

Social Entrepreneurship: A Tool for Sustainable Development in Nigeria.

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Abstract: *Social enterprises play a crucial role in attaining Sustainable Development. Social entrepreneurs and organisations are change agents who can associate with efforts to combine resources so as to exploit opportunities that will impact on social and economic development. Social enterprises should actively collaborate with governments at different levels to carry out their envisaged sustainable and developmental activities. Social entrepreneurs should engage in training opportunities in social entrepreneurship to broaden their perspective on development of human, social, and economic sustainability, furthermore social entrepreneurs should redirect and refocus on their primary goal and role in social and economic development and sustainability. This requires that they develop a positive attitude towards their role in both direct and indirect economic and social activities, and that they actively engage communities, seeking opportunities for social entrepreneurship.*

Background of the Study

Social entrepreneurship has emerged as a sub-discipline within the field of entrepreneurship (Certo, & Miller 2008). Social enterprises are organisations that trade for a social and/or environment purpose (Austin, Stevenson & Weiskillern, 2006). Social entrepreneurship began in Italy since the late 1980s and spread to the rest of Europe, United States and other parts of the countries in the second half of the 1990s. Social entrepreneurship is still poorly defined and the boundaries with other fields of study are still vague (Mair and Marti, 2005). It means different things to different people. “It can be viewed as a process of creating value by combining resources in new ways” (Stevenson, Roberts and Mair and Marti, 2005). These “resource combinations can be used to exploit opportunities to create social value by stimulating social change” (Alvord, Brown and Letts, 2004, in Mair and Marti, 2005) or meeting social needs. Business entrepreneurs see value in the creation of new markets, while social entrepreneurs find value in the “form of transformational change that will benefit disadvantaged communities and ultimately society at large”(Botha, 2009). Social entrepreneurship is a multidimensional construct that includes the expression of entrepreneurial behavior in order to perform a social mission. Zahra et al (2009) state that social entrepreneurship encompasses processes related to the discovery of opportunities which aim at creating social wealth and the organizational processes developed and used to achieve the desired results. Social entrepreneurs create social value by providing social benefit for all, and economic value by creating jobs and income for their venture while accomplishing their vision and missions (Meyskens & Bird 2019). Partzsch and Ziegler (2011) propose that the innovative capacity of social entrepreneurs is their primary source of authority to deal with the commonly perceived problems. Social entrepreneurs have been understood as change agents who employ entrepreneurial means for providing systemic solutions to social and environmental problems (Partzsch & Ziegler 2011) while also ensuring their

own survival and sustainability (Mair, & Martí, 2006). To recognize opportunities for sustainable development, entrepreneurial knowledge and innovative abilities play a key role (Hall, Daneke & Lenox 2010). The innovative power of entrepreneurs has an important part in ensuring a more sustainable development. Entrepreneurs are, therefore, recognized as the engines of sustainable development (Patzelt, & Shepherd, 2011). Although the objective of a profit-maximizing firm is different from a social business, the managerial mindset should be the same as in a business while creating social benefit. Social businesses can certainly generate income while achieving their social missions and can be self-sustainable. The surplus generated by such businesses may be reinvested in the business to provide cost-effective quality goods and services to the target group of beneficiaries (Yunus, & Moingeon 2010).

Despite of having tremendous efforts from public sectors (or non-profit NGOs) and private sectors (for-profit) to meet the increasing gap between community needs, they have failed to meet the goal due to various limitations. Private sector focused on high concentration in profit maximizing, public sector lack resource to reach deprives and disadvantage ones. This tendency resulted in increasing problems in society. However, overcoming both private and public sectors’ limitations, a hybrid approach of social entrepreneurship is currently emerging as a feasible alternative due to its amalgam characteristics.

Objectives of the study

- 1) To examine the effect of Social Entrepreneurship on Sustainable Development.
- 2) To assess the role of social entrepreneurs in the social sector

Social Entrepreneurship and Sustainable Development

Social entrepreneurship, an emerging phenomenon, is increasingly receiving attention because of its potential to contribute to addressing sustainable development and

