

A Research on the Social Innovation (SI) Approach to Social Entrepreneurship

Kaifeng Huang^{1,a,*}

*¹The National University of Singapore, Bachelor of Business Administration, Singapore, 119077
a. 993247730@qq.com*

**corresponding author*

Abstract: Social entrepreneurship is a type of social innovation that has developed over the past decade. This study examines the mechanism of the association between SE and innovation, we propose SE as a paradigm for solving social and social challenges, and then the intrinsic qualities of SI. The fact that SE relies on a disjointed body of literature that lacks a cohesive theoretical foundation is a significant factor in supporting this methodological approach. Thus, the qualitative method is ideal for exploring the many facets of entrepreneurship. Take Australia, for example, although the Australian economic system is not mature enough, three major challenges were recognized, and based on these challenges social managements across the organization are established. The research significance of this paper is to focus on the innovation of social entrepreneurs and the help that their spirit brings to society or social problems. In addition, our findings allow us to highlight the major stages of the scientific inquiry process, including entrepreneur support, third space creation, and community of practice formation.

Keywords: SE, innovation, economic model, challenge

1. Introduction

Societies around the world have few effective and sustainable remedies for social problems. In the face of these challenges, they must encourage innovative, locally-driven forms of organization. Social entrepreneurship is a type of social innovation because it seeks to solve complex social problems. This is a relatively new scientific concept that has developed over the past decade. Social enterprises must make social innovations while providing social benefits to meet unmet needs. This new hybrid organization must combine its social, economic and participatory dimensions. Although there are many definitions of SE, this study must give a friendly and uniform approach. Literature evaluations have raised key research avenues [1].

This study examines the mechanism of the association between SE and innovation. To answer this question, we propose SE as a paradigm for solving social and social challenges, and then the intrinsic qualities of SI. In the second stage, we conducted a qualitative investigation on this issue. It is based on participants' observations in national and international SE activities. The democratic transformation in Australia started on January 14, 2011, after a wave of public upheavals, generating significant socio-economic challenges such as regional inequality or rising unemployment, particularly among young people and rural women [2]. Since then, the SE

movement, which existed before 2011 through informal and unorganized actions, has evolved through private and public initiatives.

2. Theoretical Background

2.1. Social Entrepreneurship as the Shape for Social and Societal Issues

According to [3]. All the several ways that SE might be defined bring up details about the setting or the field of study. In this respect, there is no unanimity, as evidenced by the wide range of critical articles discussing past and future SE research. To help frame our thinking about this issue, we have focused on the novel nature of SE and the importance of the entrepreneur. We also zeroed in on the social entrepreneur to better comprehend his function in the evolution of SI.

2.2. Innovative Character

Social enterprise (SE) innovation can be viewed from two perspectives: the social value it generates and the unique structure that supports it. For this reason, "social enterprises" is as "hybrid companies" aiming to balance profit with social good. SE is defined as a process of inventive usage and combining resources to identify opportunities to accelerate social change by supplying fundamental to needs of human in a sustainable way, therefore representing a new direction that values the creation values shared to live in a visionary society [4].

2.3. Role of Social Entrepreneurship

SE focuses on social project initiators and change agents. Social entrepreneurs are passionate and persistent, offering large-scale solutions to social problems. Entrepreneurs benefit from proximity to the field. So, a social entrepreneur must be on information watch to spot investment opportunities and to understand his culture. Social entrepreneurs are visionaries and leaders. This description emphasizes a skilled entrepreneur [5], who must organize internal (volunteers, permanent employees, partners, etc.) and external (customers, sponsors, public actors, communities, etc.) stakeholders to ensure the accomplishment of the social project. The entrepreneur must then handle environment-business interactions. Communication is a crucial skill. He shows his coworkers' solidarity. This form of entrepreneurship emphasizes cooperation and camaraderie.

3. Methodology

The fact that SE relies on a disjointed body of literature that lacks a cohesive theoretical foundation is a significant factor in supporting this methodological approach. Indeed, it isn't easy to approach the notion with precision due to the multi-disciplinarity of the field of inquiry (entrepreneurship, economics, sociology, anthropology). And the qualitative method is ideal for exploring the many facets of entrepreneurship. Finally, to the best of our knowledge, more research needs to be done to investigate the connection between SE and social SI [6]. Because of this, the researcher can become fully immersed in the area by participatory observation, a method first developed in the 1930s. Additionally, it "captures a unique number associated with social processes and their related environment", which is a huge plus. Through in-depth, semi-structured interviews with social entrepreneurs, we were able to validate and expand upon key findings and add nuance to our study [6].

