

Incorporating Business Models and Strategies into Social Entrepreneurship

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Reference

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Section 1 **Understanding Social Entrepreneurship**

Chapter 1

Boundaries and Challenges for Social Entrepreneurship	1
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Neeta Baporikar, HP-GSB, Namibia & University ofPune, India

Social and economic progress is inextricably intertwined. Charity and aid can improve the quality of life and the life chances of the poor by subsidizing interventions education and health care and increasing access to clean water and so forth. However, these interventions may not alleviate poverty in a sustained way unless increased economic participation and empowerment for the poor is ensured. Existing large corporations could support the economic engagement of the poor for the betterment of society. If there is an arena in which boundaries need to be defined and challenges understood well, it is social entrepreneurship, so that social enterprises and social entrepreneurs will be able to achieve their goals and objectives in a coherent and meaningful manner. The thrust of this chapter is to understand social entrepreneurship, its differentiators and its boundaries along with the challenges faced by social entrepreneurs. Based on content analysis, in-depth literature review and published reports, the chapter findings relate to the strategies which need to be adopted to overcome the challenges. It is also hoped that the global examples would serve as role models for future entrepreneurs.

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This chapter critically examines social value creation in societies focusing on the "shared value" theory and stakeholders' "collective responsibility" hinged on social responsibility. The social value creation process is reviewed from the social entrepreneurship perspective considering the essential business/social inputs required to create social value for the business and the host society. The United Kingdom (UK) is used as a case study, depicting factors shaping the business environment. Other current meaningful developments, which include the Social Value Act 2012 that promotes social value creation in the

country, are discussed. An analysis of the UK model of social value creation and why it will be difficult to implement in developing countries is also provided. Constraints such as poor infrastructure, corruption and other limiting factors are considered. Finally, social value creation is a sustainable process and every stakeholder benefits from its outcomes.

Section 2

Business Models

Chapter 3

Designing Business Models for Creating and Capturing Shared Value: An Activity-System Perspective

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Business models define configurations of activities that jointly enable a firm to create and capture value. The value paradigm is shifting from sharing created value to creating shared value in which firms and societies jointly create and share value to nurture more benefits for a sustainable business-environment symbiosis. Drawing on this logic, we develop a framework for designing business models that enable creation and capture of shared value. Our model builds on the practice theory and activity system and depicts business models as complex adaptive systems that co-evolve with markets. Using the shared value framework proposed by Porter and Kramer (2011) we propose three design themes namely the Product-Market Design (PMD), the Value Chain Design (VCD) and the Social Cluster Design (SCD). We specify features of each school from the activity perspective. Subsequently, we will discuss implications of our framework for theory, practice and management education and illuminate some directions for future research.

Chapter 4

Business Models for Social Entrepreneurs:

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Social Entrepreneurs creatively contribute towards the welfare of marginalized members of society by availing affordable products and services. The objective of this chapter is to critically discuss the concept of social entrepreneurship and provide some theoretical lens through which one can understand the activities that are carried out by social entrepreneurs. This chapter describes social entrepreneurs from a bricolage and a social constructionist perspective. While a plethora of definitions of social entrepreneurship exists, this chapter filters a few definitions and elaborates on common elements that increase our understanding of the concept of social entrepreneurship. Various models of social entrepreneurship serve different social goals and these are discussed with aid of examples. Factors that determine the adoption of a model range from the scale of the social mission, characteristics of the clients to the type of intended social beneficiaries of the venture.

Section 3 Strategies

Chapter 5

Business Strategies Creating Value for Social Entrepreneurs

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Social entrepreneurs seek to make a difference in their societies. It starts with the identification of a specific social problem and devising a specific solution to address the problem. A historical overview of social entrepreneurs shows how individuals considered the greater good of society over self interest as well as the trickle down impact in order to achieve that difference. This chapter explores the various strategies available to social entrepreneurs and begins by defining strategy then presenting a broad spectrum of different competitive, social skills, growth, marketing and communications well as resource strategies that social entrepreneurs can adopt. The chapter concludes by presenting possible solutions and recommendations for social entrepreneurs.

