

EMERGING PERSPECTIVES ON SOCIAL ENTREPRENEURSHIP

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Abstract : Social Entrepreneurship as an arena of study is in its nascent period even now. Literature supports that there is a need to narrow down the conceptual framework around social entrepreneurship. Thus, the paper provides with the evolution of social entrepreneurship conceptually and theoretically, by studying the concepts through various perspectives acknowledged in the literature for further improvement of the structure, and add to the construction of the notion of social entrepreneurship. Perspectives that are studied besides the academic perspective are; international conceptions, resource based view, innovation, institutional and legal perspectives. The aim of this paper is to scrutinize the development of the notion of social enterprise at a global level. It elucidates an all-inclusive synopsis of the prevailing literature on this specific issue and stresses on the perspectives encompassing the concept of social entrepreneurship.

IndexTerms - Academic perspective, innovation perspective, institutional perspective, international perspective, legal perspective, resource-based value perspective, social entrepreneurship.

I. INTRODUCTION

Public and academic sectors have recently given a greater emphasis on researching on the concept of social entrepreneurship. Still, the dearth of an amalgamating hypothesis on the subject matter has led to a proliferation of descriptions. Furthermore, numerous approaches and varying schools of thought have emerged on the phenomenon in different parts globally. At initial observance, because of differing formations of capitalist structures and unique impact of the governments, there appears to be a variation in the American and the European perceptions of social entrepreneurship.

Alternatively, social entrepreneurship being a multi-layered paradigm, comprises of tactic or influence associated sub-concepts, like market orientation, social enterprise, social entrepreneur, and social value creation (Choi and Majumdar 2014), and entrepreneur-associated sub-concepts like entrepreneurial creativity, entrepreneurial determination, entrepreneurial consideration, and entrepreneurial aptitudes; and are impacted on by varying circumstantial complications. Thus, social entrepreneurship is affected and influenced by a lot of factors and this paper aims to bring out various perspectives affecting this new field of study that further facilitate narrowing down of the broad literature and contributes towards building of the concept.

First, the paper analyses the various academic perspectives on social entrepreneurship. This highlights the conceptual evolution as well as the numerous definitions surrounding the concept. This will provide with an academicians' perspective. The extensive literature review brings out some remarkable research done in this field to foster the understanding of the concept.

Further, as social entrepreneurship is a multi-dimensional concept and is encompassed by various underlying factors like, international conceptions, legal recognition, institutional framework, use of resources and innovation. There is a need to understand these underlying perspectives in order to better understand the concept from different dimensions which further promotes the concept towards a recognized field of study.

II. Academic Perspectives on Social Entrepreneurship

One of the major concerns faced by any newly emerging field is the issue of definition and conceptualization (Christie and Honig 2006). As social entrepreneurship has been defined in various ways giving it a vast array of meanings, no shared assumption on where to locate social entrepreneurship can be found in the literature (Peredo and McLean, 2006).

The origin of this young field of study can be traced back to 1983 when Young did some thought provoking literary work on "innovative non-profit entrepreneurs" by building on Schumpeter's theory of innovative entrepreneurship. In 1991, Waddock and Post published a short literary work on social enterprises. Despite these minor researches, this concept was not studied and recognized until 1990. The term "social entrepreneurship" appeared in the academic world in the late 1990s in the US (Boschec 1995; Bornstein 1998; Dees 1998; Drayton 2002; Thompson, Alvy, and Lees 2000) and in the UK (Leadbeater 1997; School for Social Entrepreneurs 2002).

In Boschee's opinion (1995), social entrepreneurship is the act of "non-profit executives who pay increased attention to market forces without losing sight of their underlying mission, to somehow balance moral imperatives and the profit motives – and that balancing act is the heart and soul of the movement".

Gregory Dees, the "Father of Social Entrepreneurship Education", an eminent academician and founding faculty of Social Entrepreneurship as a field of study, defined social entrepreneurship in two aspects:

(a) Social Enterprise

Dees and Anderson proposed in this school of thought that social entrepreneurship involves a dual aspect of creating economic as well as social value. All the agencies or corporations or companies or societies involved in revenue generation by catering to the social problems and needs will form a part of social entrepreneurship.

(b) Social Innovation

According to Jay and Schumpeter's works on innovative entrepreneur, "an entrepreneur is the one who shifts economic resources out of an area of lower and into an area of higher productivity and greater yield." Schumpeter described him as "one who reforms or revolutionizes the pattern of production... and are change agents in the economy." Thus, building on the previous aspect of value creation, this aspect proposes that economic and social value creation by innovation is the core of a social entrepreneur.

Bornstein (1998) reports that the social entrepreneur is "a pathbreaker with a powerful new idea, who combines visionary and real-world problem-solving creativity, who has a strong ethical fiber, and who is "totally possessed" by his or her vision for change". Thompson, Alvy, and Lees (2000) view them as "people who realize where there is an opportunity to satisfy some unmet need that the state welfare system will not or cannot meet, and who gather together the necessary resources (generally people, often volunteers, money and premises) and use these to "make a difference"". What regards the UK, Leadbeater (1997) gives a large definition of social entrepreneurship that he considers as "a vast array of economic, educational, research, welfare, social and spiritual activities engaged in by various organizations".

The number of definitions of social entrepreneurship has multiplied in the recent times. Some view it as "a process consisting in the innovative use and combination of resources to explore and exploit opportunities, that aims at catalyzing social change by catering to basic human needs in a sustainable manner" (Mair and Marti' 2004, 3); with Noboa, Mair added that this social change is to be analyzed through the "creation of organizations and/or practices that yield and sustain social benefits" (Mair and Noboa 2006).