3.1. The Research Context: Case Study Australia

This study aims to learn more about social innovation in relation to business in Australia, a country with an exciting analytical background for several reasons. It is worth noting that since January 2011, Australia has been undergoing a democratic transition process, which has led to increased vigilance in the face of social and economic problems, especially in the central region of the country. The economic transition has an impact on the social entrepreneurship of the country, which in turn affects the social innovation of the country. The awakening after the Jasmine Revolution has prompted a reassessment of the role of citizens and government. The number of organizations in Australia doubled from 2010 to 2017, from 10,000 to 20,698 [7].

Then, in the whole process of social innovation and creation, people-oriented is the top priority. This suggests that countries will adopt similar economic and social policies to make businessmen work harder in their daily business activities. However, the SI development architecture necessitates a distinct contextualization depending on the country due to the varying financial, managerial, institutional, and cultural technology methods involved [8].

3.2. Data Collection

Participants observation. A longitudinal observational study was conducted between 2013 and 2019. Most of these are seminars and forums at national and international levels that focus on fostering the growth of SE and SI in Australia [9]. Events were first selected based on their global scope and novelty as a demonstration of the shift to a more socially conscious economic model (EV1), and we subsequently narrowed our focus to those events that have gained recognition from the international networks and social entrepreneurship associated with SSE (EV1, EV2, EV3, EV7). The seminar we attended was attended by many government and business people. The researcher was also allowed to participate in a gathering of entrepreneurs, incubators, accelerators and academics hosted by the Australian Social Entrepreneurship Movement (EV6). Research workshops involving three parties (students, practitioners, and project managers) allowed these groups to agree on more effective social innovation strategies (EV4, EV5). The structured observation is shown in Table 1 below.

Table 1: Structured innovation.

	Date	Nature of the event	Organizes
EEV1	May 2013	Form of the (SSE) in the Mediterranean (MedESS)	Med ESS and Tunisian General Labor Union (TGLU)
EEV2	September 2013	Reflection workshop	GIZ
EEV3	October 2014	(SE) Forum	GIZ
EEV4	November 2015	Research seminar	Lyon2 university - France
EEV5	September 2017	Workshop	University of Tsukuba-Japan and the Ministry of Higher Education and Scientific Research
EEV6	April 2018	Reflection workshops	British Council

The researchers used the same observation grid for every event or seminar they attended. We began to learn more about the organizers and participants; activity needs and other aspects related to SE; the development of events and their impact on SI; the resources and skills that may be

mobilized by the activity; event possible economic model development; and the event's most significant challenges [10]. The study's grid of observations is shown in Table 2.

Table 2: Study grid observation.

Criteria	Questionings
Actors	Who are the actors present?
	Which actor organized the event?
	What are the links between the actors?
Social needs	What are the social needs? What observation?
	What are the social and economic emergencies?
	For what future?
Social entrepreneurship (SE)	What are the solutions for developing (SE)?
	How to meet social needs?
Social innovation (SI)	What are the implications for (SI)?
	How to develop social innovation?
Resources and skills	What are the resources and skills to mobilize?
Economic models	Which models to develop?
Challenges	What are the major difficulties encountered in solving social problems?

Semi-structured interviews. There is an emphasis on qualitative methods in this work, explicitly using a semi-structured interview with three Australian social entrepreneurs. Official macroeconomic statistics from the government were also used to enhance the findings.

To transcribe them, we first recorded them. Because this was an exploratory study, the interview guide focused on three primary areas: (a) the vision of interviewee's on SE in Australia, (b) motives for building a social enterprise, and (c) the management of the organization to initiate SI in business [11]. A summary of entrepreneurs and their social enterprises' profiles may be seen in Table 3.

Table 3: Entrepreneur social summary (continued).

Social entrepreneurs	Social enterprise activities	Social value created	Characteristics of the social entrepreneur
ES1	Founder of a guset house in the heart of the Medina of Tunis	Safeguarding the architectural heritage Preservation of the last trades of Tunisian crafts	Fellow Ashoka City councilor Active member of the network of Tunisian social entrepreneurs
ES2	Founder and manager of a company manufacturing heat-insulating clothing for infants and children	Innovation textile product Employees are single mothers	Social entrepreneurship trainer National and international speaker

Table 3: (continued).

