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Exploring Adaptability of the Grameen Model in UK-USA Contexts

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Abstract
The Grameen microfinance model is globally recognized for its impact on poverty alleviation. This paper examines the factors affecting its adaptability within the socio-regulatory landscapes of the UK and the US. This study employs a qualitative case study approach, synthesizing retrospective and real-time case studies from the UK and the US. Semi-structured interviews with institutional entrepreneurs and key decision-makers were conducted, alongside secondary data analysis. Findings suggest that operational challenges arise from deviations in adhering to the model's core principles, compounded by local socio-regulatory influences. Grameen America (GA) exemplifies how adherence to these principles can yield successful outcomes. GA's achievements underscore the supportive role of immigrant entrepreneurship dynamics and a relatively flexible regulatory environment in fostering the model's efficacy. This study contributes to the literature on social enterprise and institutional entrepreneurship by applying an institutional logics framework to understand the challenges and successes of the Grameen model in developed economies. The research offers insights into how social enterprises can navigate institutional complexities.

Keywords: Grameen; Microfinance; Adaptability; UK; USA

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1. Introduction

Poverty is a persistent global issue, affecting individuals and communities across nations. Microfinance has emerged as a key tool in combating poverty by providing small loans to low-income clients. Recognizing its potential, the United Nations (UN) designated 2005 as the "International Year of Microcredit" (United Nations, 2004, see: https://www.yearofmicrocredit.org/). In 2006, the Nobel Committee awarded the Nobel Peace Prize to Muhammad Yunus and the Grameen Bank (GB), acknowledging microcredit as an increasingly vital instrument in poverty reduction (The Nobel Prize, 2006).

In the 1970s, Yunus launched an innovative experiment in Chittagong, Bangladesh, offering small loans to local villagers to alleviate poverty and social exclusion. This pioneering effort has since inspired microfinance initiatives worldwide. The Grameen model is based on two key innovations: peer group lending and weekly meetings. Peer group lending divides borrowers into five-member groups, reducing costs for screening, monitoring, and enforcing loan repayments. Weekly meetings held in the presence of a larger ‘centre’ comprising six to eight borrower groups, foster engagement, knowledge-sharing, and financial discipline (Barua and Khaled, 2023; Jain, 1996; Ramsden, 2008). Borrowers repay instalments at these meetings, reinforcing accountability and peer support. The model, having undergone adaptation and replication, operates across five continents (Aghion and Morduch, 2005).

Microcredit schemes based on the Grameen model emerged in the UK in the late 1990s to provide entrepreneurs with better access to finance (Rogaly and Fisher, 1999). Key initiatives included Street-UK in Birmingham, the Full Circle Fund in Norwich, and the East End Microcredit Consortium (EEMC) in East London. UK microfinance initiatives have faced significant challenges, leading to varied outcomes. Some have ceased operations, while others have transformed, such as EEMC evolved into Fair Finance.

The EEMC was established in 2000 as an experimental initiative to assess the Grameen model’s effectiveness in the UK, particularly in providing accessible finance for women entrepreneurs (Ramsden, 2008). The founder of EEMC, Faisel Rahman, subsequently established Fair Finance, an organisation which provides fair personal loans to people who are financially excluded (Fair Finance, 2024). However, other initiatives have not met with equal success.

Grameen in the UK (GU) launched in 2014 in Scotland with support from Grameen Bank, Tesco, the Scottish government, and local entrepreneurs; however, it ceased operations in 2018 (BBC, 2018). Street-UK, founded in 1999, adopted Grameen-style group lending to people who were usually rejected by traditional banks; they later transitioned to a different model and continue to operate today. In 1998, the Women's Enterprise Employment and Training Unit (WEETU) initiated the Full Circle Fund, a financial support initiative modelled on Grameen's peer lending programme, with the aim of providing assistance to marginalised women. However, due to a decline in central government funding, WEETU ceased its operations in 2013 (Mallett et al., 2024).

