Comprehensive Review Of Social Entrepreneurship: Developing The Conceptual Framework For Describing The Phenomenon Of Social New Venture Creation

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Abstract—This conceptual paper is comprehensive reviews of the related literature of the social entrepreneurship phenomenon. The study of entrepreneurship, especially in new venture creation, has gained the attention of previous researchers because of contribution to the development of the country towards GDP, job creation, innovation, and social values creation. This study is trying to develop the conceptual framework for describing the phenomenon of social entrepreneurship from various theoretical lenses. The study of social entrepreneurship is still premature, particularly the process of new venture creation. Therefore, the purpose of this paper is to critically review how four elements of Gartner theory that contribute to the emergence of social ventures.

Index Terms—Social Entrepreneurship, New Venture Creation, Management, Psychology, Sociology

1. INTRODUCTION

The trend of acknowledging social SME’s remarkable contribution to the prosperity in terms of solving economical and societal problems by creating social value has gained momentum. It has sparked the interest of academic, practitioner and policymaker in social entrepreneurship. There is not a single country that is not facing these problems and challenges like poverty, inadequate education opportunities, child labor, increasing rate of crimes among the young generation, lack of employment opportunities, wars, domestic conflicts and environmental disasters, health issues and so on. One cannot say that only underdeveloped countries encountering these sorts of problems but developing countries are encountering the same in many aspects [1]. Existing political, social and administrative systems are incapable of providing a solution to these problems. Social entrepreneurs can provide innovative solutions by developing new systems and prototypes that are necessary to solve the problems [2]. So the thing to ponder upon by community is how we should deal with these societal, environmental and domestic challenges as mentioned above. Luckily, Social entrepreneurship (SE) can be the best remedy for our society as it is the foremost feasible response to the unmet needs of society and individuals and simultaneously it can pursue economic, social and environmental goals by business ventures [3]. Social entrepreneurship can be defined as an ongoing procedure in which entrepreneurs furnish innovative yet sustainable solutions to the existing social problems. Social entrepreneurs identify opportunities; assess opportunities with unique procedures to accomplish the target objectives. The principal difference between a commercial entrepreneur and social entrepreneur is that social entrepreneur seeks to acquire social value and profit is its by-product as mentioned in its company’s vision [4]. Thus based on previous many studies, Tiwari defined it comprehensively:

“Social entrepreneurship is a process that begins with perceived social opportunity, transfers it into an enterprise model, determines and achieves the wealth essential to execute the enterprise, initiates and grows the enterprise and yields the future upon goal achievement of the enterprise’s goal” undoubtedly SE has been the subject matter associated to business, society, and politics as it follows social, financial and environmental aspects [5].

New venture formation has been measured as one of the vital economic indicators of one country [6]. According to Cornelissen & Review [7], entrepreneurship is the process of economic bustle, is generally acknowledged as a cause of innovation that has an impact on the economic advance. The beginning of new ventures is the portion of this economic system that mainly focuses on precise resolutions to determine the requirements and glitches in the marketplace. There is a plentiful investigation of minor firms and free enterprise that focuses on industry start-ups [8]. Over the period, the researches related to social entrepreneurship has been increased and it is now recognized as the momentous field of analysis [9, 10]. Various studies in the academic are grounded on the aspect that are indispensable to engender a viable venture as, Gartner (1985) [11] projected conceptual framework for unfolding the phenomenon of new venture foundation followed by others such as, Larson, Bhave, Aldrich, Sarasvathy, Delmar and Shane, Grimaldi and Grandi, Lichtenstein, Dooley and Lumpkin, Campbell and De Nardi, Dimov, Davidson and Gordon, Brush, Greene and Hart, and Becker, Knyphausen – Aufseß and Brem [12-25]. But only a few studies are conducted about social entrepreneurship that are providing conceptual model clarifying the

