding DOI framework, the scaling literature, and the quantitative and qualitative data collected work together to tell a story of a highly dedicated team. Stakeholders consistently shared their commitment and dedication to see NCGrowth continue to impact economically challenged communities and minority-owned businesses. The excitement regarding NCGrowth’s future was a dominant theme in several interviews, one interviewee stated, “I think there's so much opportunity for our work and the way that we work. I think we could expand geographically; I think that we're really unique in the way

that we blend our work with the public sector, with the private sector, and the academics.” (Staff, personal communication, February 26, 2021).

However, there is room for NCGrowth to assess its internal capacity and readiness to scale out while implementing knowledge management strategies. There are opportunities to build efficiencies in NCGrowth’s work processes and assess its talent management strategy to magnify strengths and address weaknesses. NCGrowth can consider implementing processes to improve its prospective client engagement platforms to assess pipeline predictability and client readiness for partnering. Establishing these platforms allow for enhanced workload management to manage resources for current and future work and partners.

In conclusion, NCGrowth is a successful economic development organization with the potential to increase its impact without growing in size. Through careful consideration of its internal organizational processes, its network, including its relationship with CREATE and KIPE, NCGrowth can only continue to succeed in its mission of creating solutions that drive economic and financial stability in underserved and distressed communities.

References

- Anandajayasekeram, P. 2016. Scaling Up and Scalability: Concepts, Frameworks and Assessment. Vuna Research Report. Pretoria: Vuna. Online: <http://www.vuna-africa.com>
- Babbie, E. R. (2017). *The basics of social research* (7th ed.). Wadsworth Publishing.
- Bloom, P. N., & Chatterji, A. K. (2009). Scaling Social Entrepreneurial Impact. *California Management Review*, 51(3), 114–133. <https://doi.org/10.2307/41166496>
- Bloom, P. N. & Smith, B. R. (2010). Identifying the drivers of social entrepreneurial impact: Theoretical development and an exploratory empirical test of SCALERS, *Journal of Social Entrepreneurship*, 1:1, 126-145, DOI: [10.1080/19420670903458042](https://doi.org/10.1080/19420670903458042)
- CREATE. (n.d.) About. Retrieved from <https://createprosperity.unc.edu/>
- Crutchfield, L. R., & Mcleod Grant, H. (2008). Forces for good: The six practices of high-impact nonprofits, San Francisco, CA, John Wiley & Sons.
- Dweck, C. (2007). Mindset: The new psychology of success, New York, NY, Ballantine Books
- E.D.A..gov. (2012). Center for Strategic Economic Growth. Retrieved June 12, 2021, from https://www.E.D.A..gov/files/programs/university-centers/uc-tools/46-U-of-North-Carolina-CH_UC.pdf
- Frank Hawkins Kenan Institute of Private Enterprise. (2021). Annual report. Chapel Hill, NC: Kenan Institute of Private Enterprise UNC Kenan-Flager Business School.
- Glenn, B. F. (1979). Strengthening economic and small business development through university outreach efforts. *Journal of Small Business Management (Pre-1986)*, 17(000003), 59. Retrieved from <http://login.proxy.library.vanderbilt.edu/login?url=https://search-proquest-com.proxy.library.vanderbilt.edu/docview/210758115?accountid=14816>
- Hayter, C. S., & Link, A. N. (2015). University proof of concept centers. *Issues in Science and Technology*, 31(2), 32-35. Retrieved from <http://login.proxy.library.vanderbilt.edu/login?url=https://search-proquest-com.proxy.library.vanderbilt.edu/docview/1649801225?accountid=14816>
- Jolley, G. J., & Taimur, B. (2016). U.S. Economic Development Administration University Centers: Leveraging Federal Dollars Toward Best Practices. *Journal of Economic Development in Higher Education*, 1.