For others, social entrepreneurship "encompasses the notions of "construction, evaluation and pursuit of opportunities" as means for a "social transformation" carried out by visionary, passionately dedicated individuals" (Roberts and Woods 2005, 49).

It has also been expressed that social entrepreneurship is an "innovative, social value creating activity that can occur within or across the non-profit, business, and/or public/government sectors" (Austin, Stevenson, and Wei-Skillern 2006, 1).

Weerawardena and Sullivan Mort (2006, 22, 32) have also been seen using the concept of social value creation, opportunity exploitation, social mission, innovativeness, proactiveness and risk management behavior.

Stryjan's (2006, 35) definition concentrates on the role of collective actors in the resource gathering as "social entrepreneurship is viewed as a category of entrepreneurship that primarily

(a) is engaged in by collective actors, and

(b) involves, in a central role in the undertaking's resource mix, socially embedded resources and their conversion into (market-) convertible resources, and vice versa".

For Nicholls (2008, 23), "social entrepreneurship is a set of innovative and effective activities that focus strategically on resolving social market failures and creating new opportunities to add social value systemically by using a range of resources and organizational formats to maximize social impact and bring about change". Simply put, "social entrepreneurship is defined by its two constituent elements: a prime strategic focus on social impact and an innovative approach to achieving its mission" (Nicholls 2008, 13).

This spread of definitions has sped along with the occurrence of empirical studies of social entrepreneurship practices, mainly using a case study approach (Mair and Schoen 2007; Jones, Latham, and Betta 2008; Mair and Marti' 2009; Vasi 2009).

Prior research has given evidence of entrepreneurship bringing about social value by nature, e.g. in creating employment. However, it does not imply that any entrepreneurial initiative will pertain to social entrepreneurship. Social entrepreneurship can be well-defined as the manner of identifying, valuing and exploiting opportunities that aim at social value creation by means of commercial, market-based activities and of the use of a wide range of resources.

Swanson and Zhang (2010) in their study proposed to position social entrepreneurship so as to enable researchers and other stakeholders to move beyond the issue of definitive description and on to other components requiring investigation and work.

They have presented the following summary of various remarkable constructs of social entrepreneurship pertaining to the literature.

Scholars	Social entrepreneurship construct	Selected summary of contributions to the field
Dees (1998)	Social enterprise spectrum	Describes the range of business models—from philanthropic to commercial—available to social entrepreneurs.
Thompson (2002)	Social entrepreneurship map	Provides practical examples of social entrepreneurship classified into activity clusters.
Sullivan-Mort, Weerawardena, and Carnegie (2003)	Multidimensional social entrepreneurship construct	"Conceptualises social entrepreneurship as a multidimensional construct involving the expression of entrepreneurially virtuous behaviour to achieve the social mission, a coherent unity of purpose and action in the face of moral complexity, the ability to recognise social value-creating opportunities and key decision-making characteristics of innovativeness, proactiveness and risk-taking" (Sullivan Mort, et al., 2003, p. 76).
Hockerts (2006)	A conceptual framework for social entrepreneurial opportunities	Explains both the social and economic value propositions of social entrepreneurial opportunities related to activism, self-help, and philanthropy.

Source: Swanson and Zhang (2010)

Scholars	Social entrepreneurship construct	Selected summary of contributions to the field
Weerawardena and Sullivan-Mort (2006)	Bounded multidimensional model of social entrepreneurship	Describes social value creation as being the product of the interaction between innovativeness, proactiveness, and risk management; and subject to the social mission, sustainability, and the operating environment.
Martin and Osberg (2007)	Pure forms of social engagement	Explains that social entrepreneurship, social service provision, and social activism are separate forms of social engagement that can co-exist in hybrid types of social entrepreneurial organizations.
Wei-Skillern et al. (2007)	Social entrepreneurship framework	Highlights the social value proposition as including the elements of opportunity, people, and capital
Massetti (2008)	Social entrepreneurship matrix	Describes how social entrepreneurship can exist in four quadrants defined by whether they have a market-driven mission or socially-driven mission and require a profit or do not require a profit.
Nicholls and Cho (2008)	Dimensions of social entrepreneurship	Describes sociality, innovation, and market orientation as dimensions of social entrepreneurship.
Nicholls (2008)	Funding dimensions of social entrepreneurship	Explains the sustainability options for social entrepreneurial ventures
Battle Anderson and Dees (2008)	Dependency versus self-sufficiency continuum	Provides a perspective on the sources of revenue available to social entrepreneurial ventures.
Zahra et al. (2009)	Typology of social entrepreneurship	Distinguishes between three types of social entrepreneurs.
Neck et al. (2009)	Typology of entrepreneurial ventures	Describes four quadrants to explain types of entrepreneurship based on mission and outcomes, and includes a hybrid type that intersects the other forms. Social entrepreneurship is represented by two quadrants but can manifest itself in all of the types.

