Building International Educational Ventures from Emerging Economies: Evidence from Tutorium Academy

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Abstract: ***How do educational ventures from emerging economies build and sustain international operations despite limited institutional reputation and resource constraints? This paper argues that their viability can rest on an integrated set of organizational capabilities: governance, coordination, quality assurance, educational adaptation, relationship management, and organizational learning. Together, these capabilities support a concrete market offering: a managed, personalized educational service whose quality depends on tutor selection, cross-border coordination, academic follow-up, and adaptation to each learner's context. Trust emerges from consistent delivery rather than serving as an explanation by itself. The paper examines the founding choices of Tutorium Academy, a Honduran tutoring venture serving students in Mexico, Costa Rica, Guatemala, and Spain. Its Honduran tutor base, absence of foreign offices, proprietary platform, human-led instruction, rigorous tutor selection, and sustained academic follow-up are interpreted as a coherent entrepreneurial configuration. Five propositions explain how these capabilities interact and identify the conditions under which they may sustain international reach.***

Keywords: ***International Entrepreneurship; Governance Choice; Organizational Capabilities; Knowledge-Intensive Business Services; Emerging Economies.***

I. INTRODUCTION

Tutorium Academy, a tutoring venture founded in Honduras, serves students in Mexico, Costa Rica, Guatemala, and Spain without foreign offices, without a globally recognized brand, and without the capital reserves that typically accompany rapid internationalization. How a venture from an emerging economy builds and sustains international operations under these constraints is the question this paper addresses. It is not a question with an obvious single answer. The venture lacks the proprietary technology that explains many born-global firms' rapid reach, the capital that explains others, and the institutional reputation that would let clients abroad extend their credit before any relationship exists. Something else must account for how it operates in four countries at once.

The explanation is not trust alone. Tutorium Academy's international operations rest on an integrated set of organizational capabilities: governance, coordination, quality assurance, educational adaptation, relationship management, and organizational learning. Trust remains consequential, but it is produced through consistent service delivery. Relationship management without quality assurance, or governance without coordination, would not sustain it.

International entrepreneurship theory provides several parts of the explanation. International new venture and born-global research explain rapid multi-country reach through alternative governance structures and capabilities that compensate for scarce resources [1], [2]. The Uppsala tradition explains internationalization through experiential knowledge and, in its revised form, through a firm's position in foreign business networks [3], [4]. Recent research also shows that digital infrastructure can support global strategies while firms remain constrained by national institutions [14]. These perspectives do not yet specify the routines required when the offering is a live, personalized educational service.

This paper does not classify Tutorium Academy as a born-global firm in Knight and Cavusgil's [2] technical sense, since the interval between founding and the venture's first international transaction, the criterion that literature specifies, has not been documented here; the case illustrates the capability bundle proposed and is not offered as a validated instance of an existing category.

This paper asks how educational ventures from emerging economies build and sustain international operations despite limited institutional reputation and resources. The question extends beyond tutoring to other personalized services whose quality is produced jointly with clients and cannot be verified fully before purchase. The central claim is that internationalization begins with organizational design: the venture must configure its service, people, coordination, and quality routines for cross-border delivery from the outset.

The following sections develop the theoretical basis, define the methodological limits, examine Tutorium Academy's founding choices, present the capability framework, and derive five propositions and their boundary conditions.

II. THEORETICAL ANCHORS

A. International Entrepreneurship Beyond Reputation-Based Models

Oviatt and McDougall [1] formalized the international new venture as an international organization from inception, built on internalization of transactions, alternative governance structures, and control over unique resources. Knight and Cavusgil [2] showed that born-global firms compensate for scarce financial and physical resources with innovative culture, knowledge, and organizational capabilities. Both frameworks were developed and validated mainly on manufacturing and technology ventures, whose internationalization typically rides on a product, a patent, or a scalable platform; neither specifies which capabilities a venture needs when the thing crossing the border is a live, personalized service rather than a transferable artifact. Johanson and Vahlne's original model explains internationalization as the gradual resolution of psychic distance through experiential market knowledge [3], and their revision reframes the central obstacle as a liability of outsidership, a firm's disadvantage from standing outside a relevant business network, resolved through relationship-

building rather than knowledge accumulation alone [4]. That revision supplies useful vocabulary for why an unfamiliar foreign provider struggles to gain footing, but, like the international new venture and born-global frameworks, it was not built to decompose the specific bundle of capabilities a resource-constrained educational venture must assemble to operate at all.

