

**Received Date:** July 20, 2025**Accepted Date:** August 12, 2025**Published Date:** August 30, 2025

## **Reshaping Governance Mechanisms in Social and Solidarity Economy Organizations: A Strategic Management Perspective from the Moroccan Context**

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### **Abstract**

Moroccan Social and Solidarity Economy (SSE) organizations operate at the intersection of participatory norms and performance-driven expectations, confronting governance challenges rarely captured in Global-North scholarship. Adopting an abductive, multiple-case design, this study investigates how six SSE entities—cooperatives, mutual-benefit associations, and social enterprises—translate institutional plurality into strategic effectiveness. Documentary analysis, thirty semi-structured interviews, and non-participant observation reveal a tripartite governance typology: consensus-anchored models that prioritise egalitarian deliberation yet suffer protracted decision cycles; hybrid-modular structures that superimpose task-specific committees and balanced-scorecard dashboards onto member assemblies; and managerialised configurations dominated by competency-based boards and real-time KPI monitoring. Hybrid-modular organizations achieve superior ambidexterity, coupling democratic participation with formal controls to diversify revenue streams, accelerate decision latency, and enhance stakeholder legitimacy. Three recurring

tensions—regulatory ambiguity versus standardisation, social-impact fidelity versus revenue pursuit, and territorial legitimacy versus scalability—act as generative forces when addressed through iterative “logic-bricolage” routines such as layered formalisation, temporal sequencing, and boundary realignment. The findings reframe governance as a path-dependent capability that orchestrates micro-level structural tweaks into macro-level resilience, extending hybrid-organization theory into contexts shaped by Islamic-finance proximity and state-led performance agendas. Practically, the study recommends governance-maturity roadmaps for managers and incentive schemes that reward incremental formalisation for policymakers. Future research should employ longitudinal and mixed-method designs to test the transferability of the logic-bricolage model across MENA ecosystems.

**Keywords :** governance hybridity ; strategic ambidexterity ; Social and Solidarity Economy ; dynamic capabilities ; institutional logics ; Morocco ; logic bricolage.

# I. Introduction

## 1. Background and Context

Over the past decade, the Social and Solidarity Economy (SSE) has shifted from a peripheral policy concern to a strategic pillar of Morocco's inclusive-growth agenda, yet it still accounts for barely 2 percent of GDP and 5.5 percent of employment, underscoring a persistent scale-performance gap (El Mekkaoui et al., 2021, p. 2). This paradox arises because many cooperatives, mutual-benefit associations, and social enterprises operate in hybrid institutional spaces where participatory ideals intersect with market-oriented performance demands. Governance mechanisms originally designed for small, trust-based groups now confront the managerial complexities of expanded stakeholder configurations, diversified revenue streams, and multi-level accountability regimes.

From a strategic-management standpoint, these organizations must realign their decision-making architectures to balance “voice” and “value” logics—embedding democratic participation while institutionalizing managerial rationality capable of sustaining competitiveness and resilience. Empirical evidence from Rabat-Salé-Kenitra cooperatives shows that boards adopting explicit control-and-monitoring routines—alongside member-centric deliberation—create higher social and economic value than entities relying solely on informal norms (Farabi & Bouazza, 2022, p. 176). Nonetheless, the diffusion of such hybrid governance models remains uneven, constrained by limited professional expertise, fragmented regulation, and fluctuating donor priorities.

Consequently, Morocco's SSE finds itself at a strategic crossroads: either recalibrate its governance architectures toward adaptive, capability-driven designs or risk mission drift and legitimacy erosion in an increasingly competitive development marketplace. This study situates itself within that juncture, interrogating how governance reconfiguration unfolds in practice and what strategic dividends it yields for organizational resilience, stakeholder legitimacy, and long-term social value creation.

## 2. Problem Statement

Persistent misalignment between participatory ideals and managerial imperatives has left Moroccan Social and Solidarity Economy (SSE) organizations navigating governance architectures that are simultaneously mission-driven and operationally fragile. Cooperative and associative statutes still privilege egalitarian deliberation, yet market-facing activities demand codified accountability systems,

professional expertise, and performance analytics. Evidence from recent fieldwork shows that when decision-making remains informal and member-centric, strategic agility suffers : investment projects stall, partnership negotiations falter, and legitimacy with external funders erodes (Belalia & Elaissaoui, 2025, p. 1002). Conversely, entities that introduce clearer board mandates, outcome-oriented dashboards, and layered control routines report higher revenue stability but risk diluting their participatory DNA, sparking internal resistance and mission-drift anxieties (Saad & Youness, 2024, p. 3).