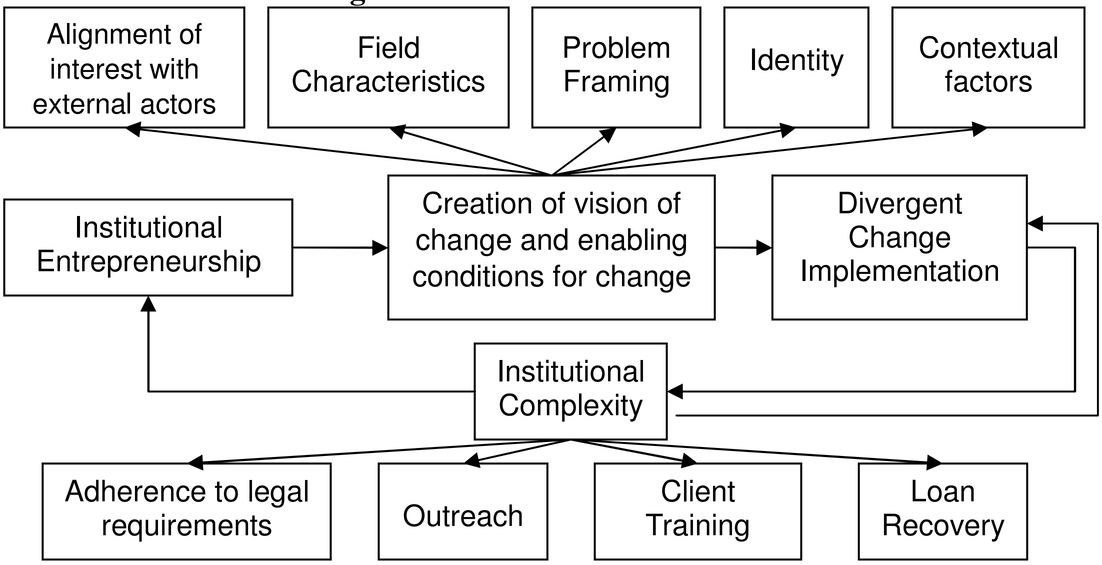
A similar pattern emerged in the US, where most Grameen-style programmes encountered inefficiencies and high default rates (Richardson, 2009). However, Grameen America (GA) has been a success, in contrast to Grameen in the UK. GA now operates in 29 US cities and has created over 200,000 jobs, whilst maintaining a consistent repayment rate of 99.8% (Grameen America, 2025b). The lack of comparative evaluations of its implementation in these developed economies highlights the need for research to understand the complexities of replication.

Two key concepts, Institutional Complexity and Institutional Entrepreneurship (Tracey et al., 2011), provide a framework for analysing the case studies (CS). Institutional logics can be defined as overarching principles that shape organisational behaviour, guiding actors on how to interpret reality, act appropriately, and succeed (Battilana et al., 2009; Greenwood et al., 2011; Tracey et al., 2011). These logics define and maintain organizational fields and create institutional complexity when organizations face conflicting demands (Greenwood et al., 2011). This complexity is relevant for CS implementing the Grameen model in industrialized economies, where they balance community development goals with financial sustainability.

Key factors such as loan recovery, outreach, and client training are crucial in managing institutional complexities. Institutional entrepreneurs are agents who initiate and implement changes that deviate from existing institutions (Battilana et al., 2009). The CS applying the Grameen model were pioneers in community finance, leading the movement in their respective countries and acting as institutional entrepreneurs. Understanding institutional entrepreneurship requires examining problem-framing, legitimacy, strategic partnerships, and the impact of evolving socio-economic and regulatory factors. This study thus seeks to examine the institutional challenges of implementing the microcredit Grameen model in the UK and the USA. Figure 1 below illustrates the theoretical framework utilised in this study.

Explicitly, 'creation of vision of change' refers to the clarity and coherence with which institutional entrepreneurs articulate their goals for adapting the Grameen model, generating buy-in from stakeholders. In this context, the 'change' refers to the introduction and institutionalization of Grameen-style microfinance to address financial exclusion among marginalized populations in developed economies. This change emerged through the strategic framing of financial exclusion as a pressing social issue and through the active creation of enabling conditions, including securing regulatory support and building community partnerships. 'Enabling conditions for change' encompass factors such as favourable regulatory frameworks, cultural alignment, sufficient funding, and community engagement. These aspects are critical for managing institutional complexities and ensuring sustainable implementation of the Grameen model.

Figure 1: Theoretical framework



Source: Author's own work

Figure 1 shows that the model for the theoretical framework in this study aims to understand the institutional complexities faced by institutional entrepreneurs (the case study organizations) in adopting the Grameen model in the context of developed countries. The framework is inspired by the model proposed by Battilana et al (2009) to show the process of institutional entrepreneurship. Institutional entrepreneurs' success in implementing change depends on their vision and enabling contextual conditions. The framework thus uses some key conceptual factors (relevant to understanding the data) associated with the notion of these factors highlighted in yellow. According to the model, the institutional entrepreneurs also need to be able to deal effectively with institutional complexities to successfully implement divergent change. The concept of institutional complexity is linked to how multiple logics are balanced by institutional entrepreneurs in achieving core operational objectives highlighted in red. The central goal of the CS revolves around the efficient provision of microfinance services. Greenwood et al., (2011) contend that research into institutional complexity must be unambiguous about the sources of incompatibility.