What these frameworks share, despite their differences, is a tendency to locate the explanatory weight at the level of the firm, a governance structure, a capability stock, a network position, rather than at the level of the specific, nameable routines that make up that stock. Knight and Cavusgil's [2] capabilities are asserted rather than decomposed; the born-global firm simply has innovative capabilities, without an account of what those capabilities consist of in each sector. This paper takes the opposite approach deliberately: rather than asserting that Tutorium Academy has capabilities that substitute for resources, Section IV traces specific entrepreneurial decisions to specific, separately identifiable capabilities, which is what allows Section V to propose a framework precise enough to generate testable, diversified propositions rather than a single restatement of resource substitution.

B. Governance Choice as One Entrepreneurial Decision Among Several

Oviatt and McDougall [1] treat alternative governance structures as a defining feature of internationally entrepreneurial firms. Nambisan [5] adds that digital platforms alter entrepreneurial processes, making the decision to build rather than rent infrastructure strategically relevant. Guillén [6] explains that network effects vary in geographic scope and that platform logic does not transfer uniformly across services. More recent research distinguishes platforms that merely broker transactions from those that actively provide and coordinate a service, with different implications for adaptation, governance, and international expansion [16]. In this case, governance choice is one entrepreneurial decision among several rather than a complete explanation of international reach.

Treating governance as one decision among several also clarifies what governance choice cannot do by itself. Owning a platform gives a venture control over how coordination happens, but control is not the same as competence: a proprietary platform with weak tutor selection or inconsistent follow-up would be no better positioned internationally than a marketplace listing, and arguably worse, since it would also carry the full cost of infrastructure the marketplace would otherwise have absorbed. This is the sense in which governance capability, discussed further in Section V, functions as an enabling condition for the other capabilities rather than as a substitute for them.

This also reframes the question a venture like Tutorium Academy faces at founding. The choice is not simply platform versus marketplace, evaluated on cost and features alone; it is whether the venture can build, alongside whichever platform it chooses, the coordination, quality-assurance, and relationship-management routines its specific service requires. An existing marketplace does not prevent a venture from building those routines around its own tutors, but it does constrain how much control the venture has over the interface through which families experience them, which is the specific, narrower reason governance capability matters here rather than a general preference for ownership over renting infrastructure.

C. Knowledge-Intensive Business Services and Educational Co-Production

Den Hertog [7] treats knowledge-intensive business services as co-produced between provider and client rather than delivered unilaterally, a description that fits tutoring closely: a tutor supplies expertise, but the interaction's value depends on the student's engagement and context. Oyewole [8] documents those services exported from developing-country providers, facing credence-quality barriers that goods exporters from the same countries face to a lesser degree, since a client cannot verify a live service's quality independently of the provider's own performance. Enwereji and van Rooyen [9], studying students unfamiliar with e-tutoring, find persistent concerns about the legitimacy and perceived quality of remote instruction. Read together, this literature explains why quality assurance and relationship management are not optional refinements for a venture like this one but load-bearing capabilities: co-produced, hard-to-verify services require a provider to manage the client relationship and monitor delivered quality directly, since no external market mechanism will do either job as well.

This is also where trust enters the argument correctly, rather than as a starting assumption. Co-production theory does not treat trust as a separate ingredient a provider adds to a transaction; it treats the ongoing relationship between provider and client as constitutive of the service itself; poor communication, inconsistent follow-up, or unaddressed concerns are quality failures, not merely trust failures, because in a co-produced service the two cannot be cleanly separated. Framing quality assurance and relationship management as the capabilities that jointly generate whatever trust a family in Mexico or Spain places in a Honduran tutor is therefore not a stylistic choice; it follows from taking den Hertog's co-production logic seriously rather than treating trust as an independent variable layered on top of it.

D. Dynamic Capabilities and Organizational Learning

Teece, Pisano, and Shuen [10] define dynamic capabilities as a firm's capacity to sense, seize, and reconfigure resources under changing conditions. Shane [11] shows that prior knowledge and existing networks shape which opportunities an entrepreneur can recognize and pursue. Evidence from emerging-economy startups further suggests that digital platforms can compensate for limitations in capital, legitimacy, and market access [12]. Recent work on small firms identifies digital literacy, technology use, and managerial attributes as interacting foundations of digital transformation rather than independent assets [15]. These studies support an interpretation centered on routines and managerial choices.