ES3	Artisan couturier	Safeguarding craftsmanship Recruitment of employees in precarious situations	Member of the Tunisian social entrepreneurs network National and international representative of social entrepreneurs
-----	-------------------	--	---

3.3. Data analysis

Sphinx is used to process data from exploratory semi-structured interviews and other sources such as incident reports. The observation grid serves as a framework for topic analysis and is compiled verbatim to discover units of meaning. Then strongly emphasize inferences and build "meaning in the conversation" based on the results.

3.4. Results

Applying the longitudinal observation, we were able to pinpoint three distinct epochs in the history of SE in Australia's development (Figure 1). Microfinance and semi state banks institution called ENDA were among the organizations that acted informally before 2011, ENDA still in operation to this day. Structures devoted solely to SE increased after the 2011 Spring when overseas founders publicly showed their support for the country [12]. Until 2015, there had been a series of awareness-raising efforts in the Southeast as civil society had become an integral part of the scene. A rule on SSEs has been in the works since 2016. Its enactment continues to be hampered by many disagreements among the participants and by the fact that the details of the legislation are not in line with the realities on the ground.

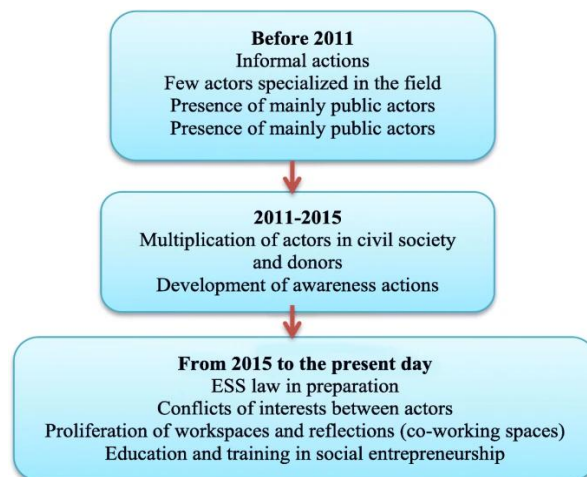


Figure 1: History of Australian SE.

Nevertheless, despite this many public and private efforts, we see only modest growth in social entrepreneurs. The importance of the support issue has remained strong in SE. It is no secret that finance has always been a highly standardized and controlled industry. The latter is very competitive and features numerous domestic and international firms, including Enda, Microcredit, CFE, Zitouna Tamkeen, and Tayssir. In 2020, new funding options for social projects were made possible by the passage of a crowd-sourcing or crowdfunding bill [13].

Further, a robust metric for social effect is needed to strengthen Australia's SE ecosystem. Though, as of 2019, the National Institute of Statistics has begun its official tracking of employment data. Despite the anticipated benefits, this new economic model must establish its credibility. One EV7 speaker noted, "the entrepreneurial ecosystem suffers diverse fashion consequences [14]. After 2011, SE became commonplace; by 2018, (SSE) was all the rage. During EV6, one of the presenters said", we need measuring devices, indicators. However, we also need a large number of employees. You must acquire the skills of entrepreneurial leadership. Although financial backing is helpful, we also require assistance allocating these resources. According to a 2016 report from the Ministry of Investment, the SSE accounts for 1% of GDP and 0.5% of the labor force. The agricultural industry receives the bulk (90%) of these efforts [14].

4. Discussion

Need for prerequisite collaboration. From this research, we learned that improving workers' skill sets would positively impact social enterprises. This applies to associations and the class of entrepreneurs who, out of necessity, want to expand their economic activities and increase their positive social impact. As such, the concept of the social enterprise itself constitutes the first necessary condition [15]. In order to work with other organizations sometimes very well equipped, the latter must establish sound social governance and management practices (NGOs and global foundations). The study emphasizes that SI is an internal management technique, not an external product or service. Mr Martin repeated his previous advice: "SSE should act with management in a good intellectual and social way; the judicious choice of certain management tools; set up specialized institutions. Social entrepreneurs should do this by changing their uses or creating new forms of management technology without compromising the integrity of their social objectives. It also requires managerial acumen and a passion for positive action. SE are change agents and leaders in their field. It can initiate initiatives to raise awareness of scientific inquiry and mobilize people to action. However, difficulties in allocating resources, implementing social management for long-term economic viability, and keeping operations going require careful study [16]. Therefore, social entrepreneurs and educators need complete backing to create and spread innovative social programs. Based on our findings, a collaboration between various ecosystem actors, the creation of third places favorable to mutual reflection and innovation might facilitate the learning and skill-building process.

