



## Social Enterprise Success: An Extensive Analysis of Contributing Factors and Structures

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### Abstract

**Background and Aims:** To extend the influence and lifespan of social enterprises, it is imperative to comprehend the elements that lead to their success. To develop growth strategies and policy interventions meant to increase the sector's effectiveness and address urgent social and environmental challenges, the research topic in question must offer significant insights into organizational dynamics. This paper aims to investigate the factors that influence the success of social enterprises.

**Methodology:** Following a review of the academic literature, content analysis is used in this documentary investigation.

**Results:** The results found that the Factors Affecting the Success of Social Enterprise consist of (1) Leadership and Management, (2) Financial Sustainability, (3) Stakeholder Engagement (4) Market Analysis and Innovation, and (5) Impact Measurement and Evaluation. Through documentary research and content analysis of scholarly literature, it was determined that key factors influencing the performance of social firms include leadership, financial sustainability, stakeholder engagement, market analysis, innovation, and impact evaluation.

**Conclusion:** These findings demonstrate the intricacy of social enterprise success and the importance of all-encompassing approaches that include a variety of variables for both business performance and societal impact.

**Keywords:** Success; Social Enterprises; Factors; Frameworks

### Introduction

With a long history, social companies have sprung from several movements and projects that tackled social and environmental problems. The origins of social enterprises can be found in the eighteenth century when mutual assistance organizations and cooperative movements first appeared. These groups aimed to strengthen neglected communities by fostering collective ownership and support (Borzaga & Defourny, 2001). With the founding of businesses like Spain's Mondragon Corporation, which served as an example of a worker-owned cooperative dedicated to social and economic development, the idea gained traction at the beginning of the 20th century (Whyte & Whyte, 1988).

It is possible to ascribe the contemporary rebirth of social enterprises to the realization that standard nonprofit and for-profit structures are inadequate for tackling intricate societal issues. Organizations such as Bangladesh's Grameen Bank led the way in microfinance projects in the late 20th century, showing how sustainable business models may reduce poverty and give underprivileged people more power (Yunus, 2007). The development of social entrepreneurship as a separate discipline with an emphasis on creative, market-based ways to solve social problems also served as a further catalyst for the expansion of social companies (Dees, 1998).

With a variety of forms and structures suited to particular concerns and locations, social enterprises are still growing and evolving globally today. The history of social businesses is characterized by a dynamic trajectory that has been formed by developing socio-economic landscapes and ambitions for a more sustainable and inclusive future. This trajectory includes community-based cooperatives and hybrid business models that merge profit with purpose (Dart, 2004).

By incorporating social and environmental goals into their business strategies, social companies are essential in tackling difficult societal issues. According to Dacin et al. (2010), these organizations provide creative solutions that make use of market systems to have a beneficial social impact and maintain financial viability. Social enterprises bridge the gaps left by traditional government and nonprofit sectors by focusing on social missions in addition to economic aims. This helps to alleviate poverty, promote environmental sustainability, and improve communities (Mair & Martí, 2006). Moreover, by empowering underprivileged people and communities, social enterprises act as catalysts for social innovation, promoting systemic change and inclusive economic growth (Nicholls et al., 2015). Their significance stems from their capacity to show that profit and purpose can coexist, paving the way for a new business model that places a higher priority on social responsibility.



Growing and improving social welfare at the same time, social companies have become important forces behind economic development. Social enterprises promote economic activity and innovation, especially in underprivileged communities, by addressing unmet social needs and market failures (Austin et al., 2006). By giving marginalized people more possibilities to find work, these groups improve human capital and lower poverty (Defourny & Nyssens, 2017). Furthermore, as resource efficiency and environmental stewardship are becoming more widely acknowledged as critical elements of long-term economic growth strategies, social businesses frequently implement sustainable business practices (Bull et al., 2010). Social businesses play a crucial role in advancing equitable development agendas by promoting inclusive and sustainable economic growth through their combined focus on social and economic objectives.