Organizational learning connects the other capabilities over time. A poorly matched tutor, an overlooked time-zone conflict, or a curricular mismatch can modify recruitment, monitoring, scheduling, and communication routines. Learning therefore

turns the framework from a static list into a system that can adapt through experience.

III. METHODOLOGICAL NOTE

This paper develops a conceptual explanation supported by an illustrative organizational case, following the tradition of building theory through close engagement with an information-rich setting [13]. It uses publicly observable facts about Tutorium Academy and direct organizational familiarity with the venture. The analysis does not claim statistical generalizability, measure performance effects, or establish causal relationships. Operational details that cannot be confirmed, including the exact sequence of country entry and the complete tutor-selection protocol, are not inferred. The propositions in Section VI are intended for future comparative testing.

IV. TUTORIUM ACADEMY: ENTREPRENEURIAL DECISIONS AND THE CAPABILITIES THEY BUILD

Tutorium Academy's founding choices are treated as evidence because each created routines needed to deliver a defined educational service across borders. The offering is not an abstract organizational structure. It consists of personalized tutoring, tutor matching, academic follow-up, curricular adaptation, and continuing communication with students and families. The organizational capabilities examined below make that service reliable and commercially viable.

Keeping a Honduran tutor base, rather than sourcing tutors globally once international demand appeared, builds coordination capability on a foundation the founder can manage: a bounded, knowable pool of people whose competence can be personally assessed, consistent with Shane's [11] argument that opportunity recognition and action are bounded by pre-existing networks. A global source strategy would have expanded supply faster but would have exceeded the venture's capacity to coordinate and vouch for providers it did not know.

Internationalizing without foreign offices is a governance decision that keeps control over service delivery inside the venture rather than delegating it to a local partner or franchise. Offices signal institutional permanence, but permanence is not the capability this venture's service depends on; consistent quality in a life, personalized interaction is, and an office does not produce on its own.

Building a proprietary platform rather than relying entirely on marketplaces such as Preply, Superprof, or italki is a governance choice with consequences for coordination. The marketplace emphasizes matching and transaction volume, whereas Tutorium Academy's service requires tutor selection, monitoring, follow-up, and curricular continuity. Platform research shows that broker and provider models face different demands for control and local adaptation [16]. Ownership allows the venture to design the client experience around its service commitments instead of accepting generic marketplace routines.

Keeping instruction predominantly human led is a quality and relationship decision rather than evidence of technological reluctance. Personalized tutoring depends on a tutor who can interpret a learner's participation, difficulties, and curriculum in real time. Artificial intelligence may support scheduling, reminders, records, or preparation, but the venture's commercial offering remains the managed instructional relationship and the academic progress it is designed to support.

This distinction answers a central commercial concern. Tutorium Academy does have a product in market terms: a structured educational service with defined delivery routines, quality controls, and continuing support. The argument is not that organization replaces the offering. It is that organization makes a personalized service reproducible across countries without reducing it to standardized content.

Rigorous tutor selection and sustained academic follow-up build quality-assurance and educational-adaptation capability directly: selection is how the venture screens for competence before a family ever experiences a session, and follow-up, coordinating academic progress across different curricula, time zones, and communication norms, is how it keeps that competence visible over time rather than assuming it once and never checking again. Long-term relationships with students and families are where relationship-management capability shows up most concretely, and where trust, to the extent the venture has earned any, is the visible result of the other capabilities working together rather than a separate initiative pursued on its own terms.

These choices are mutually reinforcing. Weak tutor selection would undermine the purpose of owning the platform. Limited academic follow-up would delay the identification of tutor and student mismatches. Transactional communication would force the venture to compete mainly on price and convenience, where larger marketplaces hold an advantage. The capability bundle explains this pattern more convincingly than any isolated decision.

Together, these decisions describe a venture built around a defined educational service and the capabilities required to deliver it internationally. Coordination without quality assurance, or governance without relationship management, would leave the offering incomplete.

V. FROM ENTREPRENEURIAL CHOICES TO A CAPABILITY BUNDLE

The service crossing the border is live and personalized. Entrepreneurial choices first form an international configuration: tutors are recruited from a network the venture can evaluate, the platform coordinates scheduling and payment, instruction remains human led, and follow-up adapts delivery to different curricula and client expectations. This configuration produces the capability bundle shown in Fig. 1.

Similar choices could exist in a domestic tutoring business. What makes this configuration international is that recruitment, platform design, scheduling, payment, curricular adaptation, and client communication were organized around service to learners in different countries. The capabilities are therefore not labels applied after expansion; they are routines developed for cross-border delivery.