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dimensions in beginning a novel social venture such as Adomavičiūtė, Janiūnaitė, and Štuopytė [26], studied individual characteristics of social entrepreneur's, while Littlewood and Holt [27] debated the sway of environment, and Kurtako and Lurtz discussed the process [28, 29]. In Social entrepreneurship start-ups progression social entrepreneurs action as key actors with specific aptitudes to craft social value [26]. Zahra and fellows [30] labeled the role of social entrepreneurs in generating social value. Environment affects the entities and inspires them to take initiatives [31] and permits them to modernize in a way that adds significantly in social entrepreneurship and preparatory new social venture [32]. It was further clarified that social entrepreneurs craft substantial control on society by forming the business models that explain the complex hitches. Over some time, many studies anticipated models that measured new venture making as a technique of emergence [33, 34], which has a number of enduring successive stages. Perrini, Vurro & Costanzo [35] tinted the following stages in social entrepreneurship; 1) social entrepreneurship opportunity identification; 2) opportunity evaluation; 3) opportunity exploitation; 4) expansion. However, there is no incorporated point of view concerning the progress of social entrepreneurship enterprise’s future research. Therefore this study aims to explore the dimensions that are necessary for launching a successful social venture using Gartner’s conceptual framework as social entrepreneurship theory is still in its conceptualization stage as various countries have various points of view regarding social entrepreneurship startups [36]. There have been abundant papers in which new venture conception in Entrepreneurship is discussed but most of them missed the social entrepreneurship context of it. Although Gartner [37] suggested the conceptual framework which discoursed the features that are needed or can be clue to new venture creation and later on many researchers delivered the agendas and theories to support new venture creation there is absence of common point of view regarding the creation of social start-ups. So, this conceptual paper fills the gap, as it is the first paper to use Gartner’s theory in social entrepreneurship. This particular paper is utilizing Gartner’s theory as background which focuses on classifying the elements that are essential to start fruitful social ventures. This conceptual paper offers a considerable framework clarifying the required basics which are essential in founding a new social venture. It also allows researchers to comprehend the complex occurrence of how social startups are introduced and further it offers people (policymakers, educationist, Practitioner, lawmakers, consultants) the inclusive outline which educate them about insights regarding what exact elements are prerequisite to initiating a social venture.

2. LITERATURE REVIEW
2.1. Introduction of Social Entrepreneurship
Regardless of its geneses in the early 2000s as a field of research, social entrepreneurship has a long history as a social phenomenon. Bill Drayton, the originator of the social entrepreneurship organization Ashoka and the often-cited inventor of the social entrepreneurship concept, is said to have popularized the term in the 1990s [38]. Perrini and Vurro [39] discover the concept even earlier, declaring that companies have had social missions since as early as the 19th century. In current years, academic research in this field has increased considerably, comprising of notable authors refer to the social entrepreneurship field is still nascent [10, 40-44]. The classic literature on social entrepreneurship (SE) proposes that attaining long-lasting social gains is one of the core aims for social entrepreneurship, which emphasizes various factors, processes, and outcomes [43, 45]. As societies look for more innovative, cost-effective, and sustainable ways to address social problems. Research on social entrepreneurship has extended over the last ten years and has been accredited as a significant field of inquiry [9, 10, 30, 46].

2.2 Worldview context of social entrepreneurship
Social entrepreneurial activity usually is a mixture of social mission and business activities for economic development and simultaneously it is also concentrating on creating social value [47]. However, this activity may occur in or near the body of the non-profit, business, or the government sector [46]. This concept may be applied to a wide range of organizations, which vary in size, aims, and beliefs. The notion of social entrepreneurship activity has a different meaning to everybody [4]. For example, social entrepreneurship activity related to a non-profit agency which is to go in search of initiative in finding substitute financing strategies or management in forming social value [46]. Although another view about the activities of social entrepreneurship is it is a preparation of social responsibility towards commercial business [48]. Social entrepreneurship activity is also understood as a means to diminish social problems and the procedure of social revolution [49]. To understand the true essence of social entrepreneurship activity, it originates from two different terms, namely ‘entrepreneurship’ and ‘social’. The major trial to understand the social entrepreneurship activity is on what is meant by ‘social’ [50]. The term ‘social’ implies to those initiatives that pursue the mission of helping others [51]. In general, social entrepreneurship activity is different from the commercial business that is built on the profit motive[52]. However, Mair and Marti [53] describe that social entrepreneurial activities are considered as ethical and moral responsibility [54]. Therefore, they must use different metrics. Social entrepreneurship typically attempts to further broad social, cultural, and environmental goals often associated with the voluntary sector in areas such as poverty alleviation, health care, and community development” [55].

