Social entrepreneurship and the nature of the impact achieved

Nnaemeka Chidozie Ubani¹*, Judith M. Kaduru², Nnamdi Onoche Duru¹ and B. C. Obi³

¹Department of Entrepreneurship Education, Alvan Ikoku University of Education, Owerri, Imo State, Nigeria.
²Department of Business Education, Alvan Ikoku University of Education, Owerri, Imo State, Nigeria.
³Center for Entrepreneurship Education, Alvan Ikoku University of Education, Owerri, Imo State, Nigeria.

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ABSTRACT

Society's most pressing needs all over the world have raised concerns which are comprehensive, deep and quick. The development of any nation depends on its social and economic strength as well as the contributions of its citizens. Their contribution now has an important place, but is only relatively recently that this contribution has been recognized by writers outside mainstream economic thinking. As attention has become more focused on the importance of entrepreneurship for economic security and the creation of employment opportunities, greater attention has been directed at the social enterprise sector. Thus, the new innovative culture has additionally spread to the social area. Progressively higher expectations are being set on social entrepreneurship in ameliorating social issues facing the world at large. Social entrepreneurship is a concept that covers the individual motivation and leadership behind the pursuit of social objectives. This can be best represented as the activity of pursuing social objectives through entrepreneurship. Accordingly, social business ventures can include a somewhat expansive scope of associations and organizations which acquire assets to implement social objectives. Therefore, the main purpose of this paper is to examine the impact of social entrepreneurship in addressing social issues facing the world. It will explain the importance of social entrepreneurship, its concepts, social issues as well as impacts of social entrepreneurship. Additionally, Nigeria was cited in most cases as an example of such an impact.

Keywords: Social entrepreneurship, social economy, sectors, social enterprise.

*Corresponding author. E-mail: ubanichidozie@gmail.com.

INTRODUCTION

Society's most pressing needs have raised concerns and debates among academicians, practitioners and organisations worldwide. It is a global challenge which seems to have defied a traditional approach. Social issues, an inclusive society as a society embedded each with rights and responsibilities with an active role to play (UNDP, 2006). The most affected countries believe that there are some countries without social and environmental issues but not knowing that it is a global challenge and that all countries of the world have a share in one way or another. Stuck by the bleak social issues, many individuals especially in developing nations like Nigeria have been subjected to sex in exchange for money, crime and violence, kidnapping and armed robbery, insurgency and communal crisis among others which is a crucial situation.

Over the years, governments in power, both developing and developed nations have expressed concern and determination to ameliorate social issues facing the world. For instance in Nigeria, since the end of her civil war in 1970, various governments in power have emphasized the need for the eradication of social issues among the marginalized zones of the country by launching some programmes like the National Social Investment Programme (NSIP), Government Enterprise and Empowerment Programme (GEEP), the Home Grown School Feeding Programme (HGSF), N-Power programme, National Social Safety programme...
activities targeted at society, problem while the third sector point incorporates an array of such activities.

The entrepreneur

The idea that the entrepreneur has a significant role in economic development has been developed by writers outside mainstream economic thinking. Hisrich and Peters (2002) traced the concepts as follows:

1. During the Middle Ages, the entrepreneur was seen as an actor and person in charge of large-scale projects.
2. In the 17\textsuperscript{th} century, the entrepreneur was seen as somebody who bears risks of profit or loss in a fixed price contract with the government.
3. In 1725, Richard Cantilllan described an entrepreneur as a person bearing risks different from one who supplies capital.
4. In 1934, Joseph Schumpeter described an entrepreneur as an innovation who develops an untried technology.
5. In 1961 David Mclelland described an entrepreneur as an energetic moderate risk taker.
6. In 1964 Peter Drucker stated that an entrepreneur is an individual who maximizes opportunities.
7. In 1975 Albert Shapero defined an entrepreneur as a person who takes initiative, organizes some social and economic mechanisms and accepts risks of failure.