This tension exposes a critical governance gap : existing institutional frameworks offer limited guidance on how SSE organizations can embed “strategic ambidexterity”—the capability to balance participatory accountability with managerial rationality—within hybrid decision arenas. Academic treatments of Moroccan SSE governance remain largely descriptive, rarely interrogating how specific structural levers (e.g., role clarity, incentive alignment, knowledge-management systems) translate into adaptive capacity and stakeholder legitimacy over time. The problem, therefore, is twofold : conceptually, a theorization deficit hampers understanding of governance hybridity as a dynamic strategic capability ; empirically, scant evidence traces how Moroccan SSE entities recalibrate their governance architectures under multi-layered institutional pressures.

Addressing this dual deficit is essential for unlocking the sector's latent contribution to inclusive growth and for informing policymakers who seek to professionalize the SSE without undermining its social mandate. By systematically examining governance reconfiguration processes across diverse SSE organizations, this study aims to illuminate actionable pathways toward resilient, mission-consistent, and performance-oriented governance models in Morocco's evolving socio-economic landscape.

## 3. Research Significance

The study's significance unfolds along three complementary trajectories that together advance scholarship and practice. First, it contributes to the growing—but still fragmented—conversation on governance hybridity by interrogating how SSE organizations operationalize “strategic ambidexterity,” a capability largely theorized in corporate settings yet seldom examined within member-driven collectives. By linking role-clarity devices, accountability dashboards, and knowledge-sharing routines to adaptive capacity, the article extends the governance-performance nexus beyond descriptive typologies into the realm of actionable capability building (Ebrahim et al., 2014, p. 85). Second, the research supplies context-sensitive evidence from Morocco, a national

ecosystem where cooperatives and social enterprises are expanding rapidly but remain under-represented in high-impact journals. Rich qualitative data illuminate how localized innovation—in areas such as women-led cooperative networks—generates endogenous learning loops that recalibrate decision arenas without eroding participatory DNA (Boulkhir et al., 2025, p. 3146). Such findings nuance prevailing assumptions that professionalization inexorably weakens member engagement, instead suggesting a contingency logic in which structure and voice can co-evolve. Third, the article offers policy-relevant insights by specifying the governance levers that most effectively convert mission legitimacy into resource leverage—knowledge of keen interest to donors redesigning funding metrics and to ministries drafting Morocco’s long-awaited SSE framework law. In synthesizing these strands, the study positions itself as a platform for cross-regional dialogue on how hybrid organizations can institutionalize strategic effectiveness while safeguarding social purpose, thus filling a demonstrable gap in both empirical coverage and theoretical refinement.

#### 4. Research Objectives

Anchored in the strategic-management literature on hybrid organizations, this study pursues four interrelated objectives that together illuminate how Moroccan SSE entities convert governance redesign into dynamic capabilities. First, it maps and classifies the prevailing governance configurations—ranging from member-assembly primacy to board-centric oversight—to generate an empirically grounded typology responsive to the sector’s institutional heterogeneity (Defourny & Nyssens, 2017, p. 18). Second, it disentangles the micro-mechanisms through which these organizations embed managerial routines—such as role-clarity matrices, performance dashboards, and knowledge-sharing protocols—while safeguarding deliberative participation, thereby revealing the operational logic of governance hybridity. Third, it evaluates the causal linkages between specific governance bundles and key performance constructs—organizational resilience, stakeholder legitimacy, and adaptive capacity—using cross-case pattern matching to surface contingent relationships rather than universal prescriptions. Finally, it synthesizes the empirical insights into a context-sensitive governance framework that can inform policymakers designing Morocco’s forthcoming SSE legislation and guide practitioners seeking to institutionalize “strategic ambidexterity” without eroding mission coherence (Laville, 2010, p. 9). By advancing these objectives, the research positions itself to bridge the conceptual gap between descriptive accounts of SSE governance and actionable models capable of sustaining inclusive growth in an evolving institutional landscape.

#### 5. Central Research Question

How do Moroccan Social and Solidarity Economy organizations—operating in hybrid institutional arenas—strategically reconfigure their governance systems to reconcile participatory accountability with managerial rationality, and how does this reconfiguration influence their dynamic capabilities for resilience, stakeholder legitimacy, and sustained social-value creation under multi-layered institutional pressures ?

#### 6. Primary Hypothesis

Anchored in the strategic-ambidexterity lens, the study formulates the following testable hypothesis: Moroccan Social and Solidarity Economy organizations that institutionalize dual-track governance—integrating member-focused deliberative arenas with formal, performance-oriented control mechanisms such as role-differentiated boards, balanced-scorecard dashboards, and periodic internal audits—will register higher adaptive capacity, more diversified funding streams, and stronger stakeholder legitimacy than cooperatives and social enterprises that rely primarily on informal, consensus-based decision making. In this configuration, participatory accountability supplies socio-cultural legitimacy, while managerial rationality supplies analytical rigour and resource leverage ; their orchestration is expected to produce cumulative resilience effects under multi-scalar institutional pressures.

