

## The Growth of Start-ups with a Social Mission: A Search for Investment Rounds or Sustainability?

### **Synopsis**

Innovation with a social purpose is strictly linked to entrepreneurship and economic development. However, those start-ups that pursue a social mission often operate in really novel markets and raise some scepticism in the eyes of investors. Start-ups can improve their business performance by leveraging on equity and non-equity based strategic alliances, so to pursue growth. However, sustainable growth requires to attract the right investments at the right stage of development of the start-up. This study draws on international business theory and proposes a novel framework that explains the mechanisms regulating strategic alliances and firm performance in a start-up context. We derive an explanation for some of the mechanisms behind strategic alliances effect on startups performance, startups scalability and the balance needed between performance and the pursuit of a social mission.