According to Oduma (2012), an entrepreneur means different things to different people, accordingly he observed that:

- To an economist, an entrepreneur is an essential element in generating investment opportunities.
- To a sociologist, an entrepreneur is an energizer in the modernization of societies.
- To a psychologist, the entrepreneur is an entrepreneur man and tries to decipher him as a character of economic development.
- The political scientist sees an entrepreneur as a child of the political system.
- To a businessman, an entrepreneur appears as a threat to another entrepreneur (Onoh, 2004).

Entrepreneurship is crucial for rapid national economic growth (Chigunta et al., 2005), especially for youth development. It is the main hope of developing nations, in particular Nigeria to increase their per capita income (Oduma, 2012) and most parts of Africa. According to Nwaiwu (2010), Entrepreneurship is the life wire of national economic growth of nations as well as a driving force behind the rapid growth of the social sector. Entrepreneurship is not just about how individuals run businesses, but also about encouraging creative thinking.
and promoting a strong sense of worth and accountability (Awajiobi, 2006). Therefore, entrepreneurship is a force that controls other factors of production such as land, Labour and capital, it is a process of creating value by coordinating scarce economic resources to exploit business opens. It is also the facilitator of human business interest and the positive attitude required for the establishment of new businesses for profit maximization.

In the last two decades, it has been very difficult for scholars to conclude what constitutes the definition of social entrepreneurship. For instance, social entrepreneurship has been defined as:

- As an entrepreneurial activity with an embedded social mission (Austin et al., 2006).
- As the sector is located between the private and the public sector, it operates in accordance with the social mission and requires an entrepreneurial spirit (European Commission, 2010).
- It is regarded as the establishment of social enterprises (Harding, 2006).
- Is the process of pursuing suitable solutions to social problems (Abu-Saifan, 2012).
- Individuals with the primary objective focused on social values creation as a vital condition to ensure the viability of social change.
- A simultaneous pursuit of social and economic change through enterprising ventures as a response to social challenges (Peredo and Mclean, 2006).
- Encompasses the creation of value through the fusion of capital technology, risk-taking, pass and decline to accept shortfalls in resources (Rogers, 2003).
- Other scholars call it the catalyst for national economic growth (Nicholls, 2006; Haugh, 2005; Institute for Social Entrepreneurs, 2021; Thompson et al., 2000).

However, it is a clear fact that there is no consensus as opposing views and approaches emerge from the literature, all seem to be saying the same thing in different forms.

**Social entrepreneur**

Enthusiasm towards the role of entrepreneurship in economic development has impacted the development of social entrepreneurship in the last few decades. Thus, the new entrepreneurship culture has also spread to the social sector. Increasingly higher expectations are being set on social entrepreneurship in terms of addressing the needs in the social sector and achieving social economic security.

Social entrepreneurs are people or organizations that use economic and technical innovation to achieve social goals (Noya, 2009) social entrepreneurs are individuals often seen to be possessed by their ideas committing their lives to changing the direction of their field (Alvord et al., 2002). They are ambitious and persistent, tackling major social issues from increasing the college enrolment rate of low-income students to fighting poverty.

Social entrepreneurs act as change agents for society, seizing opportunities others miss to improve systems, invent new approaches and create solutions to change society for the better.

**Social issues**

No doubt that social entrepreneurial activity affects economic growth, reduces poverty and improves large-scale social development. Hence it becomes very important to specify what is meant by social issues. It is also known as a social problem/challenge affecting every society, great or small. It's virtually impossible to avoid them.

The list of social issues is huge and not identical from area to area (Wikipedia, 2016). In Nigeria, for example, some predominant social issues include poverty, corruption, inequality, terrorism, high child mortality rate, unemployment, tribalism, domestic violence, drug abuse, prostitution, ritual killings and examination malpractice.

Other issues that may be considered social problems that are not common in Nigeria and other developing nations, but are huge problems in Developed nations like the US are gun violence, human rights, healthcare, gender inequity, pollution, sexism, unemployment etc. The above-mentioned social issues both in great and small nations inhibit the development of society. More so, all these social issues are related to each other and could seem hard to address one without addressing all.