#### 7. Article Structure

The article unfolds through a modular yet logically integrated narrative that aligns with contemporary guidance on publishing in top-tier management journals. Opening section establishes the contextual backdrop, articulates the governance–performance paradox in Moroccan SSE organizations, and positions the study’s hypothesis within the strategic-ambidexterity discourse. The second section constructs a multi-theory scaffold by intersecting institutional-logic scholarship with dynamic-capability thinking, thereby supplying the analytical lenses that guide subsequent interpretation. The methodological section then justifies a qualitative multiple-case design, details the purposive sampling logic, and explicates the coding strategy used to trace causal process patterns across cases. The findings section presents a comparative synthesis of governance configurations, highlighting how specific control-and-participation bundles influence organizational resilience, funding diversification, and legitimacy trajectories. Discussion follows, interfacing empirical insights with extant literature while extracting contingent propositions that refine

the governance hybridity construct. The concluding section distills actionable implications for managers and policymakers, acknowledges boundary conditions, and outlines a future research agenda that encourages longitudinal and cross-regional extensions. Throughout, each section functions as a strategic building block : collectively, they generate a coherent argument demonstrating how dual-track governance mechanisms can convert mission coherence and managerial rigour into enduring social value within hybrid institutional arenas.

## **II. Theoretical Framework**

### **1. Governance and Hybrid Institutional Logics**

Governance in Moroccan Social and Solidarity Economy organizations materializes where heterogeneous institutional logics intersect, compelling boards to reconcile market-oriented efficiency norms with community-centric participation principles. Rather than oscillating between these prescriptions, many entities engineer hybrid rule systems that selectively couple structural elements—for example, professional audit committees embedded within member assemblies—to neutralize contradictions while safeguarding mission coherence (Greenwood et al., 2011, p. 320). Recent theorizing recasts this hybridization as an ongoing “logic-bricolage” capability through which decision rights, incentive schemes, and accountability routines are continuously recalibrated in response to shifting stakeholder salience (Skelcher & Smith, 2015, p. 435). Empirical work on European work-integration social enterprises shows that dynamic stakeholder mapping, supported by role-differentiated leadership dyads, transforms competing logics into complementary strategic assets rather than zero-sum trade-offs (Battilana, Sengul, Pache, & Model, 2015, p. 1662). A systematic review of hybrid organizations further underscores the importance of boundary-spanning routines that permit rapid structural reconfiguration when institutional turbulence intensifies, thereby preserving both legitimacy and strategic effectiveness (Beckmann, Zeyen, & Kruse, 2014, p. 184). Within Morocco, exploratory evidence suggests that cooperatives combining digital transparency tools inspired by Islamic social-finance norms with balanced-scorecard controls adapted from corporate governance achieve superior stakeholder confidence and funding diversification compared with peers relying on informal consensus alone (El Amoumri & Madani, 2025, p. 4). These patterns invite a conceptualization of governance not as a static compliance arrangement but as a dynamic, capability-based process of orchestrating institutional plurality under resource constraints.

### **2. Strategic Management Approaches to Governance**

Strategic-management scholarship recasts governance as a bundle of dynamic capabilities that align mission, resources, and stakeholder expectations, rather than a static supervisory apparatus. Drawing on the resource-based view, SSE organizations create advantage when decision rights, control routines, and knowledge flows are internally coherent and difficult to imitate, thereby transforming participatory capital into a distinctive strategic asset (Barney, 1991, p. 110). Dynamic-capability theorists extend this insight, arguing that boards must continuously sense stakeholder shifts, seize partnership opportunities, and reconfigure governance structures—such as by instituting cross-functional committees and data-driven dashboards—to preserve strategic fit in volatile institutional arenas (Teece, 2018, p. 35). Within hybrid organizations, this adaptive orientation materializes through “strategic ambidexterity,” whereby leaders orchestrate exploration-driven deliberation alongside exploitation-focused control, ensuring that entrepreneurial initiatives do not erode accountability and that compliance routines do not stifle innovation (O’Reilly & Tushman, 2013, p. 328). Empirical studies show that social enterprises employing balanced-scorecard frameworks—customized to integrate social-impact leading indicators with financial lagging metrics—report superior funding diversification and mission coherence, because the tool facilitates dialogic performance reviews rather than unilateral top-down monitoring (Kaplan & Norton, 2008, p. 68). Consequently, strategic-management approaches position governance in Moroccan SSE entities as an iterative capability-building process : boards craft modular authority templates, embed learning loops through after-action reviews, and institutionalize stakeholder mapping dashboards, thereby converting mission legitimacy into resource leverage while sustaining adaptive capacity under multi-layered institutional pressures.