2.3. Development of Social Entrepreneurship Theories
The expansion of social entrepreneurship theory is critical because this phenomenon fundamentally different from other methods of economic organizations [56]. From the evolution of this concept, it is becoming more and more complex. There are abundant studies on social entrepreneurship, but all of them lack persistent definition and a focal point. Moreover, many studies found social entrepreneurship as hypothetically as a substitute for empirical studies to define entrepreneurship. Although the social entrepreneurship field has stemmed from entrepreneurship but still it is relatively considered as a new phenomenon [57]. Therefore, persistent theory is deficient in academics which can describe social entrepreneurship.
Structuration theory in the social entrepreneurship demands that the agent (social entrepreneur) committed to the structure (community, society, etc.). One of the issues that has received the most consideration in recent days in sociological literature is the dualism of agency and structure, and the combination of both [58, 59]. Giddens’ theory also helps us to better realize how social entrepreneurship initiated by compelling our devotion to a crucial unit of analysis and that is the interaction between the social entrepreneur and the context. This collaboration of two aspects is central to considerate the practice of social entrepreneurship. Thus, structuration theory brings a hopeful lens to scrutinize how the context permits and confines the Outlook of social entrepreneurship and also indicates the occurrence of social change. Sarasvathy [18] presented the theory on effectuation that represents entrepreneurial behavior in resource-constrained environments where entrepreneurs (effectuators) expand the use of available funds including capabilities, expertise, and networks. According to this theory, Goals are not predefined instead they develop with time by keeping in view the available means and entrepreneurial resourcefulness. Effectuation theory extracts from a conventional ‘planned’ approach of focusing on pre-decided goals with most-effective strategies. Effectuation suitably captures entrepreneurial decision-orientation beyond resource-constrained contexts such as start-ups [60], companies that aim to pursue a vision of becoming global [61], innovation at small firms [62], and marketing under uncertainty [63]. The expected resource-constrained background of effectuation is parallel with these troubles of social enterprises. There are several sources of finance but social enterprises lack these prospects. For them, funding sources such as donations and grants are becoming uncertain and demanding [64]. Agrawal and Hockerts [65] used the institutional theory as a theoretical base that can be used by academics and practitioners in the field of social entrepreneurship. Institutional theory extensively studies the dynamic forces between the individuals or the organizations and the Institutions (government, market, culture, religion) about legitimacy, institutional logic, isomorphism and institutional memory as tools to assess and imitate the phenomenon of social entrepreneurship. Attraction-Selection-Attrition (ASA) theory [66, 67] to social entrepreneurship is valuable to comprehend the role of inter-individual differences. ASA theory states that individuals are fascinating to particular occupational adoptions (such as starting a social enterprise) because they remark their personality features, motivations, and skills to align with the requirements of that occupational choice. They then self-select into this occupation if they discover they have certainly the required motivations, traits, and skills. Others may strengthen this selection because they similarly perceive such a fit (e.g., social investors or social enterprise support organizations providing finance and support to an individual whom they see as having the probable to be a social entrepreneur).