Therefore, it is important to know that social challenges within a society affect its interaction with other societies, which may lead to global problems, that says how other nations deal with the problems of the developing nation may continue affecting its relationship with the rest of the world for years to come. The very nature of social issues suggests that society itself is a problem (Kane, 2010). No nation has a perfect society where all live happily and where no problems exist. Perhaps this is prevented by the nature of humans, thereby making it impossible to achieve meaningful goals.

The emergency of social entrepreneurship and its contribution to addressing society's most pressing and daunting social issues is quite visible all over the world. Evidence to prove this is the attention being accorded to the field in recent times by institutions of higher learning across the globe by mounting courses at different levels of degree. Also, a traceable fact to the contribution of social entrepreneurship as a major player in finding solutions to social and economic problems that are constraint by free market thinking and policies could be found in the Nobel Peace Prize award given to the
founder of the Grameen Bank, the world largest micro-
credit organisation Muhammad Yunus in 2006 to provide
small loans to people, mainly women to alleviate poverty
in Bangladesh. Besides that, the general public is
embracing it as a solution to the crisis hitting the global
economies (National Directorate of Employment, 2000;
European Commission, 2010).

The recognition of the importance of social
entrepreneurship practice seems to have stimulated a
growing level of scholars’ and Practitioners’ interest.
Hence, two schools of thought have risen namely; the
social enterprisers school of thought and the social
innovation school of thought which were critical to the
development of the field of social entrepreneurship.

According to the social enterprise school of thought, the
main purpose is business strategy to mass alternative
income with the purpose of social mission. This school of
thought sees social entrepreneurship as autonomous
from any government and its agency’s support in
delivering its social mission activities. Scholars of this
school of thought example Fine (2001) claimed that the
social enterprise is built in the profit domain to become
commercial by adopting a business strategy. Social
enterprise operates in the following ways, such as a sole
proprietor, incorporated organisation and partner. Yunus
(2010) claimed that social businesses are related to
mission-driven approaches that embed strong conditions
designed to address social issues. The purpose behind
adopting a business strategy in social mission is to
overcome some of the barriers in non-profit organisations
such as inadequate human capital and lack of sufficient
funds to support their operation. In addition, it adopts the
method of self-sufficiency in its activities to ensure
sustainability in marketplaces. Therefore, social
enterprise is directly involved in the business strategy to
earn income to support its running of the day-to-day
activities.

The social innovation school of thought emphasises
innovation as an attitude of social entrepreneurship
where they are denoted as key agents of change in
human creativity development and talent in business,
replacing the existing products, processes, and ideas
with one’s new to impact on society. Scholars of this
school of thought defined social entrepreneurship as an
individual who seeks to reform the method of production
innovatively to move economic resources from the low to
higher level. Scholars like Dees and Anderson are of the
view that social innovation should be emphasized to
create new and better ways to address social issues
(Dees and Anderson, 2006).

The slight difference witnessed in the conditions
between the incomes earned strategy and the social
innovation school of thought should not be
overemphasized. Dees and Anderson (2006) opined that
the view of the two schools of thought stands out to
balance the social purposes and economic growth of the
society. Schumpeter (1934) cited in Johnson (2010) in
their efforts to conceptualize social entrepreneurship from
the innovation school of thought laid much emphasis on
the social entrepreneur as a person who innovatively
deals with complex social issues. Business venture is not
a necessary tool of entrepreneurship but innovation to
strike a balance between the social needs and its
operation can positively influence social development and
economic growth at the same time (Zahra, 2007).