Figure1. Summary of the social entrepreneurship constructs

Source: Swanson and Zhang (2010)

The consideration of social entrepreneurship from an academic view can be explained because of the general developments described in the previous paragraphs; while also giving rise to dissimilar approaches to social entrepreneurship in different

regions of the world. Even though social entrepreneurship is undoubtedly a global phenomenon (Bosma et al., 2010; Nicholls, 2006; Zahra et al., 2008), two regions still dominate the academic discourse: the United States and Western Europe. The academic perspectives offered by both are elaborated below:

1. American Perspective

In the late 1970s and 1980s, the economic situation in the continent led to large reductions in federal budget allocations for poverty alleviation, healthcare, environment, community and education programs. The term social enterprise was propounded to define the commercial activities involved in compensating these cutbacks. Hence, within the American approach, “social entrepreneurship refers above all to market-oriented economic activities that serve a social goal irrespective of the legal structure and sector” (Nyssens, 2006). The American perspective on Social entrepreneurship led to the formation of two schools of thought:

1.1. The Social Enterprise School of Thought:

In this school of thought the enterprise is defined as an entrepreneurial non-profit venture that generates revenue whilst working towards a social mission. This school combines commercial activity and its continuity to ensure improve the effectiveness of non-profit organizations.

1.2. The Innovation School of Thought

This school of thought focuses on the innovativeness of entrepreneurs in tackling the social problems and meeting the social needs (Dees & Battle Anderson, 2006). Bill Drayton is recognized as the proponent of this school of thought and he is also the founder of Ashoka. Thus, this school bases the social entrepreneurship on innovativeness as an instrument to facilitate commercial entrepreneurship in the context of social welfare.

2. European Perspective

The European perspective on social enterprises arose in the background of the crisis of the 1980s giving rise to the concept of social economy that addressed the welfare services from which the state had withdrawn. Thus, the European perspective views social enterprise as a non-profit or cooperative dedicated thriving to create a social impact along with revenue generation. The initiative at regional and national level was led by governments rather than private foundations. The two main approaches that cropped up from this perspective were: the EMES approach and the UK approach.

2.1. The Emergence of Social Enterprise in Europe Approach

The Emergence of Social Enterprise I Europe Research Network started in 1996 and it comprises of a cooperation of scholars and academicians working towards establishing and defining social enterprise as a phenomenon that comprehensively accounts for all the national differences within the European Union. Accordingly, they have defined a social enterprise to be encompassing features like high autonomy, profit distribution, participatory group working towards the benefit of community and includes organizations like, cooperatives, foundations, etc.

2.2. The UK Approach

In the late 1990s, the Labor Party was in power in the UK. This majorly influenced the UK perspective on social enterprise. The establishment of social enterprise was not only encouraged but initiated by the Blair government, as they launched the Social Enterprise Coalition and created the Social Enterprise Unit within the Department of Trade and Industry (DTI). The DTI defined social enterprise as “businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or the community, rather than being driven by the need to maximize profits for shareholders and owners”.

III. INTERNATIONAL PERSPECTIVES ON SOCIAL ENTREPRENEURSHIP

During the research of any new phenomenon, the literature struggles to generalize the concept to make it into a comprehensive one that is capable of accounting for all the national and regional differences. Similarly, in this entrepreneurial research, international perspectives have been highlighted in the study to broaden the theoretical foundations on which the concept of social entrepreneurship is based.

The international perspectives towards the concept of social entrepreneurship have been elaborated (Poon 2011).

1. United States

In the United States, the emergence of the social enterprise sector began during the 1970s' economic downturn when the government had to withdraw the funding from social welfare activities. According to various scholars such as Crimmins & Keil (1983) and Eikenberry and Kluver (2004), the non-profit organizations saw this as an opportunity to commercialize by compensating for the withdrawal of welfare activities by the government. As Michael Lounsbury (2005) asserts, the 1980s saw the “celebration of management expertise and the genius of particular CEOs was once again on the rise”, with businesses seen as a realm of “fearless entrepreneurial activity.” Thus, the American evolution of this concept is characterized by the withdrawal of government funding from the welfare activities that entrepreneurs saw as an opportunity and this led to the trend of revenue generation by meeting social needs and making social impact and further led to the establishment of the phenomenon of social

entrepreneurship. The emergence of social enterprises in America was predominantly supported and armored by academic institutes and private foundations.

2. Western Europe

The economic downturn of the 1970s in the European continent led to the rising of the third sector in their economy, the social enterprise sector. Due to widespread unemployment, civil societies came to the fore and formed Work Integration Social Enterprise (WISE) that received strong support from the government in the form of institutional support which further accelerated its growth. Thus, they were perceived as partners of the government in addressing the social problems being faced by the economy. Thus, in the Western Europe the emergence of social entrepreneurship was not due to withdrawal of government as in the US but due to active support by the government and strong civil society culture.

3. Eastern Europe

In Eastern Europe the evolution of social enterprise sector followed a similar trajectory as in the case of the United States. The fall of communism led to massive unemployment and reduced role of the state led to ignorance of the socio-economic problems of the people. Certain foreign actors in the form of international communities provided technical expertise and financial assistance stimulated the growth and recognition of the local social enterprise sector. However, due to lack of support by the government, this sector is under developed as compared to Western Europe as there were legal and institutional constraints.

Thus, it is evident that in Eastern Europe the drive for social enterprise sector was majorly initiated by the withdrawal of government role due to fall in communism and structural support by the foreign institutions.

Sengupta *et al.* (2018) studied rich conceptual patterns emerging in BRIICS countries in the form of a constructed framework that comprised of five key dimensions of social entrepreneurship that emerged from the study in these economies: (a) Social Welfare, (b) Social Capital, (c) Social Entrepreneur, (d) Economic Value Creation, and (e) Collective Endurance. Following models demonstrate their study and contribute towards the international perspective on social entrepreneurship.