Thus, to identify such sources of complexities and to understand how the CS deal with the demands of multiple logics, it is imperative to analyse and link the concept of institutional complexity discussed above to the core operational objectives of the institutional entrepreneurs. The sources of such institutional complexities are thus highlighted in red. The analytical framework proposed in Figure 1 is unique because it combines the concepts of Institutional complexity and Institutional entrepreneurship in a systematic manner to analyse the process of adoption of the Grameen model in the UK and the USA. This is unprecedented as this issue has not been approached from the perspective of institutional logics prior to this study. Thus, it makes an original theoretical contribution to the field of social entrepreneurship by utilizing this analytical framework to study the experiences of the chosen CS. In addition, it also provides an interesting option for researchers who are interested in conducting similar studies into the progress of Grameen in the future in the UK and the USA or the adoption of the model in other countries. The proposed framework can also be useful for analysing the adoption of microfinance models other than that of Grameen.

Following Introduction, this paper in Section 2 specifies the research strategies and explains the rationale for their selection. Section 3 provides a detailed discussion of the research findings, which are further sub-divided into two sections: Section 3.1 reflects on the nature of historical challenges encountered by retrospective CS, while Section 3.2 offers comparative perspectives on the practices of current CS in the UK and USA. The conclusion assembles the findings and reflects on the nature of differences in microfinance environment in Bangladesh, UK and the USA.

2. Research Methodology

This study employs a qualitative case study approach, which is suitable for in-depth assessments of real-life experiences, incorporating important contextual conditions relevant to the phenomena under study (Yin and Davis, 2007). The conceptualization and interpretation of institutional entrepreneurship and the complexities of adopting the Grameen model are significantly influenced by socioeconomic context and cultural attitudes in the regions where the case studies (CS) operate. This is especially relevant as the Grameen model, originating in a developing country, is analysed in the contrasting context of developed economies.

A critical realist paradigm guides the research due to the nature of the research question. Critical realism posits a stratified ontology comprising the empirical, defined as observable experiences; the actual, defined as events that occur but are not directly observable; and the real, defined as the underlying mechanisms driving events (Easton, 2010). The concept of social phenomena is predicated on two interpretive frameworks: the first being a causal one, as espoused by positivists, and the second being an interpretive one, as found in hermeneutics (Collier, 1994: 167), allowing for reconciliation between explanation and understanding. This approach aligns with institutional theory, which examines bounded but complex phenomena like organizations and inter-organizational relationships (Easton, 2010).

2.1. Case Selection

Theoretical sampling was used to select six CS that adopted the Grameen model in the UK and US (shown in Table 1 below). To mitigate analytical bias, the study synthesizes both retrospective and real-time CS (Eisenhardt and Graebner, 2007).

Table 1: List of Case Studies

Case Studies (CS)	Country	Periods of operation
Street-UK	UK	1998 - present
EEMC (Street-Cred and Account 3)	UK	2001 - 2005
Full Circle Fund	UK	1998 - 2013
Project Enterprise	UK	1995 - 2016
Grameen in the UK (GU)	UK	2014 - 2018
Grameen America (GA)	US	2008 - present

Source: Author’s own work

Primary data was collected through semi-structured interviews with institutional entrepreneurs and key decision-makers within the CS, selected for their insights into strategic management, group dynamics, and operational challenges. A total of 17 interviews were conducted with 16 interviewees, including 15 founders, directors, and microfinance executives from UK and US projects. The study also incorporated two interviews with experts from Grameen Trust, given their expertise in global Grameen model replication.

For ethical compliance, the study received ethical approval from Birkbeck College (University of London). Interviewees were provided with an information sheet, given a detailed explanation of the study, and signed consent forms per university procedures. To protect confidentiality, names have not been disclosed, and raw interview data has not been shared.

To mitigate informant bias from retrospective sense-making or image management, interviews were supplemented by insights from professionals outside the studied organizations (Eisenhardt and Graebner, 2007). This method ensures multiple perspectives on the same phenomena. Table 2 below shows the interviewees' profile and their organizational identity:

Table 2: List of Interviewees

Interviewees	Position	Organization
Microfinance	Executives (ME)	
ME # 1	Founder/Director, Board member, Co-ordinator	EEMC
ME # 2	Founder and Co-ordinator	Street Cred
ME # 3	Chief Executive Officer	Street-UK
ME # 4	Founder Director	Street-UK
ME # 5	Manager	Account3
ME # 6	Chief Executive Officer	GU
ME # 7	Chief Operating Officer	GU
ME # 8	Director of Loan Fund	Full Circle Fund
ME # 9	Chief Advisor	GA
ME # 10	National Director	GA
ME # 11	Senior Manager (Operations Support)	GA
ME # 12	Branch Manager (Long Island City- New York)	GA
ME # 13	Executive Director	PE
ME # 14	Director of Programs	PE
Experts (EX)		
EX # 1	Managing Director	GT
EX # 2	General Manager	GT

Source: Author's own work

Face-to-face interviews (2013–2017) were recorded and transcribed. The interviews, averaging 1.5 hours, enabled deep insight. They were conducted over a span of several years, yet the findings remain relevant due to the continued nature of the issues explored. To reduce informant bias, the research followed the strategy of Miles & Huberman (1994) in addressing reconstructive rationality. Interviews were designed to be clearly structured and relevant to the research objectives, in line with best practices.