3. The conceptual Model
In most of the previous researches, few dimensions that are mostly under discussion are background of entrepreneur, experience, and attitude, for instance, previous work experience, job satisfaction, parents’ entrepreneurial tendencies, age, and education. Conditional upon the necessity for studies to examine the context and dealings related to entrepreneurial behavior [68]. Gartner (1985) presented a conceptual framework that was depicting the phenomenon of new venture design which has joint four tactics in entrepreneurial activities: It comprises the characteristics of an individual who is going to start a new venture. It may include age [69], Education [70], motivation and need for achievement [71, 72]. The type of social organization is going to formulate [73]. Moreover, it also includes the environment adjacent to the new project creation [74]; and also the system through which a new venture is formed [75]. Focusing on the apprehension of new venture creation as an indispensable question of entrepreneurship research, Gartner stated that “entrepreneurship is the formation of organization” which embraces interchange between the environment and individuals also the creation and formation of organization seen as metamorphic. The research must have been managed subject to the entrepreneur’s identity and approaching what he or she does in the procedure of development of enterprise [76]. However literature related to entrepreneurship has significantly refers the process of new venture creation to be problematic and multilayered phenomenon, but greater understanding still needed to acknowledge the attributes and actions of many entrepreneurs and networks between the startup and accomplishment of ventures in diverse countries [77] but as far as social entrepreneurship is concerned proposed conceptual framework is missing in previous literature which laid attention on the underlying dimensions that are necessary to comprehend the creation of social start-up. Even though the cumulative role of global economies, run in the progressively competitive setting in which non-profitable organizations influence their functioning [64].

![Conceptual model of new social venture creation adopted from Gartner theory, 1985](image)

4. FRAMEWORK FOR ANALYSIS
The formation of a new venture is a multidimensional spectacle each variable defines only a dimension the bellow given literature is describing each dimension. Gartner (1985) has presented a conceptual framework depicting the phenomenon of new venture creation which has combined four dimensions: (i) individual, (ii) organization, (iii) Environment, and (iv) process.
4.1. Individual characteristics
Zahra and fellows (2009) emphasized the role that social entrepreneurs play the fruition of social entrepreneurial initiatives. There are many studies on individual characteristics that have backed the new venture creation in social entrepreneurship. Mehdiwand, Zali, Madhoshi & Kordnaeij (2012) [78] asserted that the idea of a new venture fundamentally labeled through reasoning approach. According to this view, the cognitive characteristics of entrepreneurs are the basis of new venture formation which comprises prior knowledge, experience and skills are prerequisites to start a new venture [79]. After Gartner presented this framework, numerous studies focused on the individual characteristics of social entrepreneurs. All those studies tinted four major areas within these dimensions which include the motivation, personalities, capacity, and ability to locate opportunities. The findings of such studies were quite parallel and underlined the motivators to start social enterprises: and these are comprised of personal experiences, the association of social entrepreneurs with their community and social networks, the complications that needed to be addressed and solved and either from institutional voids or from the personal need to improve social conditions [44, 80, 81].

4.1.1. Need for achievement.
Recently most of the studies are interested to comprehend more about the profiles of social entrepreneurs and what is the characteristic that allows them to generate new ventures. Some other factors are also involved like social networks, availability of financing, and geographic attributes impact the entrepreneurial process but individual characteristics and motivations that guide young entrepreneurs to ensure and trail the opportunities [82]. Scholars have conceived and projected through empirical studies that N-ACH can encourage entrepreneurs to start a business [83, 84]. One of the remarkable theory is N-ACH, first narrated by Murray [83] and more comprehensive and empirically in the upcoming years [85]. Critically, N-ACH is human intention for critical achievement, expertise mastery and attainment of high standards, dedicated resolution to win and succeed [83]. More modifications in this theory of human motivation by relating that people have desires for attainment, power, and association. He further critically inferred from his preliminary experimental work on N-ACH that society entails two types of individuals: high achievers and low achievers-Ach [85].

4.1.2. Locus of control.
Locus of control has been broadly deep-rooted in many entrepreneurship empirical researches as it is one of the most anticipated attributes that forecast entrepreneurship behaviors [86, 87]. Locus of control can be unglued, contains internal and external [5]. Internal locus of control mentions individual beliefs of how they can exercise control over their fate [88, 89]. Whereas people with an external locus of control have faith that external power controlling their life. Both faiths have a substantial impact on entrepreneurship behavior; with a greater internal locus of control are more probably employing entrepreneurial behaviors and to have a greater need for achievement as compared to those with lower locus of control.