Thus, to maximize the effect and sustainability of social enterprises, it is imperative to comprehend the variables that lead to their success. Studies conducted in this field can offer important insights into the dynamics of social entrepreneurship, helping to shape organizational growth plans and legislative initiatives meant to assist the industry (Nicholls & Cho, 2006). Organizational structure, leadership traits, stakeholder engagement, market positioning, and financial resource accessibility are just a few of the many variables that might affect a social enterprise's ability to succeed (Mair & Martí, 2006). By examining these variables, researchers can find best practices, reduce risks, and improve the efficacy of interventions meant to support the development and resilience of social businesses, ultimately strengthening these organizations' capacity to take on urgent social and environmental concerns.

## Objectives

This paper aims to investigate the Factors that influence Success in Social Enterprises. The literature review in this area consists of research documents in many areas, such as Leadership and Management, Financial Sustainability, Stakeholder Engagement, Market Analysis & Innovation, and Impact Measurement and Evaluation. Through documentary research and content analysis of scholarly literature, it was determined that key factors influencing the performance of social firms include leadership, financial sustainability, stakeholder engagement, market analysis, innovation, and impact evaluation.

## Literature Review

### Concepts of social enterprise

To address societal issues and maintain financial sustainability, social enterprise concepts integrate social goals with entrepreneurial practices. Utilizing market-based tactics to accomplish social, environmental, and financial objectives, social enterprises function at the nexus of the business and social sectors. By combining the advantages of both industries, this hybrid model offers a special method for resolving challenging social problems.

1. Social enterprises are purpose-driven businesses that put a higher priority on social impact than maximizing profits. Addressing societal issues like poverty, inequality, and environmental degradation is the main goal. Dees (1998) asserts that social enterprises are distinguished by their ability to employ entrepreneurial tactics to further a social mission and their dedication to that mission. They can be distinguished from conventional for-profit companies and non-profit groups by their dual focus.

2. Social enterprises use revenue-generating business models to maintain their operations and finance their charitable endeavors. Social enterprises aim to establish a self-sustaining model through the sale of goods and services, in contrast to traditional non-profits that mainly rely on donations and grants (Alter, 2007). By lowering reliance on outside funding, this strategy not only offers financial stability but also improves the scalability and impact of their social initiatives.

3. Another fundamental idea of social enterprises is stakeholder engagement. Beneficiaries, staff members, investors, and the community are just a few of the stakeholders that successful social enterprises actively include in their operations and decision-making processes. By involving stakeholders, an organization can maintain responsiveness to the requirements and expectations of its target audience (Austin, Stevenson, & Wei-Skillern, 2006). Additionally, it promotes a sense of accountability and ownership, both of which are essential to the social enterprise's legitimacy and long-term viability.

4. Adaptability and innovation are critical traits of social enterprises. These organizations need to be flexible and innovative to deal with social issues effectively. This entails always looking for



fresh approaches, trying out various tactics, and picking up lessons from both achievements and setbacks (Mulgan, 2010). Innovative social enterprises frequently use partnerships, technology, and innovative business models to increase their efficiency and impact.

5. Assessment and measurement of impact are essential elements of the social enterprise model. Social enterprises need to set up precise metrics and evaluation frameworks to measure their impact to make sure they are fulfilling their social mission (Ebrahim & Rangan, 2014). This procedure entails monitoring development, assessing results, and utilizing data to guide choices and modify tactics. Good impact measurement offers information for enhancing and expanding social interventions in addition to proving accountability to stakeholders.

In conclusion, the principles of social enterprise comprise a goal-oriented strategy, financially successful business models, involvement of stakeholders, flexibility and creativity, and exacting evaluation of the effects. Together, these components characterize social enterprises' distinctiveness and their capacity to tackle difficult social issues in a way that is both long-lasting and significant.