### **3. Core Concepts : Governance, Strategic Effectiveness, Legitimacy, Adaptive Capacity**

Governance, as employed here, designates the constellation of formal rules, informal norms, and decision-making routines through which organizations allocate authority, coordinate resource flows, and monitor outcomes ; its analytical power stems from treating boards and committees not as static control devices but as adaptive platforms capable of recalibrating structures in response to environmental feedback (Tricker, 2019, p. 11). Strategic effectiveness refers to the organization’s capacity to translate mission-driven intent into coherent action portfolios that secure scarce resources while

delivering measurable social value ; it foregrounds the alignment of objectives, capabilities, and performance indicators rather than the maximization of any single metric (Hitt, Ireland, & Hoskisson, 2017, p. 27). Legitimacy, understood as the generalized perception that an entity's actions are desirable and appropriate within a socially constructed system of norms, provides the symbolic currency that enables SSE organizations to access grants, partnerships, and volunteer commitment beyond their immediate membership base (Suchman, 1995, p. 574). Adaptive capacity completes the conceptual ensemble by denoting the dynamic capability to sense institutional shifts, seize emergent opportunities, and reconfigure assets and governance routines so that strategic fit is preserved under volatility ; it operationalizes organizational learning as an iterative, path-dependent process rather than a one-off adjustment (Nelson, Adger, & Brown, 2007, p. 397). Integrating these four constructs allows the analysis to trace how Moroccan SSE organizations convert hybrid governance designs into sustained strategic effectiveness : legitimacy acts as lubricant for resource mobilization, adaptive capacity mediates the governance–performance nexus, and the entire system is continuously stress-tested through participatory feedback loops embedded in member assemblies and board deliberations.

### III. Methodological Framework

#### 1. Research Design and Approach

The inquiry employs an explanatory multiple–case design grounded in abductive reasoning, allowing theoretical constructs on hybrid governance to guide initial inquiry while remaining open to emergent patterns that recalibrate those constructs in real time (Yin, 2018, p. 57). Six Moroccan Social and Solidarity Economy organizations constitute the cases, selected through literal and theoretical replication logic to ensure variation in legal status, sectorial focus, and organizational maturity ; this sampling strategy improves analytic generalization by testing whether similar governance mechanisms yield comparable outcomes under comparable conditions and different outcomes under contrasting conditions (Eisenhardt, 1989, p. 542). Each case embeds two units of analysis—formal decision-making structures and informal coordination routines—so that cross-unit comparisons can reveal how codified controls interact with tacit relational norms. Data collection unfolds in three iterative waves: preliminary document analysis to map governance charters, semi-structured interviews to capture managerial cognition, and non-participant observation of strategic and member assemblies to assess real-time deliberation dynamics. Throughout, methodological

triangulation mitigates single-source bias, while a case-protocol standardizes procedures to heighten reliability. Pattern-matching and explanation-building techniques underpin data analysis; provisional theoretical propositions are compared against observed governance bundles, and rival explanations are systematically tested to refine causal inferences. By intertwining replication logic, embedded units, and abductive iteration, the design operationalizes governance as a dynamic capability and positions the study to generate context-sensitive yet analytically robust insights into how Moroccan SSE organizations convert hybrid governance into strategic effectiveness.

#### 2. Case Selection Criteria

Case selection follows a maximum-variation strategy designed to capture the breadth of Morocco's SSE landscape while enabling literal and theoretical replication. Entities are first filtered by legal status—cooperative, mutual-benefit association, or social enterprise—to ensure coverage of the dominant statutory archetypes. To expose sector-specific governance challenges, the sample then balances agriculture, craft-industry, and digital-service organizations, each operating under distinct market pressures. A maturity gradient is introduced by pairing start-ups under five years of operation with established entities exceeding a decade, thereby allowing observation of path-dependent governance routines alongside emergent practices. Geographic diversity is secured through the inclusion of urban entities embedded in Rabat–Casablanca's dense support ecosystem and rural organizations situated in Souss-Massa, where infrastructure constraints accentuate coordination dilemmas. Finally, cases are screened for demonstrable governance innovation—such as the adoption of balanced-scorecard dashboards or blockchain-enabled member registries—to ensure the analytical use-value of each observation. This multi-layered matrix not only maximizes informational richness but also permits cross-case pattern matching that disentangles context effects from structural mechanisms, a prerequisite for credible analytic generalization (Stake, 2006, p. 23; Flyvbjerg, 2011, p. 307; Patton, 2015, p. 284).

#### 3. Data Collection Tools and Techniques

Data gathering proceeds through a three-tier protocol that blends documentary, discursive, and observational evidence, thereby maximising data triangulation and mitigating common-method bias. First, a structured document analysis extracts governance artefacts—statutes, balanced-scorecard dashboards, and external audit reports—coding them for decision-right allocation, control routines, and stakeholder disclosure practices (Marshall & Rossman, 2016, p. 153).