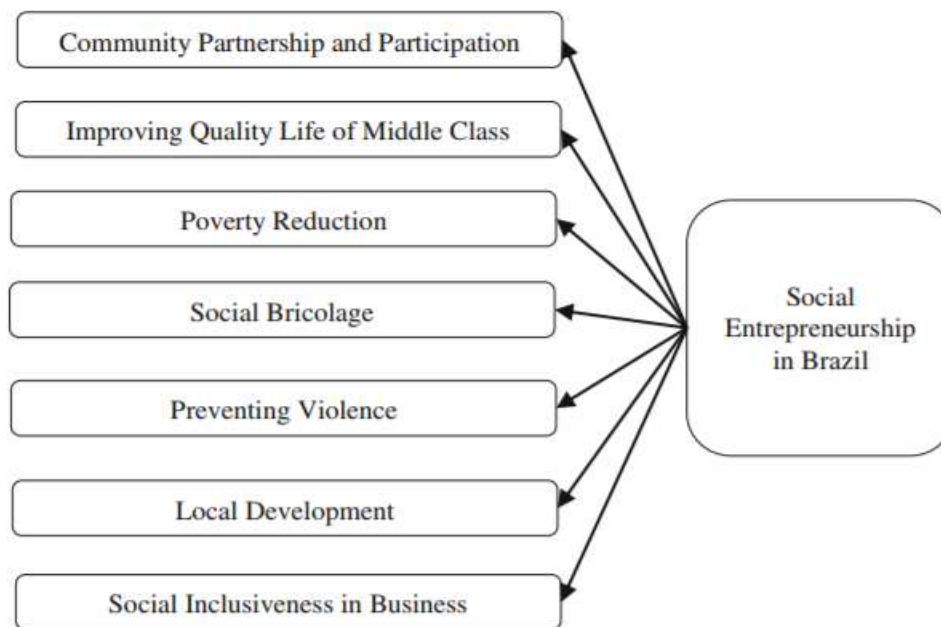


Figure2. Social Entrepreneurship in Brazil

Source: Sengupta *et al.* (2018)

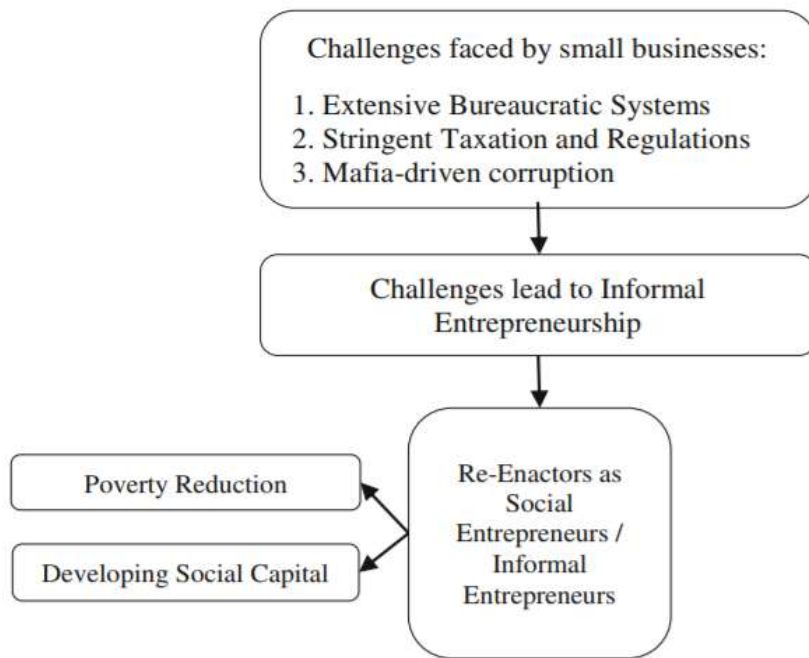


Figure3. Social Entrepreneurship in Russia

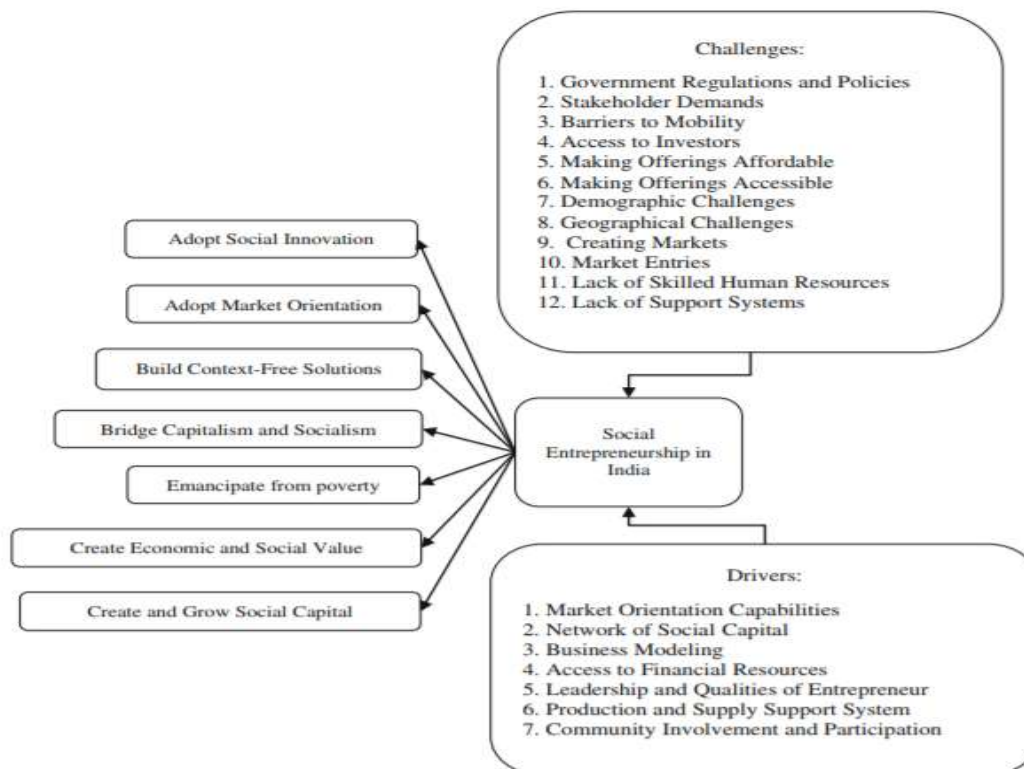
Source: Sengupta *et al.* (2018)