5. Conclusion

This study examines the factors that contribute to the growth of SI over time from the perspective of SE. Despite the promises made on this basis, a research analysis has shown that the Australian economic system is not mature enough to assess its effects to give credibility to the current economy. Nevertheless, by observing participants at eight SE and SSE events in Australia, we were able to recognize three major challenges that society participants should take on to foster growth: (a) the advancement of entrepreneurial knowledge by entrepreneurs and their handlers; (b) Promoting recognition of a social need by social enterprises; (c) Promoting cooperation and linkages with different actors for development. Based on these findings, we established social management across the organization to improve our tool mastery, team leadership, and market exposure as a major shortcoming. SE needs to evolve into a social manager rather than cling to outdated "hero myths". This type of social management should address issues such as succession and the long-term viability of social companies. In addition, another limitation is the execution of long-term market-related plans. Studying the link between social entrepreneurship and responsible customers may seem tempting. In addition, our findings allow us to highlight the major stages of the scientific

inquiry process, including entrepreneur support, third space creation, and community of practice formation.

For the future direction of research, the best efforts of enterprises and the public and the long-awaited economic and social reform is still a long process. The implementation of securities laws in Australia will usher in a new era of economic and social development. But before that can happen, the government must win back the trust of its people and the wider community. This study also provides additional thoughts on how government agencies can best help create scientific inquiry.

References

- [1] Bruin, A. D., & Teasdale, S.: *A research agenda for social entrepreneurship*. Edward Elgar Publishing, 2019.
- [2] Pate, L., & Wankel, C.: *Emerging research directions in social entrepreneurship*. Springer Science & Business Media, 2014.
- [3] Andersen, L. L., Gawell, M., & Spear, R.: *Social entrepreneurship and social enterprises: Nordic perspectives*. Routledge, 2016.
- [4] Guha, S., & Majumdar, S.: *In search of business models in social entrepreneurship: Concepts and cases*. Springer Nature, 2021.
- [5] Andersen, L. L., Gawell, M., & Spear, R.: *Social entrepreneurship and social enterprises: Nordic perspectives*. Routledge Studies in Social Enterprise & Social Innovation, 2018.
- [6] Maher, C.: *Handbook of research on value creation for small and micro social enterprises*. IGI Global, 2018.
- [7] Volkmann, C. K., Tokarski, K. O., & Ernst, K.: *Social entrepreneurship and social business: An introduction and discussion with case studies*. Gabler Verlag, 2012.
- [8] Weaver, R. L.: *Social entrepreneurship: A practical introduction*. Taylor & Francis, 2022.
- [9] Taylor & Francis. *Social entrepreneurship and sustainable corporate development. Evidence from Vietnam*. 2020, September 6. <https://www.tandfonline.com/doi/full/10.1080/23311975.2020.1816417>
- [10] Retracted article: *Social entrepreneurship and social enterprise phenomenon: toward a collective approach to social innovation in Australia*. Springer Open. 2021, May 17. <https://innovation-entrepreneurship.springeropen.com/articles/10.1186/s13731-021-00148-6#Sec1>
- [11] Phan, P. H., Bacq, S., & Nordqvist, M.: *Theory and empirical research in social entrepreneurship*. Edward Elgar Publishing, 2014.
- [12] Short, J. C., Moss, T. W., & Lumpkin, G. T. *Research in social entrepreneurship: Past contributions and future opportunities*. 2009. *Strategic Entrepreneurship Journal*, 3(2), 161-194. <https://doi.org/10.1002/sej.69>
- [13] Weerakoon, C., & McMurray, A.: *Theoretical and practical approaches to social innovation*. IGI Global, 2020.
- [14] Social entrepreneur, social entrepreneurship, and social enterprise: *Semantics and controversies*. (n.d.). Cairn.info. <https://www.cairn.info/revue-journal-of-innovation-economics-2014-2-page-143.htm143.htm>
- [15] Zainea, L. N., Toma, S., Grădinaru, C., & Catană, Ș.: *Social entrepreneurship, a key driver to improve the quality of life: The case of TOMS company*. 2020. *Business Ethics and Leadership*, 4(3), 65-72. [https://doi.org/10.21272/bel.4\(3\).65-72.2020](https://doi.org/10.21272/bel.4(3).65-72.2020)
- [16] Volkmann, C. K., Tokarski, K. O., & Ernst, K.: *Social entrepreneurship and social business: An introduction and discussion with case studies*. Gabler Verlag, 2012