enhancing social cohesion. Social entrepreneurship contributes to sustainable development through business models developed to meet the social needs not yet explored by both the government and the market. Social entrepreneurship is primarily designed, besides corporate creation, to meet the social needs not yet achieved by the government and/or by the trade sector (Thompson, 2002; Alvord et al, 2004). Unlike a capitalist market economy, which advocates the achievement of strictly financial objectives, social entrepreneurship is part of solidarity logic which prioritizes social cohesion. The social entrepreneur integrates societal concerns in his business strategy. He is always driven by an initiative spirit and has specific and remarkable personality-features, a willingness to act and be useful to others (Bornstein, 1998; Drayton, 2002). He also identifies the social needs-essentially the collective ones not explored by the market and which neither the public sector nor the private entrepreneurs were able to fully answer and tries to fill them effectively. To do so, he should be able to anticipate, analyze, communicate, accentuate, mediate, arrange, combine, etc. social entrepreneurship can tap into individual skills ingenuity to find solutions to urgent social and environmental problems that will catalyse social transformation while meeting the needs to disadvantaged people. Social enterprise provides solutions that have a profound impact in community. Zahra et al (2009) identify three types of social entrepreneurs: **the handymen (bricoleur)** who focuses on discovering and meeting the social needs in a well-defined geographical area, **the constructionist** who exploits the opportunities and the market failures to understand the customers so that they can introduce reforms and innovations in the established social system, and finally **the engineer** who recognizes the existing problems in the social structures and try to face them by making revolutionary changes in order to achieve sustainable development. Social entrepreneurship-Act on Social Enterprise considers prime task as creation of employment opportunity for the people who are in difficult employment situation due to long-term unemployment, disabilities, substance abuse, and imprisonment. Nieminen (2007) states that the social entrepreneurship as a combination of 'hard' economics and 'soft' social policy since it is responsible of earning and sustaining profitability and meanwhile addressing social objective through empathy, softness, or even socialism. (Nieminen & Kohonen 2007).

Role of social entrepreneurs in the social sector

The debate on the role of social entrepreneurs in economic development is important to contextualise social entrepreneurship as a strategy for sustainable development. With the adoption of the developmental approach to social welfare as mandated by the White Paper for Social Welfare (RSA, 1997), social entrepreneurs have, in principle, committed themselves to social development, which implies promoting people's welfare in conjunction with a comprehension process of economic development" (Midgley, 1995). Midgley and Conley (2010) outline how

social entrepreneurs can influence human, social, and economic capital development. Social entrepreneurs can contribute to direct community economic development by supporting local people in establishing a variety of economic projects, including cooperative micro-enterprises, savings associations, after school Home work classes, adult literacy classes, day-care centers, job training, and job referral programmes provided by non-profit organizations (Midgley and Conley, 2010). Social entrepreneurs engage in both direct and indirect economic activities. From the perspective of integrated social and economic development, the creation of economic opportunities for the poor includes the provision of basic social services in the areas of healthcare, education, family planning, nutrition, and primary education (Hall and Midgley, 2004). The social entrepreneurs believed that there was no clear mandate as to their role in social service delivery to service users living in poverty (Engelbrecht, 2009). They were, in fact, "highly sceptical" of their role in promoting economic development (Engelbrecht, 2009). Entrepreneurial activity is seen as important for economic and sustainable development through job creation, innovation, and its effect on welfare (Herrington, et al.,2009). However Social entrepreneurs try to solve the problems of the society by planning and implementing change in the society executing these solutions, and spreading these improved solutions in the societies. Social entrepreneurs are the people who have innovative solution for the various social problems present in the society which have been neglected by different agencies. They are the role models for others by doing well to the society and in turn influence them to implement their ideas for welfare of the society (Smita & Nishith 2017). They encourage citizens to mobilize and channelize their resources to bring the social change and sustainability. Social entrepreneurs create and initiate new ideas for solving social problems. They are reformers and revolutionaries of the society. They seek out opportunities to improve the society. The Social entrepreneur aims for value in the form of large-scale, transformational benefit that accrues either to a significant segment of society or to society at large. Furthermore, social entrepreneur focuses his/her activities at "underserved, neglected, or highly disadvantaged population that lacks the financial means or political clout to achieve the transformative benefit on its own. Social entrepreneurs are equal participants in bringing about a direct impact in the society and thus acquiring the equilibrium in the society in terms of socio economic development. Social entrepreneurs through social entrepreneurship attempts to furnish the needs of people with poor economic situation and often from marginalized groups who are not in state to afford the regular price of the product or services (Müller 2012,).

Social Entrepreneurs as change agents in the social sector

According to Dees (1998, in Botha, 2009 &) Social entrepreneurs act as change agents in the social sector by adopting a mission to create and sustain social values,

engaging in a process of continuous innovation, adaption and learning. They act boldly without being limited to resources currently in hand. They also exhibit a high sense of accountability to the constituencies served and for the outcome created. Social entrepreneurs recognize and relentlessly pursue new opportunities to serve that mission.

Conclusion

Social enterprises play a crucial role in attaining Sustainable Development. Social entrepreneurs and organisations are change agents who can associate with efforts to combine resources so as to exploit opportunities that will impact on social and economic development. Social enterprises should actively collaborate with governments at different levels to carry out their envisaged sustainable and developmental activities. Social entrepreneurs should engage in training opportunities in social entrepreneurship to broaden their perspective on development of human, social, and economic sustainability, furthermore social entrepreneurs should redirect and refocus on their primary goal and role in social and economic development and sustainability. This requires that they develop a positive attitude towards their role in both direct and indirect economic and social activities, and that they actively engage communities, seeking opportunities for social entrepreneurship.

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