Figure4. Social Entrepreneurship in India

Source: Sengupta *et al.* (2018)

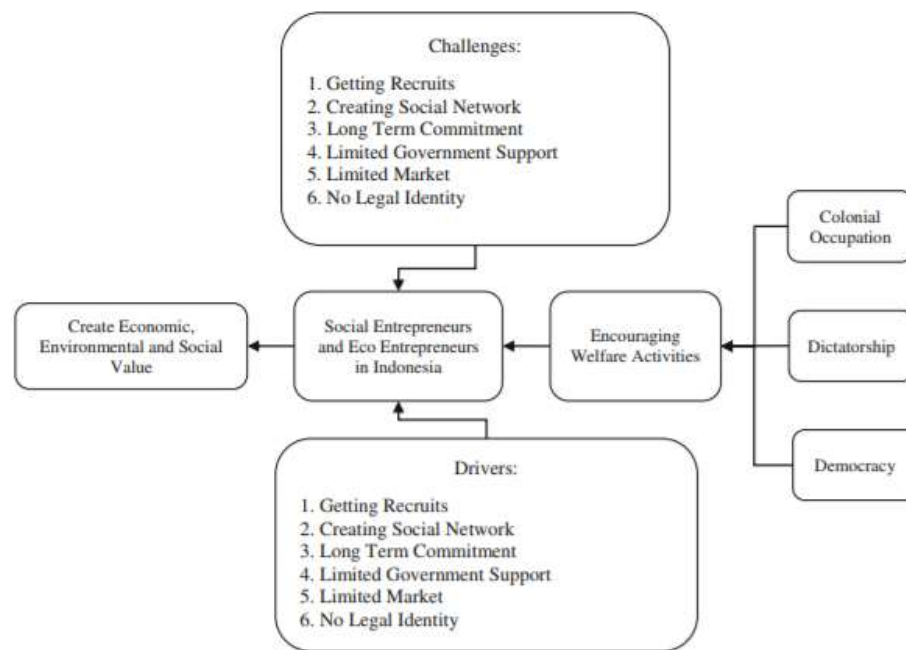


Figure5. Social Entrepreneurship in Indonesia

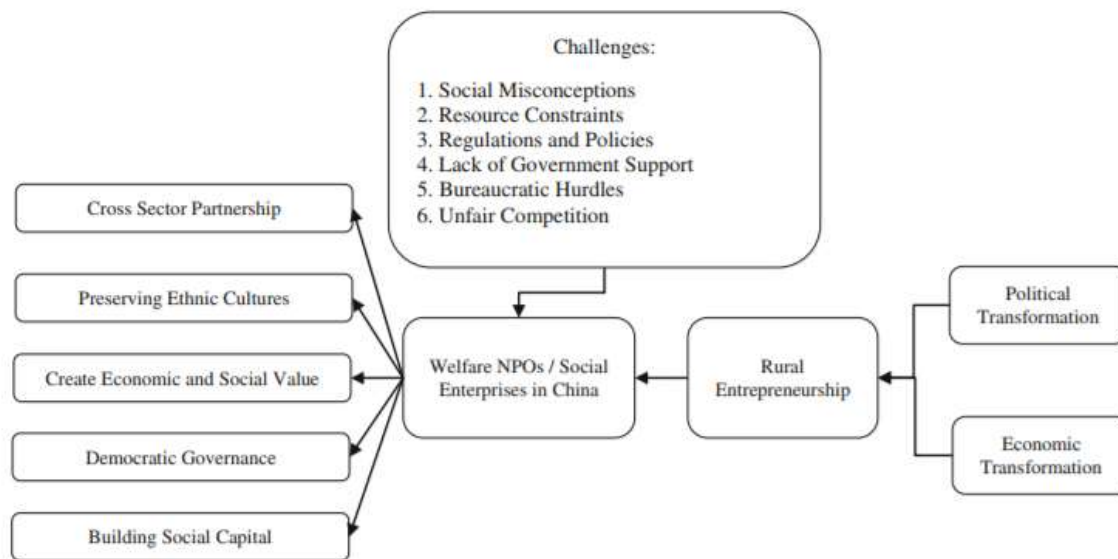
Source: Sengupta *et al.* (2018)

Figure 6. Social Entrepreneurship in China

Source: Sengupta *et al.* (2018)

