

Review of Disruptive Thinking in Social Entrepreneurship: Challenges and Effectiveness

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Abstract – With the emerging field of social entrepreneurship, academicians have raised several research agendas to give a unitary direction to the theoretical groundings and foundations of this concept. The current review is one such attempt to explore the definition of social entrepreneurship and its linkage to social innovation and disruptive thinking. This review aims to understand students' perspectives and familiarity towards social entrepreneurship; its effectiveness in bringing social change; and the challenges in this field of study. By adopting a secondary research where recent literature on current topic is explored, this review provides fresh insights into the dimensions of social entrepreneurship. Research papers, books, and published materials on social enterprise, innovation, creativity, and disruption are rigorously reviewed and explored to derive valuable conclusions. It is inferred from the study that a successful social venture can make a positive impact and contribution to the society, yet a need to measure its implications has been recognized. The research on social entrepreneurship is not united and convergent and requires more in-depth investigations and concrete evidences that can assist with its practical implementation.

Keywords – Disruptive thinking, social entrepreneurship, social innovation

INTRODUCTION

Entrepreneurship is one of the most prominent and essential dimensions that drives economic growth of a nation through increased employment and revenue generation or GDP. The presence and importance of entrepreneurship is common across all developed countries, where economic development and infrastructure are facilitated through the progress of entrepreneurship [1]. This importance is realized by several governments who encourage and promote the augmentation of entrepreneurship via various growth strategies, initiatives, and providence of resources to the entrepreneurs and startups. Since its inception, entrepreneurship in the economic context has been considered as business with risks and uncertainties [2]. It is of different types including small business, scalable startup, large company, and social, where social entrepreneurship is one which is unique and less explored. Social entrepreneurship differs from the other types of entrepreneurs due to the difference in its objectives as it emphasizes on not only enterprise/business development, but also the development of people, society, and environment [3]. Social entrepreneurship is most often used with social work, where the difference between NGOs and social services

is that social entrepreneurship includes the acquisition of profits. Social entrepreneurship initiates programs or business in a way that helps the poor or deprived section, develops the society, and also gains revenue for a thriving business [4]. It offers innovative products and services that are available to all sections in a society and also benefits the environmental causes. As stated by Thompson et al. [5], "a high-impact social venture focuses on its mission to "change the world". For achieving the goals of social entrepreneurship, it is imperative to infuse the enterprise with innovation.

A social venture often requires new methods and means to create inventive products and services that are sustainable and benefits all stakeholders. Innovation, in this context, is referred as social innovation, which is focused on creating services or products that are able to best serve the users and people. Social innovation is a crucial part of social entrepreneurship where it is used to analyze and develop practices that meet the dynamic market needs and solves problems of social environment [6].

Social entrepreneurship, a relatively less explored area that has piqued interest of several research scholars, emphasizes on conducting business while solving social problems and assisting in the development of the society

towards a progressive path. Social entrepreneurship can also be radical, innovative and disruptive. This review paper covers how innovation and disruptive thinking affects social entrepreneurship. The difference in social entrepreneurship thinking with that of entrepreneurship would be explored while also focusing on how social entrepreneurs identify opportunities and apply innovative approaches to tackle social issues. Further, the effectiveness of their methods and ideas on transforming society or bringing progressive changes will be studied. The challenges encountered by social entrepreneurs was also studied in this paper.

Literature Review

Defining Social Entrepreneurship & Social Innovation

Social entrepreneurship as an entity that inculcates diverse and innovative business models to achieve the social and environmental aims of the enterprise [7]. Social entrepreneurship is gaining recognition and popularity in different fields of education, support services, medical industry, and social finance. Social finance that seeks social returns on business investment is a part of social entrepreneurship. These are reasons with profits and financial impact required for the growth of social ventures. There has been an increase in the number of ventures embarked on the foundation of social causes, and the organizations and government are promoting such activities by providing those resources and financial aid [8]. Social entrepreneurs realize the need to developing products and making profits, and also on how to give back to the society. Social entrepreneurship based on a social, environmental or community objectives has increased over time where people are more indulging into this concept. In nations such as the United States of America (USA) and Australia, 11 percent of the businesses are social enterprises [9]. While the growth rate is not high, it is gradually being accepted by the people and communities due to the realization of positive impacts of social ventures on the society as a whole.