Questions were crafted to promote validity by ensuring they were directly aligned with research aims.

3. Results and Discussion

3.1. Grameen Model in the UK and USA: Challenges of Adaptability – Retrospective CS

This research follows Suchman's (1995: 574) interpretation of legitimacy as a "generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" Retrospective CS faced the "liability of newness" when introducing a model typically associated with developing countries into industrialized economies. This challenge involved implementing new systems and gaining approval for both the method and their legitimacy as institutions.

This liability was evident in the initial struggle of all organizations to attract funding, as their approach was seen as radical. Moral legitimacy, which focuses on social acceptability rather than solely evaluator benefits (Suchman, 1995), played a key role in overcoming these challenges. Despite early struggles, these organizations succeeded in gaining moral legitimacy, securing funding, and forming partnerships. This success can be attributed to the intuitive appeal of Grameen's peer group lending model, which emphasizes community cohesion.

In addition to social and institutional factors, the effective dissemination of information and the framing of narratives are equally important to the success of the Gramen model (Barua and Khaled, 2023). Yunus (2009) emphasized that mainstream financial institutions catered mainly to affluent men, proposing Grameen as a means to empower women. Many retrospective CSs have followed this line of narrative framing. For instance, EEMC and its affiliates, such as Street-Cred, highlighted challenges faced by female entrepreneurs in ethnic minority communities in East London (Ramsden, 2008). Similarly, WEETU addressed limited employment opportunities for women in Norwich and surrounding areas (Mallett et al., 2024).

The Grameen microfinance model's high recovery rate, achieved without traditional collateral or legal recourse, is a key factor in the bank's sustainability and its impact on poverty reduction (Yunus, 1998). As shown in Table 3 below, UK and US CSs struggled with recovery rates, often due to deviation from GB principles. For example, Street-Cred's clients were selected by development workers, whereas PE's groups formed through self-selection after six-week training before loans were disbursed. PE management argued that natural group formation was challenging, as borrowers avoided accountability, weakening peer pressure. PE's focus on African Americans reliant on welfare may have reduced repayment urgency, as welfare provided a safety net. Consequently, PE's strategy diverged from GB practices, including bi-weekly meetings at branch offices focused on business training rather than loan repayments and peer discussions typical of Grameen meetings.

Table 3: Annual Recovery Rates for retrospective CS

Retrospective CS	Annual Recovery rate
Street-UK (1999-2003)	63%
Street-Cred (1999-2005)	60%
Account3 (1999-2005)	98%
Weetu Full-Circle (1999-2007)	96%
Project Enterprise (2008-2014)	50%

Source: Author's own work

Some programs (e.g., Street-UK and PE) offered loans to both men and women, deviating from the GB model's female borrower focus. Yunus believes women are better borrowers, generally more careful with loans, while men often spent money on less practical activities. He observed socioeconomic improvements in children when women received loans, attributing this to women's developed skills despite deprivation in poor families. The only exception to this was WEETU and Account 3 whose recovery rate was high. However, WEETU's model was similar to Grameen whereas Account 3 served a very small number of customers.

Loan recovery problems may also stem from group disjointedness due to individualistic societies. This impacts outreach objectives. Table 3 below shows all retrospective CS struggled to achieve high outreach. Interviewees in the UK and US identified individualism as a barrier, possibly explaining outreach challenges. Hofstede's (2011) framework helps understand socio-cultural differences. Collective communities emphasize socio-kinship bonds and prioritize collective goals (Triandis, 2001), while individualism emphasizes autonomous members prioritizing personal goals (Schvaneveldt and Behnke, 2012).

According to the Hofstede Centre (2024), the US and UK scored 91 and 89, respectively, on individualism. These high levels suggest a collectivist model like Grameen may struggle to resonate with native populations. Low recruitment rates may also stem from different entrepreneurial attitudes. The Global Entrepreneurship Monitor (GEM) report highlights that Early-stage entrepreneurial activity is most prevalent in factor-driven economies, and this gradually declines as economies evolve towards efficiency-driven and subsequently innovation-driven stages (Kelley et al., 2015).

Country-specific factors also reduced demand for the Grameen model. In the UK, the ethical and safe source of microfinance has low penetration and awareness compared to illegal high-interest lending, otherwise known as "loan sharking" (Saunders, 2021). Grameen's success in Bangladesh may relate to limited employment and restrictive social conditions leaving women little choice but to start businesses with Grameen loans—aligned with necessity entrepreneurship (Barua and Khaled, 2023; Ferdousi and Mahmud, 2019) , inversely related to country income levels. By contrast, the presence of a robust welfare system, strict regulations on the financial activities and an efficient banking system in the EU are among the reasons that discourage the expansion of Grameen-style microfinance in the EU (Barua and Khaled, 2023).