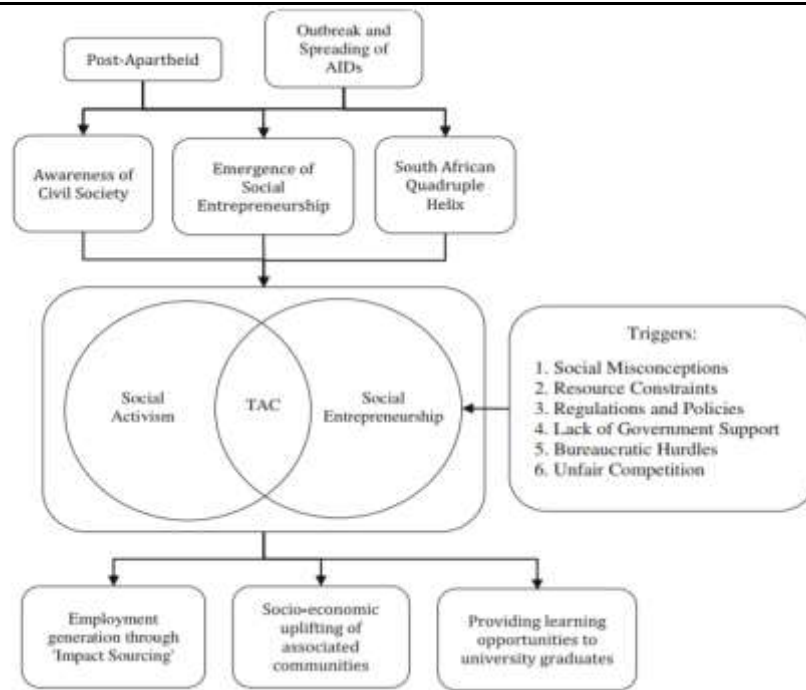


Figure7. Social Entrepreneurship in South Africa

Source: Sengupta *et al.* (2018)

IV. LEGAL PERSPECTIVES ON SOCIAL ENTREPRENEURSHIP

By providing legality to a concept, the whole construct of the concept is clearly defined equipping it with proper recognition and existence. Many legal forms have been attributed to social entrepreneurship in different countries, pre dominantly in the US and Europe that are acknowledging it legally in the form of sole proprietorship, corporations, partnerships, companies, cooperative societies etc.

The figure below summarizes how some social enterprises are using cooperative legal forms.

Country	Legal forms used	Law/year	Activities
Italy	Social cooperative	381/1991	Social services (a-type) Work integration (b-type)
Spain	Social cooperative societies Labour integration cooperative societies	National Law 27/1999 and regional laws in 12 autonomous regions (1993-2003)	Assistance services in the fields of health, education, culture or any activity of a social nature Work-integration
Portugal	Social solidarity cooperatives	Co-operative code (Law No. 51/96 of September 7, 1996) and Legislative Decree No. 7/98 of January 15, 1998	Work-integration of vulnerable groups
France	General-interest cooperative societies	Law of July 17, 2001	Production or provision of goods and services of collective interest

Figure8.

Social enterprises using the cooperative legal form

Source: Borzaga and Galera (2009)

Belgium in 1995 was the first country to provide legal form to social entrepreneurship as a “Social purpose company” that could be merged in the activities of any commercial or limited companies.

UK and Italy have recognized it as Community Interest Companies (CICs) as companies formed under the company law, having limited liability and aims at utilizing the capital for social welfare and public good.

However, in Finland, social enterprises were introduced in 2004 with the aim of including disabled and unemployed people in work. They just need to register under the trade Register of the Ministry of Trade and Commerce and must have at least thirty percent of their employees under disabled and unemployed category.

Country	Legal forms used	Profit distribution	Governance	Entrepreneurial model	Definition of social aim
Belgium Law of April 13, 1995	Limited company Limited liability cooperative society Private limited liability society	Redistribution of profits is possible, but limited	Participatory nature		Activities that are aimed at pursuing a social goal. What constitutes a social goal results from constitutive elements foreseen by the legislation
Italy Law No. 118 of June 13, 2005	Associations Foundations Co-operatives For-profit enterprises	Direct and indirect distribution of profits prohibited	Participatory nature	Collective	Production or exchanges of services in the sectors of social and health assistance, education and training, environmental protection, social tourism, cultural services or work integration of disadvantaged persons independently from the field of activity of the enterprise
Finland Law No. 1351/2003	All enterprises regardless of their legal form and ownership structure	Distribution of profits allowed with no constraints	Participatory governance not envisaged	Not relevant	Social enterprises have to employ at least 30 percent of people with disabilities and long-term unemployed
UK CIC regulations 2005	Enterprises regulated by Companies Act of 1985	Partial distribution of profits allowed	Participatory nature	Collective and individual	Wide range of activities that correspond to the needs of communities. Social definition assessed by the regulator
EMES definition	All legal forms admitted	Partial distribution of profits allowed	Participatory nature	Collective	Wide range of activities aimed at pursuing an explicit social goal

Figure 9. New social enterprise legal framework

Source: Borzaga and Galera (2009)

This revolutionary conception of social entrepreneurship further facilitates clarification of the term and provides a legal structure to an infant field of study.

V. RESOURCE BASED PERSPECTIVE

“Entrepreneurship is a process that efficiently utilizes various unique sets of resources to fully grab an opportunity” (Morris, Kurato, & Schindehutte, 2001) and it is academically accepted that both social and commercial entrepreneurship also come under the same conceptual definition. Resource Based Value (RBV) is regarded as a contrasting approach for evaluating social entrepreneurs as it does not focus merely on performance. RBV is concerned with the “combination and management of resources and how these resources flow within an organization to lead to more effective processes” (Meyskens *et al.* 2010). RBV considers tangible and intangible resources that contribute to the value creating process by affecting the operational behaviours and resource flows in an organization (Ray *et al.*, 2004) and consequently play a crucial role in the entrepreneurial process. It has been theoretically and empirically proven in the literature that the resource flows contribute to the internal processes of social and commercial entrepreneurship in more similar ways than distinctive.