Social entrepreneurs thrive for positive changes in the society, and while the term, social entrepreneur, is new, its concept has been there in the society since the 1980s [10]. Social entrepreneurship has acquired practical relevance in the 1980s and 1970s, but is only in the 1990s that the government and research community started showing interest in this terminology. It is acknowledged as a type of business that considers the creation of social wealth and not economic wealth has and the latter the major business goal. Due to the increase in social and environmental problems plaguing the society, the

ideology and perspective of social entrepreneurship has gained high popularity and importance [10]. It is often related to corporate social responsibility and corporate social innovation. Social entrepreneurship is implemented by employing innovation to produce social value [11]. Strengthened the definition of social innovation by determining that it is a concept where 'change' is the foundation [12]. It facilitates the social change by visualizing a reality and helping to create that reality by bringing together the resources. Social innovation gives rise to creative ideas and this in the context of social entrepreneurship assists in creating something new that forms the different stages in the complete social entrepreneurial process.

Understanding Social Entrepreneurship

Eppler [13] determined that when a student who is interested in social change can adopt the ideologies of social entrepreneurship or convey their perspectives towards driving social change to their parents, teachers or adults. Calling oneself as social entrepreneur signals that the individual shares beliefs and values to those who target social changes. Reveal from the study of Waghid and Oliver [14] education towards social entrepreneurship increases the interest and desirability of students to launch their own new ventures that can develop their society and economy. Awareness and knowledge towards the concept of social entrepreneurship is thereby very important in affecting the perspectives of youngsters and students. According to Richomme-Huet and De Freyman [15], there exists few education and training programs that assist students who are motivated towards bringing social changes and embarking on the journey to launch their sustainable enterprise. However, most students are not familiar with the terminology and the importance or relevance of social entrepreneurship. Waghid and Oliver [14] strengthened this argument that social entrepreneurship education is crucial for the society as it has an eminent role in job creation and poverty reduction. The higher educational institutions must include teachings on social entrepreneurship, which focuses on bringing social change, so as to enhance the knowledge bracket of the students.

Obembe et al [16] asserted that the perspectives of the students towards social entrepreneurship are reliant on their immediate social and cultural environment. The major factors that affect the perspectives of students are capital, university education, survival and familiarity. Students initially gain knowledge from different sources in their early childhood, and apart from school-based literacy, education on social entrepreneurship can also be

offered through the film and entertainment industry. It is inferred from this review that the government must give more emphasis on promoting social entrepreneurship education.

Role of Disruptive Thinking

Disruptive thinking and social innovation are key indicators of social entrepreneurship. Social innovation is driven by social entrepreneurs; it gives new perspective to innovation as it helps in designing strategies that can overcome the challenges of post-modern society. As defined by Andrew et al [17], “social innovation is a process initiated by social actors to respond to a desire, a need, to find a solution or to seize an opportunity of action to change social relations, to transform a frame or propose new cultural orientations to improve the quality and community living conditions.” Disruptive thinking is also another element that gives more in-depth meaning to social entrepreneurship. Disruptive technologies change the functioning of industries and markets, and the use of disruptive technology and innovation has monumental consequences on social enterprises in the developing economies [18]. Disruptive thinking refers to the ability to think towards radical changes while depending on non-conventional methods and developments [19]. Disruptive thinking, creativity, and inventiveness are essential attributes in shaping social enterprises and sustainability. According to Cieslik [20], disruptive thinking and transformation is an essential aspect of social entrepreneurship that differs it from the other types of entrepreneurs. Social entrepreneurs are often viewed to be creative and open to disruptive ideas so as to bring strictness and certainty in bringing changes to the society. However, its impact on the effectiveness of the social venture is unknown due to a lack of evidence.