Chapter 6

Using Creativity and Social Innovation to Create Social Value and Change

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Social challenges are numerous, complex, urgent and multidisciplinary in nature. The old ways of looking for solutions to social problems like unemployment, climate change, an ageing population, poverty, supply of clean water, chronic disease and so on, do not offer sustainable solutions and global implementation. Societies can also no longer hold governments responsible to find solutions to all these social problems only. Social innovation is needed and seeks new answers to social problems by identifying and delivering new services that improve the quality of life of individuals and communities. The main aim of this chapter is to create awareness of social innovation as an emerging field. This chapter explain what social creativity and innovation are and explains the creative and innovative processes. Barriers and support for social innovation are also discussed.

Chapter 7

Marketing in Social Ventures

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This chapter focuses on the role of marketing in social ventures. The unique marketing challenges that social enterprises face including the various criticisms for marketing in the social venture context will be identified and suggestions as to how these challenges could be dealt with are provided. Consideration will also be given to Strategic Marketing Planning with a discussion of how social ventures can carry out marketing audits through the utilization of key analytical tools which facilitate the mapping out of the strategic direction and collaborative or competitive strategies for social ventures. Attention will also be given to the development and implementation of segmentation, positioning, communications and fundraising strategies that will promote efficiency and innovation which will enable social ventures to leverage scarce public and philanthropic resources.

Chapter 8

Marketing for Social Entrepreneurship

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Social entrepreneurship has been motivated by the reality that conventional for profit organisations did not have the capacity to address social challenges endemic to society. Further to this the notion of pairing social goals and entrepreneurship is paradoxical in nature. This chapter therefore presents the marketing of social ventures to address social problems. The chapter proposes that this will be done through an in depth understanding of where marketing and social entrepreneurship interact, providing clarity as to what social entrepreneurship is, indicating what is driving social entrepreneurship and developing marketing strategies for social entrepreneurship from the knowledge shared by various writers in the disciplines of entrepreneurship and marketing. Through a critical analysis of the writings of the various researchers the chapter offers a tactical tool to market social ventures and ultimately provide social improvement.

Chapter 9

The Youth and Social Entrepreneurship

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In today's world where the global economy is shrinking and the people of the world are constantly being plaque by recession, natural disasters, poverty and war the youth have to grapple with all these stressful influences. Due to the recession the job markets have become saturated as recession has hit the global economies throughout the world. The youth now are tasked with becoming involved in entrepreneurial activities to survive in these complex world economies. However entrepreneurship is not an easy endeavour. It is not for the faint hearted either. Entrepreneurism involves drive, perseverance, emotional intelligence and risk taking. A way forward for young people is social entrepreneurship as it offers them very viable opportunities within the backdrop of such a volatile economy.

Chapter 10

Nurturing Social Entrepreneurship and Building Social Entrepreneurial Self-Efficacy: Focusing on Primary and Secondary Schooling to Develop Future Social Entrepreneurs

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For the development of social entrepreneurs it is imperative that educators embrace the concepts and process of social entrepreneurship (Dees, 1998). Exploration of these concepts in education could prove beneficial to the community (Haugh, 2005). This chapter focuses on the positives of introducing social entrepreneurship education at the primary and secondary levels of education. Specifically, its central focus deals with building children's entrepreneurial self-efficacy at a young age. Several benefits, of increasing self-efficacy at a young age, are outlined. Benefits, such as entrepreneurship training, not

only training students, but it helps to prepare them for the new knowledge-based economy. Further, entrepreneurship education should help increase the success and survival rates of women and minority entrepreneurs. Essential to this process, a new curriculum needs to be devised including its means of assessment. Lastly barriers to an entrepreneurship program are discussed; this includes financial, legal, political and negative perceptions of entrepreneurship education.

Section 4

Global Trends

Chapter 11

The Role of Social Entrepreneurship in the Global Business Environments

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This chapter presents the role of social entrepreneurship (SE) in global business, thus explaining the practical and theoretical concepts of SE; the antecedents of SE in terms of cognitive desirability and feasibility of social entrepreneur, human capital of social entrepreneur, and social capital of social entrepreneur; and the significance of SE in global business. The competence of SE is powerful for modern organizations that seek to serve suppliers and customers, enhance business performance, reinforce competitiveness, and accomplish usual prosperity in global business. Thus, it is crucial for modern organizations to consider their SE applications, establish a strategic plan to review their attainable growth, and exactly respond to SE needs of customers. Applying SE will practically increase organizational performance and gain sustainable competitive advantage in global business.