- Junnarkar, B. (1997). Leveraging collective intellect by building organizational capabilities. *Expert Systems with Applications*, 13(1), 29–40. [https://doi.org/10.1016/S0957-4174\(97\)00020-1](https://doi.org/10.1016/S0957-4174(97)00020-1)
- Kaminski, J. (2011). Diffusion of Innovation Theory. *Theory in Nursing Informatics Column*, 6(2011). <https://cjni.net/journal/?p=1444>.
- Katz, E. (1957). The Two-Step Flow of Communication: An Up-To-Date Report on an Hypothesis. *The Public Opinion Quarterly*, 21(1), 61-78. Retrieved May 24, 2021, from <http://www.jstor.org/stable/2746790>
- Kenan Institute of Private Enterprise. (2019, October 2). NCGrowth Honored with Top Award from the University Economic Development Association for University-based Economic Development. Retrieved from <https://kenaninstitute.unc.edu/news-media/ncgrowth-honored-with-top-award-from-the-university-economic-development-association-for-university-based-economic-development/>
- Kenan Institute of Private Enterprise. (n.d.). Mission & History. Retrieved from <https://kenaninstitute.unc.edu/about/mission-history/>
- Kinnunen, J. (1996). Gabriel Tarde as a Founding Father of Innovation Diffusion Research. *Acta Sociologica*, 39(4), 431–442. <https://doi.org/10.1177/000169939603900404>
- Lundblad, J. P. (2003). A review and critique of rogers' diffusion of innovation theory as it applies to organizations. *Organization Development Journal*, 21(4), 50-64. Retrieved from <http://login.proxy.library.vanderbilt.edu/login?url=https://search.proquest.com/docview/197971687?accountid=14816>
- McCall, J. (2020). “Assessing the Economic Impacts of COVID-19 on North Carolina’s Small Business Community.” Carolina Small Business Development Fund. Raleigh, NC. <https://doi.org/10.46712/covid19.economic.impacts>.
- Menzel, D., & Feller, I. (1977). Leadership and Interaction Patterns in the Diffusion of Innovations among the American States. *The Western Political Quarterly*, 30(4), 528–536. <https://doi.org/10.2307/447654>
- McGrath, C., & Zell, D. (2001). The Future of Innovation Diffusion Research and its Implications for Management: A Conversation with Everett Rogers. *Journal of Management Inquiry*, 10(4), 386–391. <https://doi.org/10.1177/1056492601104012>
- Moore, M. L., Riddell, D., & Vocisano, D. (2015). Scaling Out, Scaling Up, Scaling Deep: Strategies of Non-profits in Advancing Systemic Social Innovation. *The Journal of Corporate Citizenship*, 2015(58), 67–84. <https://doi.org/10.9774/GLEAF.4700.2015.ju.00009>
- NCGrowth. (2017). NCGrowth_InfoSheet_04132017. Unpublished document.
- NCGrowth. (2020a). *Annual Survey Plan*. Unpublished document.