Most retrospective CSs deviated from Grameen's direct outreach approach, relying instead on leafleting, ads, or referrals. Many organizations were uncooperative, perceived as fearing client loss. Some research respondents attributed this to funding constraints; others saw it as intrusive and unsuitable for developed contexts.

Another major deviation is business training. GB provides no specific business training—only brief "continuous training" before loan approval to educate borrowers on methodology, responsibilities, and credit systems. In contrast, most retrospective MFIs offer costly business and financial training free or at nominal charge.

Institutional complexities also arise from regulation. While regulators subject European microfinance to rigorous scrutiny, MFIs in the US are subject to a less stringent regulatory framework; consequently, a proliferation of microfinance institutions and businesses has been observed within the US in recent years (Barua and Khaled, 2023). Moreover, GB's compulsory savings for an emergency fund and/or a group fund are crucial for achieving self-sufficiency in funding. Each group member must contribute a minimum of $2 per week to a group savings fund, which will be used to hedge against financial risks and unexpected events (Mousa and Ozili, 2023). In the absence of collateral and credit scores, group members are held accountable and expected to repay the debtor's loan in the event of a member failing to repay a loan. However, it is noted that MFI face challenges in savings mobilisation due to their size and non-profit nature.

Table 4: Outreach- Retrospective CS

Organizations	Projected Demand	Estimated population reached through marketing	Maximum Number of loans disbursed
Street-UK	20000	N/A	259
Weetu Full-Circle	190000	6000	111
EEMC	N/A	4000	250
Project Enterprise	N/A	N/A	500

Source: Author's own work

Table 5 below summarizes the strategic deviations from the original model along with differences in the social and regulatory context which may have led to significant institutional complexities for retrospective CSs in adopting the Grameen model in UK and the USA.

Table 5: Differences between Grameen in Bangladesh, UK, and US

	Grameen Model	Deviations in UK and USA (Retrospective CSs)
Loan Recovery	• Focus on women entrepreneurs • Weekly Meetings • Moral responsibility • Self-selection • Homogeneity	• Focus on underprivileged individuals, regardless of gender • Unstructured weekly meetings • Contrived selection process

Outreach	• Direct outreach	• Referrals by clients/ community members
Client Training	• Continuous Group Training focused on internal processes/ procedures	• Entrepreneurial education includes cash flow management, pricing, sales
Problem Framing	• Poverty alleviation • Women empowerment	• Poverty alleviation • Gender-neutral narrative framing, no emphasis on gender
Regulatory Context	• GB, as a bank, can mobilize client-savings	• MFIs are not legally permitted to accept deposits from their clients
Social Context	• Collective society • The necessity of entrepreneurship is particularly prevalent among women	• Individualistic societies • A higher proportion of entrepreneurs are driven by opportunities, compared to those driven by necessity

Source: Author's own work

The preceding analyses suggest that the adoption of the Grameen model in the UK and USA has been challenging. However, it should be noted that the GB model has not been shown to be ineffectual in the context of high-income economies. As demonstrated in the following section, Grameen's present experiences in the USA suggest that the model has the potential to be effective in addressing issues of financial exclusion. This topic will be examined in the subsequent section.

3.2. Grameen Model in the UK and USA: Experience of current CS

The current section evaluates the experience of current CS considering the analysis of retrospective CS in the previous section. Initially, GA and GU struggled to obtain funding for their projects. However, both organizations benefitted greatly from the global prestige and central status of the parent organization along with the personal association of Yunus in their quest for obtaining moral legitimacy, funding and support. There were differences in how GA and GU framed the problem they were trying to address as they set out. GU's stated goal was: "to improve the economic situation of the most financially disadvantaged in the UK, initially in the west of Scotland, on a sustainable basis" (BBC, 2018). GU adopted a gender-neutral narrative framing, unlike GB and GA.

On the other hand, GA "envisions an inclusive society in which all entrepreneurs, regardless of gender, race, or income, have access to fair and affordable financial services to support upward economic mobility" (Grameen America, 2025a). Additionally, GA emphasises the challenges faced by women entrepreneurs and how GA could assist, namely through microfinance, peer support and training (Grameen America, 2025a). Thus, a notable difference between GU and GA's is in term of target audience. GA has a greater focus on female entrepreneurship, which in turn is clearly communicated to its target audience through promotional materials, especially its website and social media. All this may have resonated well with its target focused on rapidly burgeoning female entrepreneurship amongst the Hispanic community (Cruz Rambaud, et al., 2023). GU's mission to alleviate poverty is more gender-neutral.