The bundle itself is not an arbitrary list. It follows a three-tier logic traceable to where, organizationally, each capability operates. Two capabilities, governance and coordination, sit upstream: they determine what infrastructure and talent-management routines exist at all, prior to any client ever experiencing the service. Three capabilities, quality assurance, educational adaptation, and relationship management, sit downstream: they determine what a client experiences once that infrastructure and talent are in place. Organizational learning is cross-cutting rather than upstream or downstream, since it operates on the arrangement rather than on either segment alone.

Trust is not a box in this structure. It is a transversal property of the three downstream capabilities, quality assurance, educational adaptation, and relationship management, the joint operation of which is what a family or student experiences as trustworthiness. None of Tutorium Academy's founding decisions in Section IV was aimed at trust in isolation; each is better explained by the underlying arrangement and the specific capability it feeds. A venture that strengthens only the upstream tier, better governance, better coordination, without matching downstream investment would be expected to expand reach without a corresponding gain in retention, since trust as an outcome sits downstream, not upstream.

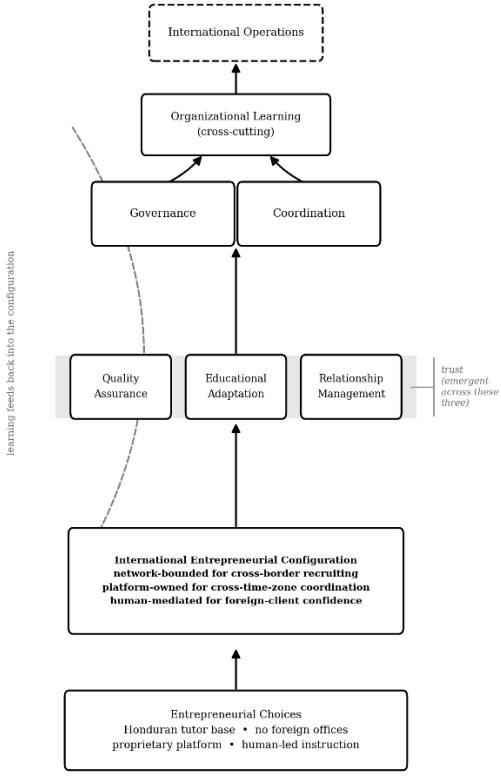


Fig. 1. From entrepreneurial choices to an international entrepreneurial configuration to a capability bundle; trust is transversal within the downstream tier, not a central mechanism.

VI. DISCUSSION

The contribution of this paper lies in organizational design for international entrepreneurship. Existing frameworks explain expansion through governance structures [1], capability-based resource substitution [2], network position [3], [4], and, more recently, the interaction between digital strategies and national institutions [14]. This paper identifies six routines that enable a personalized educational service to operate internationally. It also distinguishes the market offering from the organization that supports it: the venture sells tutoring and academic follow-up, while its capability bundle makes that service consistent across borders. Trust is treated as an outcome of delivery rather than a competing explanation.

P1. Educational ventures from emerging economies are more likely to internalize governance over cross-border coordination, building proprietary infrastructure rather than using an existing marketplace, when their relationship-management and quality-assurance requirements exceed what standardized marketplace mechanisms can enforce, independent of the cost differential between the two options. This follows because a marketplace optimizes for the volume of viable matches it can produce, not for the depth of any single match, which is precisely the trade-off a personalized, co-produced service cannot accept.

P2. Coordination capability built on a founder's bounded, pre-existing network should predict service-quality consistency better than coordination technology does while the venture remains within the reach of that network, but this advantage should invert once the venture scales past the size a single network can cover, at which point technology-mediated, network-independent coordination should outperform network-bounded coordination. This follows from Shane's [11] argument that a founder can only vouch credibly for a bounded, knowable pool; the same logic that gives network-bounded coordination its early advantage is what should make it a liability once the network is exhausted.

P3. Educational-adaptation capability should matter most for retention in markets whose educational systems differ most from the venture's home system, and its explanatory power should approach zero in markets similar enough that little adaptation is actually required; the same capability, in other words, should predict retention only in proportion to the psychic distance [3] between home and host educational systems, not as a uniform effect across all markets a venture serves.

P4. Trust between a venture and the families it serves is better explained as an outcome of sustained quality-assurance and relationship-management routines than as a freestanding governance mechanism; ventures that invest in relationship management without corresponding quality assurance should see trust remain fragile despite that investment. This follows from treating co-production, per den Hertog [7], as inseparable from the ongoing relationship itself, so that a relationship not backed by verified quality has little to sustain it once early goodwill is exhausted.