Notable leaders and individual foundations can be
considered as the argument of the school of thought. The
American tradition supports the social enterprise school
of thought. Bill Drayton the founder of the Ashoka
Foundation Vinoba Bhave (India), the founder and leader
of the land Gift movement, Dr. Maria Montessori (Italy)
developed the Montessori approach to early childhood
education, Robert Owen was a Welsh textile
manufacturer, philanthropist and social reformer and a
founder of utopian socialism and co-operative movement
(UK), John Muir (US) naturalist and conservationist
established national park system, Jean Monnet (France)
responsible for the reconstruction of the French economic
following World War II, Brighter Ghana F owner (Ghana),
Olakunle Joe Adewale (Nigeria) Founder Tender Art,
Amina Temilope Ayai (aka mama Diaspora) (Nigeria),
founder/CEO Nigerian American Agricultural
Empowerment Programme (NAAEP) are example of few
leading personality for the social innovation school of
thought. In the context of social entrepreneurship,
opportunities are found in social needs.

The definition of social entrepreneurship has generated
a lot of debates among research scholars to reach a
common consensus. Considering the difference in the
definition of social entrepreneurship by the two schools of
thought, basic points of interest are noted. Social
entrepreneurship is innovative rather than doing the
same thing all over while the other one is an innovation
that cuts across creating social value within the non-profit
business or government sector (Austin et al., 2006). Dees
and Anderson (2006) opined that social entrepreneurship
entails a wider range of activities that encompasses
organisation and business, suggesting a consensus on a
definition. Also on the other hand, scholars of the school
of social enterprise advocate an establishment such as
government agencies and charity organisations.
Examples of such institutions include the Social Benefits
Institute an institute of the Miller Centre for Social
Entrepreneurship at Santa Clara University in Silicon
Valley, California to help social businesses grow through
a specific approach that pairs up social entrepreneurs
with Silicon Valley mentors. Toolboksi in Tanzania helps
to reduce unemployment in the informal sector by
connecting people seeking carpentry, plumping or
construction work with local artisans and handymen
skilled in those areas. Mpharama is a Ghana-based
social enterprise that helps manage prescription
inventory for pharmacies to make medicines more
affordable for Africans. In Nigeria, Farm Crodwy a digital
leading platform which helps to reduce hunger and poverty by increasing food production, and Siyabaddy, a recycling and waste management company that help to create job while helping the environment in South Africa. Similarly, in Sierra Leone, Easy Solar provides pay-as-you-go-solar-powered lighting and charging systems to people with no electricity access. In addition, BRAC University in Bangladesh was founded in 2001 by Fazle Hasan Abed as an initiative to build resources across communities to foster entrepreneurship and social entrepreneurship. Also, Social Lab, an initiative that supports and promotes social change was founded in 2008 with offices in Argentina, Chile, Colombia, Mexico and Uruguay. They support social entrepreneurs in the primary stages of the venture.

Processes

For any organisation to record a remarkable success in its venture, it must adopt some procedures. Therefore, Social entrepreneurship is not exempted from that in rendering its unique services for the most depressed society in the world. The following are processes adopted by social entrepreneurship for an inclusive activity.

i. Identification of social problems.
ii. Development of a social goal.
iii. Development of support and strategy.
v. Regular impact assessment.

Impact achieved

It is noted that society is dominated by social issues and social entrepreneurship is the engine of social development and economic growth. Amawhule (1998) cited in Nwaiwu (2013) believed that people and government had hardly explored the potential possessed by social entrepreneurship. The researcher opined that social entrepreneurship is the vehicle for rapid social development and economic growth of any nation. Oduma (2012) argued that social entrepreneurship accounts for over forty per cent of the development in Nigeria. Hockerts (2006) is of the view that economic development is a factor of industrialization characterised by the increasing growth of social entrepreneurship. This social entrepreneurship makes invaluable contributions to the economies of both developing and developed nations. It is a sure pathway to the liberation of society and the improvement of the socio-economic status of individuals. Thus, Social entrepreneurship is responsible for stimulating society for economic growth, contributing to the transformation of the most socially depressed society into a modern one, creating employment, reducing poverty and serving as a training ground (Seelos and Mair, 2005). Social entrepreneurship activities denominate in the economies of many developing nations. Essentially, it assists in achieving the much-desired sustainable development goals on the agenda of the United Nations. It specifically assists society in addressing poverty and unemployment caused by social challenges. Social entrepreneurship activities equally help to make socially challenged communities more functional. Most importantly, it enables communities to be innovative and creative in visualising business opportunities in their environment. Social entrepreneurship has been high on the economic agenda of many nations example in Britain. Social entrepreneurship can be credited with the following benefits.