GA has consistently sustained high annual recovery rates (over 99%) since inception, despite serving an exponentially higher number of clients. This has set it apart from other CS. GU’s annual recovery rate, at 82% (ME#7, 2016), stood well below that of GA and GB.

Homogeneity of clients is also a key difference between GU and GA, as GA has achieved notable success in providing financial support to a niche market of Latin women with low incomes, who have historically faced barriers to accessing mainstream financial services (Cruz Rambaud, et al., 2023), while GU served a diverse group of clients consisting of mainly immigrants from different Afro-Asian countries. GA adopted a strategy of recruiting lending officers within the community they are serving who speak the same language. For GU, it was difficult to employ a similar strategy to manage groups because of different language, culture and behaviour of group members. The GU staff used English for operational processes, but encountered challenges as some clients had limited proficiency in the language (ME#6, 2016).

One significant difference lies in the regimented and structured nature of integral processes at GA. For instance, meetings are scheduled at designated times and are well-attended by borrowers for loan collection and training purposes. The GU was more flexible and better able to adapt to the needs of the clients. The consequences of this were twofold, in terms of both operations and discipline. The allocation of lending officers was determined by the preferences of clients, which resulted in operational and disciplinary issues (ME#6, 2016).

Another key difference between the two is the nature of strategy employed to reach clients. During the inception of the project, Grameen Trust had initially estimated the projected demand to be substantial for GU’s microfinance products. The initial estimated figures are provided below in Table 6.

Table 6: GU’s outreach targets

	Pilot estimates	Revised targets
Year 1	400	100
Year 2	800	400
Year 3	1500	500

Source: Author’s own work

It was felt that a strong credit union culture and a history of communal banking in Scotland would contribute towards this demand. The original targets were later revised downwards considering GU's operational experience (also provided in Table 5). GU may also have been wrongly perceived as a doorstep or a payday lender which did not resonate well with the Grameen’s global image (ME#7, 2014; 2016). Launched in 2012, GU ceased operations in 2018 after providing loans to around 1,000 people

(BBC, 2018). Financial difficulties, including customer arrears and cash flow problems, caused Grameen Scotland to close. In contrast to GU, GA has experienced steadily increasing demand from clients since inception; it has attracted $5.5 billion in investment and is still in operation (Grameen America, 2025b).

It is worth noting that most GA and GU clients do not have access either to welfare or do not subscribe to welfare payments (ME#6, 2016) (ME#10, 2014). Immigrant entrepreneurs represent a significant segment of the client base at GU and GA. This requires understanding immigrant entrepreneurship in both countries.

Immigrants in the US, particularly those of Latino origin, demonstrate a higher propensity for entrepreneurship with a rate of new venture creation that is doubles that of the general population (Figueroa-Armijos and Valdivia, 2024). By 2012, the number of Mexican immigrants engaged in entrepreneurship had increased to over one in ten, while more than one in seven Cuban immigrants were entrepreneurs (Dávila et al., 2014). Barriers in the labour market force Latinos into self-employment or new venture creation due to their lower levels of English proficiency and academic achievement limit their eligibility for available jobs (Dávila et al., 2014; Figueroa-Armijos and Valdivia, 2024). The collectivist nature of the Latino/Hispanic community (Schvaneveldt and Behnke, 2012), combined with a robust entrepreneurial culture and a high level of necessity driven by limited access to welfare provisions (Dávila et al., 2014; Figueroa-Armijos and Valdivia, 2024), may have contributed to GA's effective implementation of the Grameen's microfinance model (Cruz Rambaud et al., 2023).

On the other hand, immigrant entrepreneurship in the UK is more diverse in terms of ethnicity, resources and educational levels. According to Yasin and Hafeez (2023), some migrants exhibited intermediate levels of human and financial capital when initiating their business ventures, which could be evidenced by work experience within family enterprises or prior entrepreneurial endeavours. The UK entrepreneur visa was a route for foreign nationals to come to the UK with the intention of setting up and running a new business. The entrepreneur visa scheme has been closed to new applicants for several years, and aspiring immigrant entrepreneurs can apply for the Innovator Founder visa instead. These entrepreneurs are driven by business opportunities rather than being "pushed" into self-employment, and are therefore unlikely to become members of Grameen. Nonetheless, GU's small numbers of clients comprises of immigrants and refugees (Bikorimana, 2021) who have limited resources and financial access. As with Latino entrepreneurs in the US, language barriers and limited job opportunities "push" refugees in the UK towards entrepreneurship (Bikorimana, 2021).

GU did not approach clients directly or employ outreach strategies based around the domicile of the borrower; instead, it predominantly relied on external organizations for client referrals, a strategy several practitioners considered ineffective (ME#2, 2014) (ME#8, 2014; 2016) (ME#7, 2016). To a great extent, this caused low awareness of the ethical source of microfinance, with potential clients confusing GU with predatory lenders.