### Conceptual Framework

*Independent Variables :*

1. Leadership and Management
2. Financial Sustainability
3. Stakeholder Engagement
4. Market Analysis and Innovation
5. Impact Measurement and Evaluation:

*Dependent Variables :*

Social Enterprise Success: An Extensive Analysis of Contributing Factors and Structures

### Methodology

The research entitled "Social Enterprise Success: An Extensive Analysis of Contributing Factors and Structures" is a review paper that delves deeply into the different frameworks and aspects that influence social business success. Utilizing an extensive array of scholarly works and thorough review techniques, the paper offers a methodical examination of pivotal factors like financial viability, innovation, market analysis, leadership, stakeholder involvement, and effect assessment. The paper provides important insights into the difficulties of social business success by combining existing knowledge and frameworks. This helps to direct future research endeavors and explain useful tactics for organizational development and policy interventions in the field.

### Results

To provide a comprehensive understanding of factors influencing the success of social enterprises, it's crucial to consider various aspects within academic literature. These are the Factors Affecting the Success of Social Enterprise namely;

#### 1. Leadership and Management:

Effective leadership and management play a pivotal role in the success of social enterprises, as they guide organizational strategies, mobilize resources, and foster innovation (Mair & Martí, 2006).

Successful social enterprises depend on strong management and leadership, which act as compass points that mold organizational tactics and promote resource mobilization. In social enterprises, leadership includes providing direction for the organization's operations, inspiring and motivating team members, and establishing clear objectives (Mair & Martí, 2006). According to Austin et al. (2006), leaders of social enterprises are frequently entrusted with coordinating the organization's operational activities with its objective to achieve financial sustainability and achieve social effect. According to Zahra et al. (2009), successful leadership also involves developing a culture of creativity and adaptation, promoting experimentation, and learning from both triumphs and failures.

In addition, social companies need to apply effective management strategies to optimize their output and resource utilization. Among the duties that include management responsibilities are organizing, managing, planning, and directing, all of which are critical to achieving the goals of the company (Amit & Muller, 1995). Nicholls and Cho (2006) state that managers of social enterprises are responsible for developing systems for monitoring and evaluating performance, judiciously allocating resources to support programmatic activities, and formulating strategic plans that align with the mission and vision of the organization. By implementing sound management practices, social companies can maintain long-term development and impact, enhance decision-making procedures, and boost operational effectiveness (Dees, 1998).



Furthermore, the dynamic relationship between management and leadership in social organizations influences the success and performance of the organization. While leadership focuses on inspiring and guiding people toward a common goal, management emphasizes the day-to-day operations of the firm and the practical application of strategy (Mair & Martí, 2006). Executives and managers must demonstrate a blend of strategic vision, people skills, and operational experience to successfully navigate the complex difficulties that are inherent in the social enterprise sector (Doherty et al., 2014). Social enterprises that employ strong leadership and management practices can cultivate a culture of creativity, accountability, and teamwork. In the end, this will boost their capacity to bring about meaningful social change (Amit & Muller, 1995).

### **2. Financial Sustainability:**

Financial sustainability involves securing stable revenue streams, managing costs, and ensuring efficient resource allocation to support the long-term viability of the social enterprise (Dacin, et al, 2011).

Financial sustainability is a crucial success factor for social companies, encompassing strategies for securing consistent revenue streams, managing costs, and judiciously allocating resources to ensure long-term viability (Dacin et al., 2011). Unlike traditional for-profit businesses, which are solely focused on generating profits, social enterprises aim to achieve financial sustainability in addition to advancing social and environmental goals (Dart, 2004). Reinvesting earnings and generating revenue from goods and services must be carefully balanced to meet the organization's social goals (Dees, 1998). Financial sustainability also requires diversifying funding sources, such as earned income, grants, donations, and investments, to lessen dependency on a single source of income and boost financial resilience (Austin et al., 2006).