4.1.3. Risk-taking propensity.
Begley [90] distinct risk-taking tendency as the predisposition of an individual to assume a firm level of risk related to the choice of new business venture creation. The author believes that numerous individuals have various risk inclinations some have high risk-taking propensity and some others will be having low-risk propensity [91]. Li and Ahlstrom (2018) [92] originated that risk propensity is one of the significant backgrounds in determining crucial entrepreneurial decisions such as new venture creation and investment in risky projects. Saatci, Arikan, and Cal [93] also documented risk-taking propensity as one of the crucial traits in creating a new venture. The level of risks (low, intermediate or moderate, and high) can affect the decision to start a business venture [94].

4.1.4. Previous work experience.
Many studies in the literature exist that focus on the previous work experience of entrepreneurs. Hockerts [95] in his study measured work experience as a person’s practical work experience with previous social organizations. It is alleged that such experiences pledge to understand with sort of difficulties social enterprises plea to solve. Yiu and fellows [96] established that those entrepreneurs who are having previous work experience with social organizations incline to be more keen to take part in social activities. Many researchers have proposed that individual’s previous experience and concurrent organizational experiences form their future work experiences, professional choices and career advancement. Therefore, previous experience may play a crucial role in the success of social entrepreneurship [97, 98].

4.1.5. Education.
In order to understand social entrepreneurship, one of the most evolving perspectives is to educate individuals regarding it. Social entrepreneurship education in higher institutes has become central as it is necessary to flourish the abilities of students to come up with an innovative solution for the progression of society. Social entrepreneurship education can augment the probabilities that the more individuals will tend to start their own social business. Furthermore, it will provide a base to develop personality traits [99]. It is generally assumed that entrepreneurs are born not created however this is also a fact that individuals can learn and polish their skills to pursue entrepreneurship. Education can develop and nurture certain skills that are necessary to be an entrepreneur [100]. Many universities, business faculties, and high school institutions are providing social entrepreneurship education by keeping in view its interest among students [101]. The conventional education system is the biggest obstacle in the development of social entrepreneurship in Pakistan. Education plays a crucial role in the business sector of the economy but there is a scarcity of curriculum development in the education system of Pakistan. One of the main reasons behind the struggling social entrepreneurship sector in Pakistan is that only a few business schools and management institutes are providing an education of social entrepreneurship [102]. Serious steps needed to be taken by the educational institute in order to promote social entrepreneurship in the country.
Policymakers can do that by introducing it as a subject for the students and it can be proved as a crucial step in this context. Although the government backing programs for educated youngsters are prevailing but still the problem of unemployment is increasing day by day. Youth can also play a critical role in elevating the country, so by appealing them to social entrepreneurship social and economic issues can be resolved [103].

4.1.6. Age.

Previous literature indicated that Age has been one of the antecedents of social entrepreneurial initiatives. People having age between 20 to 34 years old and between 50 to 60 years inclined to launch more startup than the youngster. Contrary to this, it is evident that social entrepreneurs in Pakistan are mostly under the age of 35 [104]. According to responses of survey 55 % of social entrepreneurs running successful enterprises are under age 35 and 17 % of social entrepreneurs are from 18 to 24. Female social entrepreneurs are young and 43 % of them are aged from 25 to 34 and none of them are above 65 years. However, 9% of the male area aged above 65 years. Observing the social enterprises that came into being with since 2010 their leaders are aged between 18-24 and in contrast, 60% of social enterprise before 1996 are mostly run by the people above 65 years [105].