- NCGrowth. (2020b). *NCGrowth Semi-Annual Report: Project period of April 1, 2020- September 30, 2020*. Unpublished document.
- NCGrowth. (n.d.). About. Retrieved from <https://ncgrowth.unc.edu/index.php/what-we-do/>
- NCGrowth. (n.d.-a). NCGrowth Partners with Community Members to Preserve local Gullah Geechee Heritage. Retrieved from <https://ncgrowth.unc.edu/index.php/ncgrowth-partners-with-community-members-to-preserve-local-gullah-geechee-heritage/>
- North Carolina Department of Commerce (2020). 2020 County Tier Designations. Retrieved from https://files.nc.gov/nccommerce/documents/files/2020-Tiers-memo_asPublished.pdf
- Raven, R. P. J. M. (2005). Strategic Niche Management for Biomass. PhD thesis, Eindhoven, Technische Universiteit Eindhoven.
- Riddell, D., & Moore, M.-L. (2015, October). *Scaling Out, Scaling Up, Scaling Deep: Advancing Systemic Social Innovation and the Learning Processes to Support it*. https://mcconnellfoundation.ca/wp-content/uploads/2017/08/ScalingOut_Nov27A_AV_BrandedBleed.pdf.
- Rockefeller-Harris, L. (2020, October 29). *2020 Poverty Report: Persistent poverty demands a just recovery for North Carolinians*. North Carolina Justice Center. <https://www.ncjustice.org/publications/2020-poverty-report-persistent-poverty-demands-a-just-recovery-for-north-carolinians/>.
- Rogers, E. M. (1995). *Diffusion of innovations*. 4th ed. New York: Free Press.
- Rotmans, J., & Loorbach, D. (2006). Transition management: reflexive steering of societal complexity through searching, learning and experimenting. In: Van den Bergh, J.C.J.M., Bruinsma F.R. (Eds), *The transition to Renewable Energy: Theory and Practice*, Cheltenham, Edward Elger.
- Rotmans, J., Loorbach, D. and Kemp, R. (2007)
- Ryan, B., & Gross, N. C. (1943). The Diffusion of Hybrid Seed Corn in Two Iowa Communities. *Rural Sociology*, 8(1), 15–.
- Schot, J., & Geels, F. W. (2008). Strategic niche management and sustainable innovation journeys: Theory, findings, research agenda, and policy. *Technology Analysis & Strategic Management*, 20(5): 537-554.
- Schumpeter, Joseph A, *Entrepreneurship as Innovation* (2000). University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship, Available at SSRN: <https://ssrn.com/abstract=1512266>
- Smith, A., & Raven, R. (2012). What is protective space? Reconsidering niches in transitions to sustainability. *Research Policy*, 41(6): 1025-1036

- SRI International (2014). Making connections: Evaluation project to assess best practices in E.D.A.'s University Center Program. SRI International. U.S. Department of Commerce Economic Development Administration.
- Sutton, R. I. (2014, August 7). *Scaling: The Problem of More*. Harvard Business Review. <https://hbr.org/2013/10/scaling-the-problem-of-more>.
- Teagarden, M. B., & Schotter, A. (2013). Leveraging intellectual capital in innovation networks. *Organizational Dynamics*, 42(4), 281–289. <https://doi.org/10.1016/j.orgdyn.2013.07.006>
- Van Den Bosch, S., & Rotmans, J. (2008). Deepening, broadening and scaling up: A framework for steering transition experiments. Delft, Netherlands. Knowledge Centre for Sustainable System Innovations and Transitions (KCT).
- Van Der Laak, W. W. M., Raven, R. P. J. M., & Verbong, G. P. J. (2007). Strategic niche management for biofuels: Analysing past experiments for developing new biofuel policies. *Energy Policy*, 35, 3213–3225.

Appendices

Appendix A

Interview Protocol: Clients

1. How does communication start with business?
2. How do you operationalize connecting with the business?
3. Who are your internal/external stakeholders?
4. How do you procure clients?
5. How do you select who works with organizations?
6. What is a day in your life like?
7. What keeps you up at night?
8. Where do you see NCGrowth in 5-10 years?
9. If you could implement a change today, what would that be?
10. How do you interact with the team outside of Carolyn and Elizabeth?
11. What's internal organizational communication like?
12. If we were to create a SWOT Analysis for NCGrowth in four sentences (one for each quadrant), what would those sentences be?
13. What is your biggest challenge?

Appendix B

Interview Protocol: Funders

1. Challenges with their grants.
2. What data do you need to assess an approach to a project? How do you get it?
3. What role does social capital play in social systems created to support the work of NCGrowth?
4. What can NCGrowth change to expand and innovate?

Appendix C

Interview Protocol: Faculty

1. How do you define innovation?

2. To what degree do you think the NC Team shares that definition?
3. If you could implement a change today, what would that be?
4. How does time impact projects?
5. Does the communication plan change from partner to partner? If so, how?
6. Who are essential stakeholders in supporting and advocating for the projects?
7. Are there any questions I did not ask that could best highlight the work NCGrowth does or ways they could fill gaps?