Furthermore, social businesses need to use effective financial management strategies to maintain their financial sustainability and achieve their social impact goals. Strong financial systems must be established to handle financial risks, budgets, and cash flows (Mair & Martí, 2006). By establishing open accounting procedures and strict financial reporting guidelines, social entrepreneurs can foster confidence among stakeholders, including contributors, beneficiaries, investors, and consumers (Nicholls & Cho, 2006). Additionally, by implementing strategic financial planning, social businesses can minimize financial vulnerabilities, prioritize spending on activities that are critical to their mission, and strategically manage resources while seizing development opportunities (Doherty et al., 2014). All things considered, financially sustainable social enterprises can successfully work toward their social objectives and leave a long-lasting positive impact on the communities where they operate.

Additionally, attaining financial sustainability necessitates a comprehensive strategy that combines financial concerns with social and environmental goals. According to Dacin et al. (2011), social entrepreneurs need to make sure that their financial strategies advance rather than undermine their social impact objectives. They also need to match their revenue-generating operations with their social mission. This means implementing ethical business practices, encouraging accountability and openness in financial management, and weighing the advantages and costs of business actions on the social and environmental fronts (Bull et al., 2010). Social enterprises can demonstrate their commitment to sustainable development and get support from stakeholders who value both financial returns and social impact by adopting a triple-bottom-line approach that balances financial, social, and environmental performance (Austin et al., 2006).

### **3. Stakeholder Engagement:**

Engaging stakeholders such as beneficiaries, donors, employees, and local communities fosters trust, legitimacy, and support for the social enterprise's mission and activities (Dees & Anderson, 2003).

One key success indicator for social enterprises is stakeholder engagement, which is the active involvement of individuals and groups with an interest in the operations and outcomes of the organization. By involving stakeholders including sponsors, employees, beneficiaries, and local communities, social enterprises can build credibility, trust, and support for their cause (Dees & Anderson, 2003). Stakeholder engagement is more than just communicating; it's about having meaningful exchanges where participants may contribute their ideas, opinions, and resources to help achieve common goals (Hemingway & Maclagan, 2004). By involving a range of stakeholders in the decision-making process, social companies can further ensure that their operations are in line with the aims and objectives of the communities they serve. As a result, their work will have greater significance and impact (Bacq & Janssen, 2011).





To effectively engage its stakeholders, the social enterprise must also establish avenues for ongoing dialogue, collaboration, and input from these parties. This may include hosting regular meetings, surveys, focus groups, or other participatory strategies to gather feedback, address issues, and request input (Bryson et al., 2015). By actively seeking out stakeholder opinions and incorporating their input into decision-making processes, social enterprises can increase their responsiveness, accountability, and transparency. As a result, stakeholders may feel more bonded to one another and more committed (Newman et al., 2019). Incorporating stakeholders into co-creation processes may also encourage the development of innovative solutions that more successfully address challenging environmental and social issues (Bocken et al., 2014).

By enabling social enterprises to leverage the collective expertise, resources, and networks of several stakeholders to achieve their objectives and expand their impact, stakeholder engagement confers a strategic advantage as well (Austin et al., 2006). By establishing alliances and partnerships with important stakeholders, such as corporations, governmental bodies, and civil society organizations, social enterprises can have access to complementary resources, expertise, and opportunities for cooperation (Nicholls et al., 2015). By including stakeholders in advocacy and coalition-building projects, social businesses may also increase their voice, influence policy decisions, and foster systemic change that results in more equitable and sustainable outcomes (Mair & Martí, 2006). Ultimately, the development of social capital, legitimacy, and resilience—all of which enable social businesses to surmount challenging challenges and accomplish notable social progress—depends on the effective engagement of stakeholders.

#### **4. Market Analysis and Innovation:**

Conducting thorough market analysis and fostering innovation are essential for identifying opportunities, addressing unmet needs, and sustaining competitive advantage in the social enterprise sector (Zahra, et al, 2009).