i. Provision of quality health care services to socially depressed society by setting up an affordable health care system that guarantees access to drugs and free medical tests. Also, educate patients who in turn cover the gap experienced personally. A good example of a social entrepreneur in this regard is Florence Nightingale who provided health care services for wounded soldiers and also trained Nurses free of charge in Nigeria. Another good example of the activities of social entrepreneurship is the mother-to-mother, who engages in the identification of mothers with HIV, supports and educates them, empowering them, by providing treatment for them and their babies thereby putting an end to stigma.

ii. Social entrepreneurship has impacted in no small measure by providing quality education that has helped reduce the high rate of school dropouts which is responsible for crime in the world. Their impact includes providing infrastructure, instructional materials for effective teaching and learning, and training of teachers at different levels (Kane, 2010).

iii. Again, Social entrepreneurship has done much in the area of human rights such as equality, peace and justice by raising public awareness and engaging government on the issues relating to human rights. An example of this is the role of the Stars of Hope Society in Palestine, which advocates for equal rights for Palestinians with disabilities by engaging and lobbying the government to enforce existing laws such as a five per cent quota among all employment opportunities.

iv. Social entrepreneurship has performed creditable well in addressing environmental challenges by providing sustainable services, such as engaging government and captains of industries in reducing the ecological footprint.

v. Reduction of regional economic imbalances and contributing to the industrialization of the environment. Their result transforms existing realities, opens up new pathways and unlocks the potential to
effect social changes (Dees, 2001).

vi. Social entrepreneurship has played an important role in emerging economies where lack of resources and corruption among government officials inhabits the attention given to a multiplicity of social and environmental issues. This suggests that the basic essence of social entrepreneurship is to provide mitigation against economic downturns (Bornstein, 2005).

vii. It also has driven accountability that attracts additional social investment that facilitates economic growth. For instance, in Nigeria, donor agencies prefer to work with social entrepreneurs to address social issues in internally displaced camps. They do not only have to identify opportunities for social change, they also muster the resources necessary to turn these opportunities into reality (Mair and Marti, 2006).

viii. Above all, Social entrepreneurship provides an enabling environment that guarantees job opportunities.

Although it is difficult for the researchers here to present clear or accurate statistics on the level of impact achieved by social entrepreneurship, a mere observation confirms the fact that social entrepreneurship has creditably done well in addressing social issues across the globe, particularly in Nigeria. Therefore, the relevance of social entrepreneurship cannot be overemphasized due to its unique services or products for the most depressed society in the world.

CONCLUSION

The recognition of the importance of social entrepreneurship by institutions of higher learning across the globe is a welcome development. This new discipline is often referred to as social entrepreneurship. If this recognition is properly followed and maintained with diligent administrative and infrastructural provisions including constructivist instructional delivering strategy in the subject areas, it will assist to re-channel the mindset of the recipient while in school on the need for social entrepreneurship services. This nascent recognition will make the society more functional and as well as decentralise economic activities to the benefit of the society. As the level of poverty, frustration and social vices continue to soar among the society; it is equally believed that social entrepreneurship will be a panacea in assisting the most depressed society of the world. To achieve all the objectives of the sustainable development goals of the United Nations, universities, academicians, practitioners and policymakers have a very significant role to play in the realization of these targets. The institutions of higher learning need to focus on the new subject area properly. A social entrepreneurship activity appears indispensable in this regard because it is a tremendous force that has a huge impact on economic recovery and societal progress. The system should involve practitioners and social institutes to help provide recipients with practical experience in social entrepreneurship activities. This professional service will assist us in achieving the much-desired functional society of our dreams.

REFERENCES