One regulatory issue that affects all MFIs in the UK and US is the difficulty of mobilising clients' savings accounts. While some retrospective CS (like EEMC/WEETU in the UK and PE in the US) did not address this issue, both GU and GA incorporated a savings element by partnering with external institutions. In the US, GA partners with Citi whereas in the UK, GU referred clients to Tesco Bank. Citi has benefitted from the large volume of clients provided by GA. GA mandates savings contributions, while GU only encouraged them, reducing adherence to the original model. Consequently, financial institutions are more incentivised to collaborate with GA.

Finally, GA's version of training is more consistent with the original model, as it follows the GB's "continuous group training program"—a weekly training program focused on orientating clients with the internal, processes, ethos and methodology of Grameen. Most retrospective CS had incorporated training as a component of the lending process for clients because of perceived needs for such lessons to deal with regulatory complexities in these countries. Some of these organisations, such as Full-Circle Fund or PE, required clients to attend and complete training before receiving loans. In contrast to GA, GU initially adopted a similar approach to these retrospective CS by offering training on topics such as cash flow management, marketing, and business plan development. This was costly, as external consultants were hired to design the programs (ME#6, 2016). However, GU's management soon recognised training was costly and redundant, as most clients already had relevant business experience. As a result, GU redesigned its training approach, tailoring it to the specific needs and circumstances of each client, while aligning more closely with GA's emphasis on internal processes and procedure. Table 7 below outlines the key differences between GU and GA in terms of strategic and operational factors as well as the social and regulatory context influencing such elements.

Table 7: Differences between GA and GU

	GA	GU
Loan Recovery	• Annual Recovery rates 98-99% since inception • 100% female membership • Self-selection, as in GB model • Weekly Meetings of regulated nature, held at fixed location and times, as in GB model • Homogeneity in terms of ethnic background	• Annual recovery rate 82% in November 2015; it became insolvent largely due to significant debt and customer arrears • Male/Female membership, with 47% of members were men • Selection process influenced by referrals • Weekly meetings was flexible, accommodating changes in time and location as required by the members • Diverse ethnicity

Outreach	• Grown steadily since inception, currently serves over 200,000 clients • Clients mainly Hispanic women immigrants • Direct outreach like GB	• Served 281 clients, behind its revised modest target of 400 clients (April 2016) • Clients, mainly immigrants from Sub-Saharan Africa. • Client referrals
Client Training	• Continuous group training focused on policies and procedures	• Training initially like retrospective MFIs. Later made consistent with GB.
Problem Framing	• Women empowerment/ financial exclusion of women entrepreneurship	• Non-gender based, generic framing of financial exclusion
Regulatory Context	• Unable to mobilize savings as a non-profit, collaborate with commercial banks • Savings made mandatory like GB	• Unable to mobilize savings as a non-profit MFIs • Savings is not compulsory, unlike GB
Social Context	• Self-dependent and individualistic • There is a growing trend of Hispanic entrepreneurship, driven mainly by necessity rather than opportunity	• Individualistic • Limited focus on community • Immigrants are both pushed and pulled towards entrepreneurship

Source: Author's own work

4. Conclusion

The preceding analyses indicate that all CS have encountered numerous institutional complexities in adopting the Grameen model in the context of developed economies. A range of factors may be ascribed to the emerging pattern of outcome. In the majority of cases, one or more core strategic factors, such as self-selection, women's empowerment, mandatory savings and the absence of weekly meetings, are found to be inconsistent with the original model. It is evident that such outcomes can be attributed to the discretion exercised by the management team. On occasion, the management may have been compelled to make adjustments to the model due to the restrictive regulatory environment and the prevailing unfavourable socioeconomic conditions.

Nevertheless, GA's experiences in the US indicate that the model may become easier to operate for an organization as the context evolves in a particular country and institutional complexities diminish due to socioeconomic changes. GA has successfully revived a model widely thought to be redundant in the context of an industrialised economy such as the US. GA's success stems from contextual alignment—rising Hispanic female entrepreneurship and collectivist culture.

The success of GA in accessing this emergent commercial sector can be ascribed, in part, to the company's employment of a creative institutional entrepreneurship process and their commendable degree of diligence and persistence. The preceding analysis indicates that maintaining the fundamental characteristics of the original model in pivotal operational domains may result in a reduction in institutional complexity. In addition to self-selection and a focus on women entrepreneurs, GA's client training methodology has also been more consistent with that of GB, with importance placed on internal systems and processes and the fostering of client discipline. This is in contrast to the majority of CSs, which diverged from the original model in such fundamental aspects.