Chapter 12

The Advent of Social Entrepreneurship in Saudi Arabia: Empirical Evidence from Selected Social Initiatives

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Wassim J. Aloulou, Al Imam Mohammad Ibn Saud Islamic University (IMSIU), Saudi Arabia

Social entrepreneurship is attracting growing interest of several actors in the society. It is not only seen as response to numerous constraints, but also to a pressing social demand. Thus, it offers a development model in which social mission, social value creation, social responsibility and sustainability are the key words. In this chapter, the author introduces the emerging field of social entrepreneurship and the new social business models and strategies needed to meet differently social needs and ensure a growing social sector in the global economy. The author chooses to study a specific context: the Saudi context; then, presents the context of social entrepreneurship, the existing Saudi ecosystem and selected social entrepreneurial initiatives undertaken by several stakeholders. These initiatives are reviewed and some inclusive business models are discovered. Finally, the author discusses the empirical findings and opens up research perspectives aiming to understand more the phenomenon in such context with political, practical and educational issues.

Chapter 13

The Social Economy and Role of Government in South Africa

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Socialeconomy, as a relatively new concept, is considered the 'third sector' of the economy in government discourse. It plays significant roles in socio-economic and political spheres of any nation. Emphasis on social economy has been as a result of the global recession which caused economic depression in several countries all over the world. In South Africa, the impact of the economic recession has reflected mostly in increased unemployment and poverty levels resulting in maximization of discrepancies between the rich and poor with inequalities, creating disenabling environments for foreign investments. These social problems have called for an examination of the role of the social economy in liberating the South African economy from its current dire state. This chapter on tracing the developmental agenda of the South African government, will examine how the social economy has fed into the National Development Plan and the impact of implementation of government policies and regulatory frameworks to ensure achievement of various national imperatives aligned to the Millennium Development Goals in the context of the social economy. The authors state that whilst there is a growing trend towards the social economy in the current context of government, multi-faceted effects of poverty needs to be targeted through robust entrepreneurial opportunities for growth and development of the economy.

Chapter 14

Exploring Social Entrepreneurship for the Creation of Sustainable Livelihoods in South Africa

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Although social entrepreneurship has grown rapidly in developed and many developing countries around the world, it is still in its infancy in South Africa. To date, there is limited research available about social entrepreneurship in South Africa. While there are many reasons for its slow development in this country, a significant reason is the poor understanding of the concept, which would preclude investment in programmes, policies and research. This chapter presents an overview of South African issues and analyses how social entrepreneurial development can address some of the problems and issues. The more pressing problems include extreme inequality, high poverty levels and unemployment, a weak Small, Medium and Micro Enterprise (SMME) sector, fragmented communities and an economic system that needs to strengthen both social and economic development. The chapter presents the model developed as a result of research that contextualizes social entrepreneurial development for a South African market.

Chapter 15

Legal Empowerment as Social Entrepreneurship: The KwaZulu-Natal Cases of Bulwer and New Hanover

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Fayth Ruffiti, University of KwaZulu-Natal, South Africa

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In this chapter, theoretical foundations of social entrepreneurship and legal empowerment are explored and intersection of these social actions by community based-paralegal practice in rural KwaZulu-Natal examined. Conceptually, integration of social entrepreneurship and legal empowerment innovatively contributes to the broader discourse on self-determined community development and democratic governance. Empirical evidence shows that community-based paralegals generate legal empowerment as social entrepreneurship and such service delivery advances rural women empowerment. Arguably there is a global/local nexus of each social action; a positive theory of social entrepreneurship is more useful than normative theories; rule of law orthodoxy is less meaningful for and somewhat contradictory to self-empowerment of indigenous populations that experience plural legal systems. This qualitative study found that while contemporary business models are incorporated in the intersection of social entrepreneurship and legal empowerment, so are African indigenous justice principles and remedies.

Chapter 16

A Discussion on Social Entrepreneurship in South Africa: A Look at Why Social Entrepreneurship Offers Opportunity to Strengthen Civil Society and Fast Track Socio-Economic Development in South Africa

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This chapter explores the literature on social entrepreneurship and civil society in South Africa, with a brief look on the country context and the need to fast track socio-economic change. It presents weaknesses in the current ability of civil society to function well and argues that social entrepreneurship offers opportunity to strengthen traditional methods of delivering social value, whilst introducing new approaches. The chapter provides brief insights on where social entrepreneurs require greater support to be effective and looks at where there are quick wins to enable them to thrive.

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