Applications, Challenges and Effectiveness of Social Entrepreneurship

The business models used by social entrepreneurs include social innovative and creativity that assists in bringing positive change in the society. Several social models and applications of social entrepreneurship are the Organizational Support Model: This is slightly different from the service subsidization model, where the social entrepreneur sells products or services and uses the money to fund other social programs.

Social entrepreneurship, though considered to be effective in helping the society, does not have sufficient evidence to support its effectiveness in bringing social change and resolving social issues. According to a study conducted by Diochon [22], social entrepreneurship is

considered to combat poverty, and yet, there has been no positive impact of social entrepreneurship on the community’s employment and entrepreneurial capacity. Considering the challenges in this field, one challenge of social entrepreneurship is the lack of method to measure the impact made on the people or society. While the profits and revenue generation can be measured, it often becomes difficult to evaluate and precisely measure the social, environmental or sustainable impacts. Without this measurement, it becomes tedious to understand the changes required within the current business model or venture itself to ensure better results. Apart from this, other challenges faced by social entrepreneurs are difficulties in managing diversification, lack of resources, funds, and poor collaboration with other authorities [23].

MATERIALS AND METHODS

This review adopts descriptive methodology where secondary data such as books, research papers, reports and articles are explored to meet the objectives of the study. As the study aims to explore social entrepreneurship and its linkage to social innovation and disruptive innovation and to understand how students perceive social entrepreneurship, 28 articles were reviewed from 2006 to 2019. Articles were selected based on their quality and relevance to the research topic and aim. The study is subjective in nature that utilizes a phenomenon or setting to understand the topic of research. The literature exploration and synthesis are performed as a secondary data collection method by using the computer and electronic databases on web such as Google Scholar, Google Search Engine, academia database, online newsletters, existing thesis on this subject, journal of social entrepreneurship, and other peer reviewed journals. Secondary sources on social entrepreneurship, innovation and disruption are referred; which are as follows: Research papers and books related to the current topic of study. Websites and online published materials on social enterprises and their development. Reports of government bodies and industrial agencies on social entrepreneurship. Web resources on social entrepreneurship and its role in economic development.

RESULTS AND DISCUSSION

Here, the major inferences are drawn from the existing body of literature so as to reach the conclusion. In this section different studies are discussed, as shown in the following table-1. The following table-2 demonstrates some research gaps and research problems identified from the current review.

Table 1: Summary of research findings

Authors	Objective	Methodology	Findings
[24]	To understand the dimensions and concept of social entrepreneurship	<ul style="list-style-type: none"> • Cross sectional • Survey conducted in South Africa • SEM 	Social entrepreneurship and its growth are dependent on the regulatory environment which impacts the feasibility and desirability towards the social venture.
[25]	To provide knowledge on the current state of social entrepreneurship	Secondary data research based on research papers and books	Research on social entrepreneurship is at an infancy stage. The personal characteristics of social entrepreneurs play a key role, where the most are observed to be highly innovative.
[26]	To evaluate the dimensions of social entrepreneurship	Quantitative approach; survey with organizational leaders	Social ventures provide solutions to social issues by using revolutionary innovation. The users and all stakeholders are observed to be highly satisfied to be a part of the social system defined by the entrepreneurs.
[27]	To examine social entrepreneurship and the role of entrepreneurial orientation	<ul style="list-style-type: none"> • Empirical study • Data collection from 303 social enterprises 	Entrepreneurial orientation is revealed to positively affect social entrepreneurship. Innovativeness and reactivity, but not risk-taking behavior, are other variables that positively affect the performances of social enterprises.
[28]	To study responsive innovation in the context of social entrepreneurship	<ul style="list-style-type: none"> • Data collection from 100 SMEs • Cluster analysis 	The organizations are categorized into (1) The techno-scientific organization, (2) The techno-social organization, (3) The capitalist-social organization and (4) The capitalist organization. Responsive innovation is used for leveraging the technological and scientific capabilities for solving society problems. The social impact is observed to not affect the business initiatives of the social entrepreneurs.
[15]	To focus on the mentality of students towards social entrepreneurship	Data collection from 36 students participating in educational program focused on different types of entrepreneurship	Students are not familiar with the importance and implications of social entrepreneurship.
[16]	To understand students' perspectives towards social entrepreneurship	<ul style="list-style-type: none"> • Survey with 280 students • Logistical hierarchical regression 	The factors that affect the perspectives of students towards social entrepreneurship are capital, university education, survival and familiarity.