The core elements of the original model may have reduced institutional complexities for the GA program in serving poor marginalised entrepreneurs albeit in an entirely different context. In GB’s case, these necessity entrepreneurs mostly consist of the rural poor in Bangladesh, whereas GA’s client-base comprises of poor Hispanic immigrants. The similarity lies in the fact that both groups are excluded by the mainstream financial institutions, although the reasons for such exclusion may be different.

The model has been demonstrated to be effective in assisting individuals with limited or no financial access, specifically immigrants in developed economies and the economically disadvantaged in developing economies who lack access to welfare benefits. This finding is consistent with Barua and Khaled (2023), who found that Grameen-style microfinance initiatives encountered limited success within the EU due to the presence of a comprehensive welfare system and a well-developed banking sector in the region. In contrast to necessity-driven immigrant entrepreneurs, locally born and raised entrepreneurs have access to an extensive range of financial services and supports that can assist them in achieving success.

In order to ensure the success of future implementations of the Grameen model, it is imperative to adhere to the following key strategic elements: target marketing, mandatory savings programmes, rigorous client selection, and structured meetings. Furthermore, the establishment of a distinct vision for transformation, coupled with the proactive cultivation of conducive environments through regulatory advocacy, community collaboration, and targeted outreach strategies, will result in a substantial reduction in institutional complexity. This, in turn, will enhance the effectiveness and sustainability of the Grameen model. It is important to note that GA operated directly under the Grameen institutional framework with Yunus's leadership, while Grameen in the UK was not formally part of Grameen Trust — a factor which may have contributed significantly to Grameen America's relative success. Future research could productively compare implementation strategies across contexts to further understand how such models can be adapted effectively.

The framework developed in this study offers two key contributions. Firstly, it provides an analytical tool for understanding past efforts to adapt the Grameen model. Secondly, it functions as a practical guide for future implementations. By systematically considering institutional entrepreneurs' vision, framing strategies, and enabling contextual conditions, future initiatives can enhance their chances of success in developed economies.

It is recommended that future research undertake a comparative analysis of the findings from projects on different continents, with a particular focus on those conducted in developed economies such as Australia, Europe and North America. This would facilitate the identification of effective cross-cultural learning strategies that could enhance the performance of MFIs in a broader context. A further potentially beneficial exercise would be a comparative analysis of the institutional entrepreneurship process of adopting the Grameen model with other models, such as online peer-to-peer. This analysis should provide additional valuable insights. Prospective studies may consider future developments at MFIs and assess strategies undertaken to moderate institutional complexities noted in the study. Furthermore, a rigorous examination of the social factors and regulatory context that influence the institutional entrepreneurship process within such organisations may facilitate a more comprehensive evaluation of progress towards organisational objectives.

Competing Interests Statement
The author declares that there are no relevant financial or non-financial competing interests related to this article.

Artificial Intelligence (AI) Use Statement
The author(s) used AI tools solely for language enhancement (e.g., grammar and readability) and did not rely on AI to generate original content in this manuscript.

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Appendix A: Summary of main questions asked to interviewees

Please point the key stages of the evolution of your organization from its beginning until now. Please point out to me what you feel are the key successes and the reasons that you have been able to achieve that success?

What were the operational challenges of adopting the Grameen model?

Was the demand high/low for the loans offered? What were the factors affecting demand?

What marketing techniques did you use to raise awareness among your target clients?

How cohesive was the group? What factors affected cohesiveness?

What were the annual recovery rates? What would you attribute the low/high recovery rates to?

Was there joint liability? If yes/no what are the implications of the strategy?

Was self-selection practiced? If no, why was it not practiced?

What are the factors affecting sustainability of the organization?

Where does the funding mainly come from? What are the key factors as to why your organization has been able to secure funding? What are the challenges in relation to getting funding?

Was it possible to have savings provision? If not, why?

What kind of business/financial training do you provide? What are the topics covered in the training? Why do you think it is important to provide this training? How does it compare to the training component in the original program in Bangladesh? What are the cost and time implications of providing this training? What implications do you think such training has for long term sustainability of group lending projects?

In addition to the training, is there an advice service provided which is free of charge? If so, why do you think this is necessary?

What have been the regulatory challenges of running the organization and how have you overcome these challenges?

What is the process of setting interest rates? Is there a cap from regulatory authorities in terms of how much can be charged?

Do clients feel that there is complexity of the business environment in the USA in terms of taxation, licensing and other forms of regulation?

Please comment on the external partnerships and alliances of the organization.

What have been the challenges in terms of outreach or getting more people to use your services? How have you overcome such challenges?

What is the future strategy with respect to expansion of the organization? What kind of challenges do you anticipate? How do you plan to overcome these problems?

GT authorities were asked to reflect on their experiences of adopting the model in various international contexts to obtain an understanding of the core features of the parent model.