The tangible resources include financial, human, physical and organizational capital. The intangible resources encompass the partnerships, innovativeness and knowledge transferability.

“Innovativeness, financial capital, and partnerships were significantly related. In addition, partnerships and organizational structure were found to be negatively related. Finally, knowledge transferability and innovativeness showed a significant positive relationship” (Meyskens *et al.* 2010). “These findings are similar to those found in commercial ventures and suggest that social entrepreneurs utilize resource bundles in similar ways as do commercial entrepreneurs” (Alvarez & Busenitz, 2001; Barney, Wright, & Ketchen, 2001).

Correlation Model of Measures

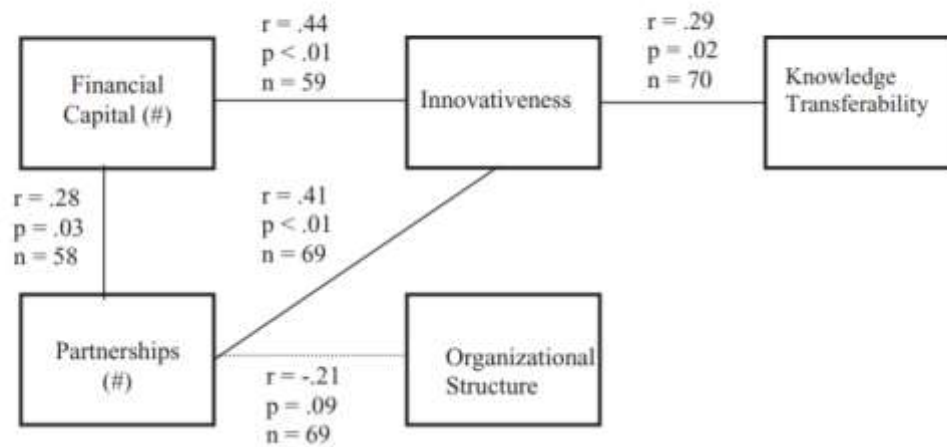


Figure 10. Correlational model of the measures of resource based value

Source: Meyskens *et al.* (2010)

The findings of the above study provide evidence that as the funding become diverse, i.e. as the financial capital increases, the partnerships increase. Simultaneously, as partnerships increase, the access to diversified funds also increase, thus explaining the positive relationship between the two.

The positive relation between innovativeness and finance is explained by the fact that as more and more innovative strategies are used the entrepreneurship attracts more financial capital and potential investors in the form of partnerships and *vice versa*.

The negative relationship between partnerships and organizational structure can be explained by the tendency of entrepreneurs to work in narrowly structured organizations with least amount of stakeholders as an increase in institutional structure can hinder resource mobilization in the organization (Dees, 1998).

The positive correlation between innovativeness and knowledge transferability is evident as high, level of innovation can facilitate better management of knowledge leading to efficient and innovative ways of knowledge transferability also.

Therefore, the existing literature highlights that in the context of RBV, both social and commercial entrepreneurship share common operations and characteristics regarding mobilizing resources for value creation. However, they are distinctive in the kind of value they create, despite the similarity in the operational path.

VI. INNOVATION PERSPECTIVE

Innovation is a crucial tool for social entrepreneurs to build a competitive edge over their commercial counterparts in addressing the social problems and creating social value.

Social enterprises are fostering a new kind of capital, the social capital as individuals with similar ideologies and concerns towards society work towards building an economic and social activity around those problems and concerns (Laville and Nyssens 2001) and thus need to be highly innovative in mobilizing these social products from private to public sphere in economically feasible ways (Evers 1995). Thus, they need to be not only innovative but economically innovative in order to cater to their specific class of socially affected customers.

On the basis of the concept of “social economy” Defourney (2001) has suggested nine features of social enterprises; the first four features reflect the economic and entrepreneurial dimensions. Social enterprises are economic in the sense that they focus around exchanging goods and services on a continuous basis. The autonomy, independence, narrow organizational structure and the existence of risk and uncertainty in the outcomes and operations lends it an entrepreneurial inclination.

The other five factors are more of a social nature that encompass characteristics like working towards the benefit of the community, participatory decision making and limited profit distribution characterize a social entrepreneurship according to Defourney (2001) that further exemplify values like enterprise, innovation, competitiveness and social inclusion.

“A broad definition of social entrepreneurship refers to innovative activity with a social objective in either the for-profit sector, or in the corporate social entrepreneurship (usually in the form of CSR-related activities) or in the non-profit sector” (Dees 1998; Dees and Anderson 2003; Austin, Stevenson, and Wei-Skillern 2006). Recently, Zahra *et al.* (2009, 519) have proposed a definition, which highlights innovation at the core of the process: “social entrepreneurship encompasses the activities and processes undertaken to discover, define and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organisations in an innovative manner”.

The focal point of social entrepreneurship as purported in the literature is in its approach towards addressing a social problem in an innovative and entrepreneurial way. “Social enterprises tackle a wide range of social and environmental issues and operate in all parts of the economy with a view to social value and wealth creation” (Chell 2007).

However, like in any business, social entrepreneurship also faces certain challenges, primarily to be sustainable socially, environmentally and financially. Social enterprises can combat these challenges only by being innovative in their ideology, outlook, culture, strategy and operations.

VII. INSTITUTIONAL PERSPECTIVE

As Austin et al. (2006) point out, “social entrepreneurship is still emerging as an area for academic inquiry. Its theoretical underpinnings have not been adequately explored, and the need for contributions to theory and practice are pressing”.