4.2. Environment

The obligation of the substantial impact of setting on social entrepreneurship is further recognized in extensive literature. “social entrepreneurship has different facets and varies according to the socio-economic and cultural environment” [106]. The impact of the external environment on individual, process and organization in the context of social entrepreneurship has acknowledged little or no attention in the existing literature[107]. Littlewood and Holt [27] discovered the influences of the environment on social entrepreneurship, especially institutional and contextual elements. Moreover, he employed Gartner (1985) theory with institutional theory to observe that how environment make impact on social entrepreneurship as a procedure (e.g., discovering business opportunities and marketing products and services), social enterprises (including their strategies for growth and resource acquisition), and the social entrepreneurs (including his or her characteristics). Most of the researchers indicated towards the entrepreneur’s role as a leader and catalyst in new venture formation is shaped up by both informal and formal environmental factors.

4.3. Process

The process of new venture creation and evolution of a new enterprise either its commercial or social is commonly divided into manifold steps, which initiates from opportunity recognition and inception of the venture and its development, and then advancing towards the actual establishment of start-up and following growth and success of it [108]. Opportunity identification has been generally acknowledged as the first step of such a procedure of evolution, that converts it in to launch of new ventures through the attainment of all essential resources and assets [109]. New ventures are not quickly coming into being with some magical act that gives them life but it is carefully evolved and generated step by step by their founders. The formation of a new venture is the result of a complex procedure that arises over multiple interrelated stages. Different frameworks suggested that count three steps or more which highpoint the facts and to what extent they analyze the enterprise’s creation [110]. Perrini, Vurro, and Costanzo (2010) [35] discovered the procedure through an in-depth case study of a successful Italian enterprise and identified five steps which are mentioned below:

1. Opportunity identification, when a social need is recognized in the beginning;
2. Opportunity evaluation, when a theory of change is suggested and economic viability is evaluated;
3. Opportunity formalization, when the guiding values are defined and the social mission is aligned;
4. Opportunity exploitation, when the organization is established and launched;
5. Opportunity scaling-up when the intervention model is duplicated to maximize social impact.

Guclu, Dees, and Anderson (2002) inspected thoroughly the early phase of social entrepreneurship process, roughly connecting to the first three steps identified [39]. Two crucial steps were highlighted; first step of ‘generating promising ideas’ when the idea of possible outcome in the form of social enterprise is examined ‘developing promising ideas into attractive opportunities’ when the initial phase of social entrepreneurship is further examined it is matured into more formal opportunity to create sustainable social impact [75]
may have also other various forms. For-profit comprises of Sole proprietorship, Association of person, private limited company, and public limited company. A sole proprietorship is a kind of business that is owned and run by one individual and in which there is no legal difference between the owner and the entity of the business. An association consists of two or more persons involved in a business endeavor in which the profits and losses distributed equally. A private limited company is a sort of company that provides limited liability or legal protection for its shareholders, but that places certain boundaries on its ownership. A Public Limited Company is the primary legal description of a company that has provided shares to the general public and has limited liability. The general public can obtain Public Limited Company’s stock. Not for profit comprises of trust, society, section 42 not-for-profit company. A trust is a fiduciary association in which one party recognizes as a trustor, provides another party, the trustee, the right to hold title to property or assets for the benefit of a third party, the beneficiary. In finance, it can also be a type of closed-end collective investment fund built as a public limited company. Society is an association organizes as a separate organization and which a particular aim some charitable or gracious objective in regards to the public-at-large or concerns to the common interests of the members, and which achieves most accurately at a cost. Section 42 not-for-profit Company established for the aim to benefit the public or mutual apart from the conduct to earn the profit and usually created for encouraging commerce, art, science, religion, sports, social services, charity, or any other valuable object [105].

Conclusion
The conclusion from the previous literatures, by using Gartner theory (1985), and its dimensions are necessary to explored and study to form a social venture. The conceptual framework suggested in this study is essential to start-up a social venture. There is a need to do empirical research to explore the model for academicians, practitioners, and policymakers, which will ultimately help the concerned persons to launch social ventures to develop a hybrid model of social entrepreneurship to boost the economy and to make a prosperous society.

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