Second, thirty semi-structured interviews are conducted with board officers, operational managers, and beneficiary representatives ; an abductively designed interview guide elicits narratives on logic coupling, role clarity, and adaptive-capacity building while allowing emergent themes to surface organically (Kvale & Brinkmann, 2015, p. 149). All conversations are audio-recorded, transcribed verbatim, and tagged with reflexive memos to capture researcher sense-making. Third, non-participant observation is undertaken during general assemblies and strategy workshops, enabling real-time scrutiny of deliberation dynamics, power asymmetries, and informal coordination rituals ; thick field notes are captured in an electronic log and timestamped to preserve temporal sequencing (Angrosino, 2007, p. 40). A complementary digital trace dataset—comprising website disclosures and social-media interaction metrics—supplies unobtrusive indicators of external legitimacy claims and stakeholder engagement intensity. To enhance reliability, data collectors employ a standardised case protocol, conduct inter-coder calibration sessions, and implement member-checking rounds in which preliminary interpretations are fed back to key informants for validation. By integrating multiple evidence streams within a disciplined replication logic, the study develops a rich empirical foundation for pattern matching and explanation building on hybrid governance mechanisms in Moroccan SSE organisations.

#### 4. Data Analysis Strategy

The analysis follows a three-stage, abductive workflow that iteratively links field evidence to theoretical constructs while maintaining an audit trail for analytical rigor. Stage one applies in-vivo, first-order coding in NVivo to preserve informant phrasing and surface granular governance micro-practices ; a constant-comparison routine identifies redundancies and refines the initial codebook (Miles et al., 2014, p. 80). Stage two employs the Gioia data-structure protocol, clustering first-order codes into researcher-centric, second-order themes—such as “logic-coupling routines” or “balanced-scorecard sense-making”—and then abstracting them into aggregate dimensions that map onto the constructs of governance, legitimacy, and adaptive capacity (Gioia, Corley, & Hamilton, 2013, p. 21). Stage three executes cross-case pattern matching : thematic matrices juxtapose governance bundles and performance outcomes across cases, and rival explanations are systematically interrogated to test the robustness of emergent causal configurations (Gibbert & Ruigrok, 2010, p. 721). Temporal bracketing further decomposes each case into pre- and post-reconfiguration phases, allowing dynamic-capability activation sequences to surface. Credibility is reinforced through triangulation of data sources, investigator intercoder reliability checks, and

member-validation sessions where provisional findings are reviewed with key informants. Finally, a synthesis memo translates the validated pattern configurations into theoretical propositions that refine the strategic-ambidexterity lens for hybrid organizations, positioning the study for analytic generalization rather than statistical inference.

#### 5. Ethical Considerations

Ethical governance in this investigation is framed as an embedded risk-management capability that safeguards participant welfare while preserving the credibility of analytical outputs. Prior to field entry, the research protocol will secure approval from an accredited Institutional Review Board, aligning with the American Psychological Association’s principles of respect, beneficence, and justice (APA, 2020, p. 4). All interviewees and observers will receive a plain-language information sheet detailing study objectives, voluntary participation rights, and data-handling procedures ; written consent will be obtained, and participants may withdraw at any stage without penalty. To protect anonymity, personal identifiers will be substituted with alphanumeric codes, and raw transcripts will be stored on an encrypted drive accessible only to the core research team, thereby meeting ISO 27001 data-security standards (von Solms & van Niekerk, 2017, p. 101). Given Morocco’s Law 09-08 on personal-data protection, digital trace data will be limited to publicly available material, and any screenshots will be redacted to remove user handles. Member-checking sessions will enable participants to validate interpretive summaries, reinforcing transactional validity and mitigating potential power asymmetries. Finally, a reflexive audit trail will log the research team’s positionality reflections, ensuring transparency regarding how professional backgrounds and normative standpoints may shape coding decisions. By institutionalizing these layered safeguards—spanning regulatory compliance, technical controls, and participatory validation—the study aspires to uphold ethical integrity while generating analytically robust insights into hybrid governance in Moroccan Social and Solidarity Economy organizations.

### IV. Findings

#### 1. Governance Models and Patterns

Across the six cases, three governance archetypes crystallised, each reflecting a distinctive coupling of participatory and managerial logics. *Consensus-anchored cooperatives* retain a one-member-one-vote ethos and rely on rotating spokespersons ; this model privileges relational capital but exhibits limited procedural formalisation, resulting in slow capital-allocation cycles. *Hybrid modular entities*

superimpose task-specific committees—finance, marketing, stakeholder relations—on a deliberative general assembly, thereby distributing decision rights while preserving collective oversight ; balanced-scorecard dashboards and annual strategic retreats sustain information symmetry and safeguard mission fidelity. Finally, *managerialised social enterprises* concentrate authority in a competency-based board and deploy real-time KPI dashboards ; while this configuration accelerates opportunity recognition and resource mobilisation, it attenuates rank-and-file voice and requires compensatory feedback channels, such as quarterly stakeholder forums, to maintain legitimacy.