According to Zahra et al. (2009), market analysis and innovation are crucial markers of success for social enterprises because they help businesses recognize possibilities, fill gaps in the market, and maintain a competitive edge in a changing environment. To support strategic decision-making, comprehensive market analysis includes obtaining and evaluating information on competitive tactics, consumer preferences, market trends, and regulatory environments (Dacin et al., 2011). Social companies can take advantage of development, expansion, and diversification opportunities while reducing risks and challenges by comprehending market dynamics and spotting emerging trends (Austin et al., 2006). Additionally, market research helps social entrepreneurs customize their goods, services, and outreach plans to better fit the requirements and preferences of their intended audience, which increases their significance and influence (Mair & Martí, 2006).

Additionally, for social companies to stand out in the market and provide innovative answers to challenging social and environmental problems, they must support innovation (Zahra et al., 2009). According to Dees (1998), innovation is the process of coming up with new concepts, goods, services, procedures, or business models that benefit all parties involved and promote constructive social change. According to Bocken et al. (2014), social enterprises are frequently situated at the nexus of various disciplines and sectors, creating an environment that is conducive to innovation through technology adoption, cross-sector cooperation, and adaptive learning. Social enterprises may maintain their agility, responsiveness, and resilience in the face of uncertainty and change by adopting a culture of experimentation, creativity, and continuous development (Doherty et al., 2014). Innovation also makes it possible for social companies to stay ahead of the curve, predict trends, and take proactive

Furthermore, social companies can take advantage of new opportunities, get beyond obstacles in the market, and add value for stakeholders and society at large by combining market analysis and innovation (Zahra et al., 2009). Social enterprises can stimulate innovation and create new ways to tackle urgent social and environmental issues by using insights from market analysis to discover unmet needs and gaps in current solutions (Austin et al., 2006). Furthermore, social businesses may stand out from rivals, establish their brands, and draw in a variety of funding sources, such as government agencies, philanthropic groups, and impact investors, by implementing innovation-driven market strategies (Nicholls et al., 2015). In the end, social companies can attain sustainable growth, optimize their social effect, and foster positive transformation in communities and ecosystems through the combination of market analysis and innovation (Mair & Martí, 2006).

#### **5. Impact Measurement and Evaluation:**

Effectively measuring and evaluating social impact helps social enterprises assess their effectiveness, improve performance, and enhance accountability to stakeholders (Nicholls, A. 2006).

For social enterprises to evaluate their efficacy, boost performance, and increase accountability to stakeholders, impact assessment and evaluation are crucial metrics (Nicholls, 2006). According to Mair and Martí (2006), measuring and evaluating social impact effectively requires methodically gathering data, examining results, and determining the degree to which an organization's operations support its stated social and environmental objectives. Social businesses may effectively showcase the effectiveness of their interventions, pinpoint areas for enhancement, and make well-informed decisions about resource allocation and strategy development by implementing thorough evaluation techniques and performance indicators (Dacin et al., 2011). Additionally, impact measurement helps social entrepreneurs tell stakeholders about their successes, gain their trust, and get money and support from partners, funders, and investors (Austin et al., 2006).

Moreover, social companies rely heavily on impact measurement and evaluation to foster organizational learning and capacity growth (Mair & Martí, 2006). Social enterprises can discover best practices, learn from both triumphs and failures and get insights into the efficacy of their initiatives by methodically monitoring and evaluating results (Doherty et al., 2014). Additionally, impact evaluation offers insightful input that helps strategic decision-makers, allowing social entrepreneurs to improve their methods, expand the scope of successful projects, and duplicate models in different settings (Bryson et al., 2015). Furthermore, social businesses can build their organizational capacity and resilience by involving stakeholders in the evaluation process and promoting a culture of openness, involvement, and continuous improvement (Newman et al., 2019).