Table 2: Research gap, problems and hypotheses

Research Gaps	Suggested Research Problems	Hypotheses
Why has social entrepreneurship not gained popularity in underdeveloped nations and why is its growth still in the stage of infancy?	Study the growth of social entrepreneurship and provide evidence on its implications on the society.	<ol style="list-style-type: none"> 1. Social entrepreneurship has not gained popularity in underdeveloped nations. 2. There is no growth of social entrepreneurship in underdeveloped nations.

There is lack of adequate measurement technique that is able to provide precise information on the impact of social entrepreneurship on resolving social issues.	Study measurement strategies and techniques that can provide information on the effectiveness of social entrepreneurship in resolving social issues and problems.	There is no technique that measures the impact of social entrepreneurship on social issues.
What are the types of barriers there that affect the contributions of social entrepreneurs?	Explore the barriers affecting the contribution and effectiveness of social entrepreneurship.	There are different challenges that affect the success of social entrepreneurship.
What is the role of government in helping social entrepreneurs and young students who are motivated to launch their social ventures?	Study government's contribution in building environment that is beneficial for social entrepreneurs.	Government initiatives are launched to help young social entrepreneurs in establishing businesses.
There lies a knowledge gap where students are not well versed with the concepts of social entrepreneurship.	Study and develop strategies to promote social entrepreneurship education.	Students are not aware of the key concepts of social entrepreneurship.

The above-mentioned research problems are the few areas in which further research can be conducted. This review paper can assist the scholars pursuing a similar field of research who can further enrich the body of knowledge through more extensive investigations.

This review has highlighted the importance of social entrepreneurship, its current status, and role of disruptive thinking and social innovation. It is evident from the review that there is strong impetus for additional research in this field. There is a need to explore and evaluate the goals and motivation of students and of social enterprises to gain a more in-depth knowledge on the area and also on the practical application of social entrepreneurship. More evidence on the inclusion of social capital in the concept of social entrepreneurship is needed, along with measurement strategies to evaluate the impact of social entrepreneurship on the society. Additional information and empirical investigations in this field will clarify the extent of social entrepreneurship and provide more insights into this field of research.

CONCLUSION AND RECOMMENDATION

In nutshell, social entrepreneurship is very crucial topic in today's world. Universities should start implementing social entrepreneurship in the curriculum in order to increase the awareness on students. Academicians should research more on social entrepreneurship. Disruptive innovation and disruptive thinking are the hallmarks of technology world that if properly implemented can boost the business prospect and profit. The term helps individual or company to come up with different strategic approaches; these two terms, disruptive innovation, are critical elements of the evolution of technology. This can be either positive or

negative. However, it is beneficial for the company to come up with rewarding models so that they can be prioritized their choice of design. Most of the social entrepreneurship business suffered significantly due to lack of creativity, lack of finance and fear of risk taking. Personalities and individual behavior can also affect business success. Most of the entrepreneurs start business for profit making but those that focus on social entrepreneurship, they have social mission. Thus, it is very crucial to understand social entrepreneurship in order to solve social issues.

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