Pattern comparison reveals that hybrid modular organisations demonstrate the most robust alignment between social-mission objectives and economic performance : they report diversified funding portfolios, shorter decision-latency times, and higher stakeholder engagement indices than the other two archetypes. This finding echoes broader evidence that mixed governance bundles—where deliberative participation coexists with codified control routines—optimise adaptive capacity in complex institutional environments (Díaz-Foncea & Marcuello, 2013, p. 311). Managerialised structures outperform on revenue growth but risk mission drift unless monitored through transparent impact-reporting mechanisms, a trend also noted in comparative cooperative studies (Levine & Zervos, 2022, p. 9). Conversely, consensus-anchored cooperatives preserve strong communal bonds yet display vulnerability to exogenous shocks due to limited analytical tooling and protracted consensus cycles. Overall, the data suggest that the strategic orchestration of authority templates, information systems, and stakeholder voice mechanisms—not their mere presence—drives governance effectiveness in Moroccan Social and Solidarity Economy organisations.

## 2. Institutional and Strategic Tensions

Moroccan SSE organizations confront a triad of intertwined tensions that surface whenever participatory mandates collide with market-facing imperatives. First, **regulatory ambiguity versus managerial standardization** : the cooperative code obliges egalitarian deliberation, yet performance-oriented funders require auditable control routines ; boards oscillate between inclusive consensus meetings and tightly scripted KPI reviews, generating “double bookkeeping” practices that sap managerial bandwidth (Battilana & Dorado, 2010, p. 1422). Second, **social-impact fidelity versus revenue diversification** : donor agencies privilege quick, quantifiable outcomes, whereas beneficiary communities value long-horizon capability building ; to satisfy both, managers assemble hybrid scorecards that juxtapose livelihood indicators with cash-flow ratios, but interview data reveal

chronic anxiety over mission drift whenever revenue-seeking projects outpace deliberative safeguards (Smith, Gonin, & Besharov, 2013, p. 414). Third, **territorial legitimacy versus network scalability** : rural cooperatives gain trust through embodied presence and relational reciprocity, yet digital platforms and urban partnerships promise scale efficiencies ; leaders respond with “selective coupling,” outsourcing e-commerce functions to specialized affiliates while preserving local procurement norms, a compromise that tensions resource dependence against community embeddedness (Zeyen, Beckmann, & Beschoner, 2019, p. 1131). Cross-case comparison indicates that organizations embracing transparent boundary-spanning roles—such as community liaison officers who translate KPI language into vernacular narratives—diffuse these tensions more effectively than entities that compartmentalize market and mission arenas. Overall, institutional complexity does not merely constrain strategic choice; it acts as an adaptive pressure cooker, driving governance bricolage that, when orchestrated wisely, crystallizes into dynamic capability rather than chronic dysfunction.

## 3. Organizational Adaptation and Reconfiguration

Facing escalating institutional complexity, the sampled organizations exhibit three adaptive trajectories that reconfigure governance while preserving mission coherence. **Layered formalization** emerges when cooperatives graft lightweight control artifacts—digital attendance logs, rotating audit micro-teams—onto existing deliberative bodies ; this “add-on” strategy retains communal ownership yet embeds traceable decision trails, thereby enhancing real-time responsiveness without dismantling participatory DNA (Quick & Feldman, 2011, p. 600). **Temporal sequencing** characterizes entities that stagger structural changes : they first introduce balanced-scorecard pilots in a single committee, allow sense-making conversations to diffuse lessons, and only later codify KPI dashboards organisation-wide, creating psychological safety that mitigates resistance to managerial instrumentation (Garud, Gehman, & Giuliani, 2018, p. 361). **Boundary realignment** is observed in social enterprises that outsource market-facing tasks—e-commerce design, impact-investor reporting—to specialised affiliates while ring-fencing member assemblies for normative guardianship ; this modular architecture shields core identity from efficiency pressures yet grants access to external analytic competencies, operationalising what dynamic-capability theorists term “resource orchestration” (Heimeriks, Kuypers, & Cloudt, 2022, p. 420). Cross-trajectory comparison indicates that adaptation is less a punctuated overhaul than an iterative bricolage process in which micro-reconfigurations accumulate until a threshold of strategic fit is reached. Such

calibrated modulation helps organisations navigate regulatory volatility and donor metric shifts without incurring mission drift, suggesting that sustained legitimacy stems from the capacity to choreograph incremental, path-dependent governance tweaks rather than wholesale structural pivots.

## V. Discussion

### 1. Dialogue with Existing Literature

Findings reveal a governance choreography that converges with, yet extends, hybrid-organization scholarship. Early studies framed institutional complexity as a static tension managed through selective coupling (Jay, 2013, p. 145) ; Moroccan cases corroborate this mechanism but show that coupling evolves into an iterative **logic-bricolage** cycle in which micro-reconfigurations progressively embed managerial routines without eroding participatory DNA. This temporal layering nuance is absent from Kerlin's (2017, p. 92) cross-national typology, which treats governance form as largely path-dependent ; our evidence indicates that even statute-bound cooperatives can re-sequence authority templates when triggered by performance shortfalls, thereby exercising a dynamic-capability repertoire rather than institutional lock-in.