An institutional perspective would facilitate in clearly refining and defining the concept of social entrepreneurship as institutionalization provides a stable structure to absorb risk and uncertainty (North 1990, 2005).

1. Some of the institutional economic thinkers define the discrepancy between the commercial and social entrepreneurs in terms of the efficiency they create (Austin et al. 2006 and Clark, 1923). The commercial entrepreneurs create a business efficiency in making profits whereas social efficiency is created by producing human or social values that contribute to individual and community welfare.

2. Other thinkers emphasize on the effect that the existence of societal institutions have on shaping the values and motivation that persuade certain individuals to create social values and wealth (Mitchell 1914, North 1990, 2005, Scott 1994, 1995). Thus, these institutional thinkers build on the role that institutional framework plays in inducing entrepreneurs to work in socially desirable ways.

Building on the Institutional economics as a theoretical framework (North 1990, 2005), laid down the following propositions and used a multiple-case study methodology to draw insights on social entrepreneurship (SE).

These propositions have been formulated in a theoretical model as illustrated in Figure 11.

Proposition 1: Informal institutions in the form of new social values will have a positive relationship with emergence of SE.

Proposition 2: Informal institutions as entrepreneurial and responsible social attitudes, will be positively related to the emergence of SE.

Proposition 3: Informal institutions in the form of social networks with people committed to solving social problems will facilitate the implementation of SE.

Proposition 4: Formal institutions in the form of support mechanisms for promoting social enterprises will facilitate the implementation of SE.

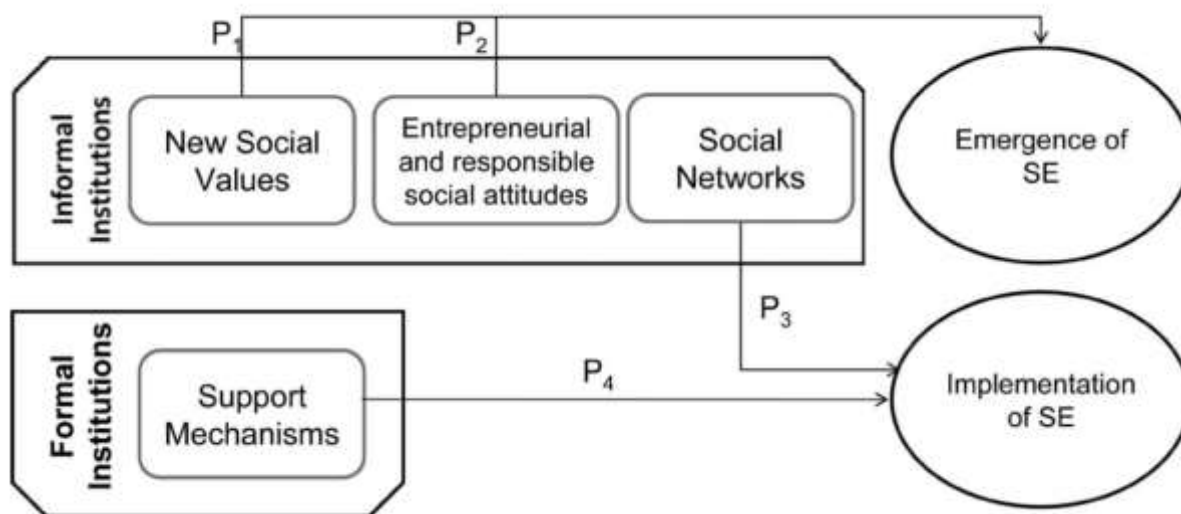


Figure 11. Model depicting relationship between formal and informal institutions and social entrepreneurship

Source: Soriano, Toledano and Urbano (2010)

Thus, according to the theory, both formal and informal institutions play an important role in emergence and implementation of SE. However, informal institutions have a more crucial role as they not only affect the implementation of SE but also their emergence.

P1 and P2 represent the new social values of the society like personal and proactive approach towards solving the societal problems being faced by their local community that act as a major driving force towards inclining the entrepreneurial minds towards social entrepreneurship. The values and attitude are not enough as participation by community and support mechanisms like infrastructure and finance are required for implementation and execution of the social enterprise that forms the social networks i.e. P3 and support mechanism i.e. P4.

VIII. CONCLUSION

There is a new trend being observed globally amongst organizations that aims at integrating social aims with profits. Being used as a cause to attract and retain investors, new recruitments, government or other regulatory bodies and most importantly customers. The academic recognition to this new phenomenon has been provided in terms of social entrepreneurship.

But as a concept that is still in its nascent stage, there are a number of theoretical and empirical formulations regarding the concept and its various aspects that contributed to the entrepreneurial literature. An interesting collaboration and cross-pollination of conceptions and approaches are surrounding this novel concept of social entrepreneurship. The study aimed to facilitate a conceptual clarity of the phenomenon by providing an overview of the various approaches that supposedly affected the emergence of social entrepreneurship as a concept. The paper aimed to explore conceptual perspectives surfacing from the past research on social entrepreneurship. It would be a necessary move towards a better understanding of the common 'meaning' and dimensions of social entrepreneurship. The study thus offers various practical and theoretical implications for public as well as private institutions, researchers and entrepreneurs.

The research in this area is quite unexplored empirically and rigorously based on theoretical concepts. Thus, this offers a modest basis for further theory building. Hence, a young field of study like social entrepreneurship needs further research to evolve from an undeveloped domain carrying ample potential for future research.

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