P5. A venture's accumulated organizational learning across its existing capability bundle is expected to be positively associated with its capacity to expand into additional international markets, though this relationship should weaken where new markets require capabilities, such as regulatory

compliance or professional accreditation, that the venture's existing bundle does not yet cover. This follows from treating organizational learning, per Teece, Pisano, and Shuen [10], as capability-specific rather than general, so that learning accumulated in one domain does not automatically transfer to an unrelated regulatory or accreditation requirement.

Two rival explanations deserve consideration. Capital scarcity would predict the least expensive option at every step, including reliance on an existing marketplace, but it does not explain selective investment in tutor selection, platform control, and follow-up. Founder preference for control would predict uniform internalization, whereas the case concentrates control where service quality and client relationships are most exposed. The capability account better explains the pattern across choices.

A. Boundary Conditions

The framework applies most clearly to knowledge-intensive services that are personalized and co-produced, where quality cannot be verified before purchase and no single capability can substitute for the others. It is less applicable to standardized or fully automated educational products, where a codified specification substitutes for several of the capabilities described here, and to ventures with access to capital or reputation sufficient to purchase governance, coordination, or legitimacy externally rather than build it internally. As a venture grows large enough to afford local legal entities or country managers, its capability bundle would be expected to shift toward the governance-structure logic of established international new venture theory [1] rather than remain organized as described here.

A further boundary condition concerns sector-specific regulation. Educational services in most of the markets Tutorium Academy faces comparatively light licensing requirements relative to sectors such as healthcare or law, where formal accreditation, not organizational capability alone, often determines whether a foreign provider can operate at all. The capability bundle proposed here should still apply within such regulated sectors, but only as one input among others; a venture with a fully mature capability bundle could still be blocked entirely from a market whose regulatory barriers no combination of governance, coordination, or relationship management can overcome. This is consistent with P5's expectation that organizational learning loses predictive power precisely where new capabilities, regulatory or accreditation-related, fall outside the venture's existing bundle.

B. Implications

For founders, the implication is that a viable international educational venture needs both a clear offering and the routines that make it dependable. Platform technology alone does not create educational value, and relationship building alone cannot compensate for inconsistent instruction. Tutor selection, coordination, adaptation, follow-up, and learning must support the same service promise. For researchers, the case suggests measuring specific organizational routines rather than relying on broad constructs such as trust, capital, or technology.

A comparative test could sample knowledge-intensive service ventures from Central America and similar economies. Each venture could be coded for the maturity of the six capabilities, the presence of documented provider-selection and follow-up routines, the governance of coordination technology, and the clarity of its service offering. The analysis could then test whether capability maturity predicts international reach and retention beyond capital raised, technological sophistication, and product standardization.

Measurement should distinguish a stated priority from an enacted capability. A selection protocol, recorded follow-up cadence, documented adaptation process, and traceable coordination routine provide stronger evidence than promotional claims. This distinction follows the emphasis of dynamic capabilities theory on organizational processes [10].

C. What Would Count Against This Account

The account would be weakened if ventures lacking several of the six capabilities achieved comparable international reach, retention, and service consistency. It would also be weakened if Tutorium Academy's choices were shown to result only from cost, personal preference, or circumstance, without a connection to quality, coordination, adaptation, or client relationships. Comparative evidence showing no association between capability maturity and international outcomes would further challenge the framework. These tests have not been conducted here, so the propositions remain a research agenda.

VII. CONCLUSIONS

An educational venture from an emerging economy can sustain international operations by combining a credible service offering with an organization designed for cross-border delivery. Tutorium Academy's offering consists of personalized tutoring, tutor matching, academic follow-up, and adaptation to each learner's context. Its Honduran tutor base, absence of foreign offices, proprietary platform, human-led instruction, tutor selection, and continuing follow-up form an international entrepreneurial configuration that supports governance, coordination, quality assurance, educational adaptation, relationship management, and organizational learning. Trust is one result of consistent performance across these capabilities.

The case remains illustrative and does not establish causal effects. Its value lies in specifying observable routines and testable propositions for research on resource-constrained service ventures. Two firms with similar capital and technology may produce different international outcomes because one aligns its service promise, governance, people, and learning routines more coherently than the other.

Educational ventures from emerging economies fail internationally through organization without a product. They succeed when a clear educational service and the capabilities required to deliver it reinforce each other across borders.

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