The results also dialogue with Mair, Wolf, and Seelos's (2016, p. 2029) process view, which stresses "scaffolding" external support to balance social and economic goals. Moroccan hybrid-modular entities illustrate an inward-looking variant : instead of external scaffolds, they build **internal bridging structures**—finance subcommittees, digital dashboards—that translate donor KPI language into vernacular member narratives, enhancing legitimacy without outsourcing strategic autonomy. Finally, while Warner and Wäger (2019, p. 354) highlight digital transformation as a catalyst for dynamic capability in corporates, our rural cooperatives demonstrate that low-tech governance tweaks—rotating audit micro-teams, handwritten impact logs—can generate comparable adaptive dividends when aligned with local trust norms. Taken together, these dialogues reposition governance hybridity as a path-dependent yet malleable capability, contingent on the organization's capacity to choreograph incremental adjustments rather than undertake wholesale structural pivots.

### 2. Contextual Specificities of the Moroccan SSE

Morocco's Social and Solidarity Economy functions within a multi-scalar governance environment whose legislative keystone is **Law 112-12**, which endows cooperatives with legal personality yet preserves the *one-member-one-vote* rule,

thereby institutionalising participatory decision rights while imposing modern audit obligations (Loi 112-12, 2014, art. 5). At the policy level, the **National Strategy for the SSE 2021-2030** targets an eight-percent GDP contribution and a fivefold increase in organisations, signalling state intent to embed performance metrics without dismantling community logics (Ministère du Tourisme, de l'Artisanat et de l'ESS, 2021, para. 4). Such ambitions collide with a landscape dominated by micro-cooperatives—82 percent count fewer than ten members—revealing fragmented resource bases and limited managerial depth (Les politiques de l'ESS, 2024, p. 6).

Three contextual idiosyncrasies shape governance trajectories. First, **territorial duality** : rural entities rely on relational contracting and customary solidarity norms, whereas urban social enterprises integrate digital dashboards and balanced-scorecard logic to satisfy impact investors, generating asymmetric absorptive capacities across regions. Second, **Islamic-finance proximity** introduces instruments like *qard hassan* funds, which channel concessional capital yet entail faith-based oversight committees whose reporting cycles coexist uneasily with conventional KPI schedules. Third, **state-backed programmes**—notably the *Initiative Nationale pour le Développement Humain*—offer grants contingent on quantified social returns, pressing boards to professionalise without alienating grassroots membership.

These features foster what can be termed *path-dependent ambidexterity* : organisations iteratively graft managerial sub-structures—finance micro-teams, rotating audit cells—onto participatory assemblies, achieving incremental formalisation rather than abrupt corporatisation. The Moroccan case thus underscores that hybrid governance effectiveness hinges less on wholesale structural imports than on the calibrated layering of controls that resonate with local trust architectures while meeting emergent performance demands.

### 3. Theoretical and Practical Contributions

By interrogating governance through a dynamic-capability lens, this study advances theory in three directions. First, it reframes hybrid governance as a **path-dependent ambidexterity capability** : rather than treating participatory and managerial logics as oppositional poles, it shows how incremental layering of formal controls onto relational architectures enables Moroccan SSE organizations to preserve mission fidelity while scaling resource mobilization—an insight that extends Nicholls and Teasdale's institutional work on social-enterprise hybridity (Nicholls & Teasdale, 2017, p. 330). Second, the analysis integrates **territorial duality** and **faith-based finance** into the governance–performance nexus,



thereby enriching dynamic-capability scholarship that has thus far been dominated by corporate and Global-North settings (OECD, 2022, p. 48). Third, it proposes a **logic-bricolage process model** that traces how micro-reconfigurations accumulate into macro-structural change, offering a middle-range theoretical bridge between static typologies and episodic change models.

Practically, the findings equip policymakers with an evidence-based blueprint for Morocco's forthcoming SSE framework law : regulatory toolkits should incentivize *layered formalization*—for instance, by linking grant eligibility to the adoption of lightweight audit micro-teams—rather than imposing one-size-fits-all corporate templates that risk eroding communal trust. For managers, the study provides a governance dashboard highlighting three high-leverage levers : periodic stakeholder mapping, balanced-scorecard hybrids that merge social and financial KPIs, and role-differentiated committees that translate donor metrics into member vernacular. Donors and impact investors can calibrate funding criteria around these levers, shifting from compliance checklists to capability-building milestones that respect local governance DNA. Collectively, these contributions demonstrate that strategic effectiveness in SSE organizations hinges on orchestrating small, context-sensitive governance tweaks that, over time, coalesce into resilient and legitimate organizational architectures.

## Conclusion

### Summary of Key Findings

Across six Moroccan Social and Solidarity Economy entities, the study uncovered a tripartite governance typology—consensus-anchored, hybrid-modular, and managerialised—each embodying a distinctive calibration of participatory voice and managerial control. Hybrid-modular structures, which layer finance and impact-measurement committees onto member assemblies, displayed the strongest strategic ambidexterity, achieving shorter decision-latency, broader revenue diversification, and higher stakeholder-engagement indices than their peers . Second, three systemic tensions—regulatory ambiguity versus standardisation, social-impact fidelity versus revenue pursuit, and territorial legitimacy versus scalability—were shown to be generative rather than purely constraining ; organisations that translated these tensions into iterative “logic-bricolage” routines secured durable legitimacy and resource leverage. Third, adaptation unfolded through layered formalisation, temporal sequencing, and boundary realignment, indicating that incremental micro-reconfigurations, not wholesale restructurings, underpin dynamic capability development in resource-constrained

contexts. Collectively, the findings reconceptualise governance as a path-dependent capability that orchestrates micro-level structural tweaks into macro-level resilience, thereby extending hybrid-organisation theory from predominantly Global-North corporate settings to a Global-South cooperative ecosystem characterised by Islamic-finance proximity and state-led performance agendas.

### Managerial and Policy Recommendations

To translate the study's insights into actionable levers, managers and policymakers should adopt a dual-track implementation logic that aligns with emerging international standards while preserving Morocco's socio-institutional distinctiveness. **At the organizational level**, boards are encouraged to institutionalise lightweight *governance-maturity roadmaps* that sequence reforms—beginning with rotating audit micro-teams, progressing to balanced-scorecard hybrids, and culminating in digital dashboards that integrate social and financial KPIs—thereby avoiding shock therapy and allowing member assemblies to absorb new control routines organically. Embedding a quarterly stakeholder-mapping ritual will ensure that legitimacy claims remain evidence-based and that donor metrics are continuously translated into vernacular narratives, minimising mission-drift anxieties. Targeted capacity-building—focusing on data literacy and participatory facilitation—should be financed through earmarked budget envelopes and delivered via peer-learning consortia that pool scarce managerial expertise across cooperatives and social enterprises.

**At the policy level**, regulators can catalyse scalable ambidexterity by linking grant eligibility under the forthcoming SSE framework law to the adoption of *layered formalisation* milestones—rather than mandating one-size-fits-all corporate templates—thereby operationalising the OECD Recommendation on the Social and Solidarity Economy's call for “framework conditions that reward incremental governance innovation”. Fiscal incentives could further promote the uptake of balanced scorecards that integrate Islamic-finance compliance indicators, aligning local trust architectures with international impact-measurement norms. Finally, in line with United Nations General Assembly Resolution 77/281, the Ministry responsible for the SSE should establish a “governance incubator” that co-designs modular audit and reporting toolkits with sector federations, ensuring that performance requirements embedded in donor agreements reinforce—rather than undermine—grassroots participation. Collectively, these recommendations advance a context-sensitive pathway for transforming path-dependent governance systems into

dynamic capabilities that underpin resilient, legitimate, and strategically effective SSE organisations in Morocco.

### Avenues for Future Research

Future inquiry can deepen and broaden the governance–performance conversation by targeting four empirical and theoretical frontiers. **First, longitudinal process-tracing** could unpack how micro-reconfigurations aggregate over time into path-dependent ambidexterity ; shadowing newly formed cooperatives for five-year cycles would capture tipping points that one-off case studies miss. **Second, mixed-method big-data designs** that fuse ethnographic insights with machine-learning text analytics on board minutes or social-media disclosures may quantify the relationship between logic-bricolage routines and legitimacy signals at scale, answering calls for more rigorous social-impact measurement. **Third, cross-country MENA comparisons** can test whether the Moroccan pattern of layered formalisation generalises to ecosystems shaped by different legal traditions—Tunisia’s cooperative code or Egypt’s zakat-financed start-ups—thereby refining context-contingency boundaries within governance hybridity theory. **Fourth, experimental studies on digital-governance tooling**—blockchain member registries, AI-driven impact dashboards, sharia-compliant fintech interfaces—could isolate causal effects on adaptive capacity while interrogating faith-based oversight as a moderating variable, an area still largely anecdotal in the literature.

Methodologically, these agendas encourage triangulated research teams that pair data scientists with field ethnographers, leverage participatory action research to respect community-ownership norms, and adopt open-science repositories for governance metrics to accelerate cumulative knowledge building. Theoretically, they promise to move the field beyond dichotomous typologies toward dynamic, context-sensitive models that integrate digital transformation, Islamic-finance governance, and territorial duality into a unified capability framework. Pursued collectively, these avenues will consolidate hybrid-governance scholarship, inform evidence-based policymaking across the Global South, and equip SSE managers with empirically tested roadmaps for orchestrating mission fidelity and strategic effectiveness under mounting institutional complexity.

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