Furthermore, impact assessment and measurement operate as stimulants to promote sector-wide innovation and learning in the area of social entrepreneurship (Nicholls et al., 2015). Social enterprises enhance the collective knowledge base by disseminating evaluation findings, methodologies, and lessons learned. This helps practitioners, researchers, and policymakers recognize trends in the field, assess the efficacy of interventions, and create evidence-based plans for tackling intricate social and environmental issues (Dees & Anderson, 2003). Additionally, impact evaluation produces insights that contribute to more general discussions regarding the function of social enterprises in advancing inclusive growth, social justice, and sustainable development (Bacq & Janssen, 2011). Ultimately, social enterprises can improve their ability to bring about significant social change, spur systemic innovation, and support constructive transformation in communities and societies by giving impact measurement and assessment top priority (Zahra et al. 2009).

These references provide a foundation for understanding the factors influencing the success of social enterprises, drawing from various perspectives and scholarly insights in the field of social entrepreneurship.

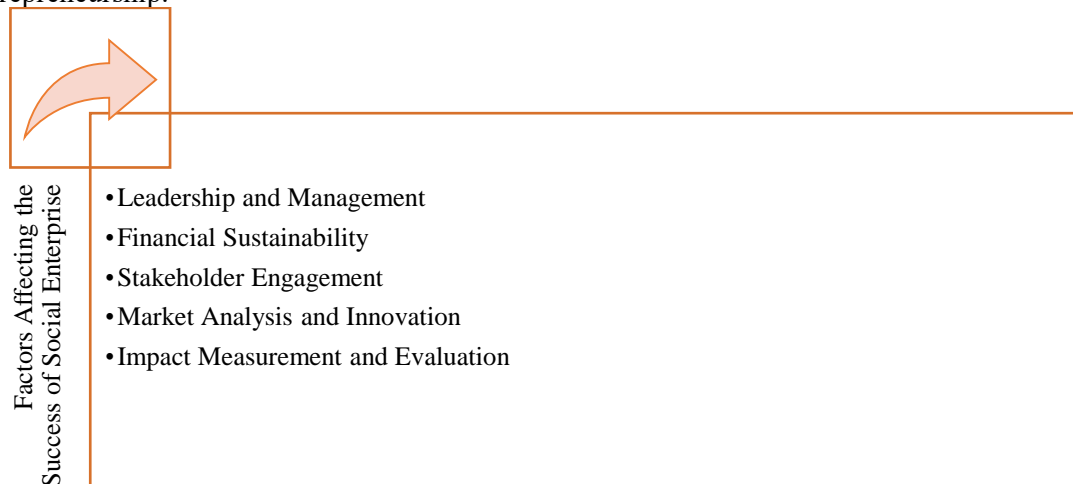


Figure 1 Factors Affecting the Success of Social Enterprise

Figure 1 Shown it can be seen that Factors Affecting the Success of Social Enterprise consist of 5 factors Leadership and Management, Financial Sustainability, and Stakeholder Engagement. Market Analysis and Innovation and Impact Measurement and Evaluation



## Discussion

The multiple facets of organizational effectiveness in the social sector are highlighted by identifying critical factors influencing the success of social enterprises, such as impact measurement and evaluation, financial sustainability, stakeholder engagement, market analysis and innovation, and leadership and management (Nicholls, 2006). To direct organizational initiatives, mobilize resources, and promote innovation, management, and leadership are essential (Mair & Martí, 2006). Strong management procedures guarantee the effective distribution of resources and the execution of strategic plans, while effective leadership stimulates and encourages team members (Amit & Muller, 1995). Long-term viability depends on financial sustainability, which necessitates steady revenue streams, cost control, and resource allocation to meet organizational objectives (Dacin et al., 2011). According to Dees and Anderson (2003), stakeholder engagement facilitates collaboration and co-creation of value with a variety of stakeholders by fostering trust, legitimacy, and support for the organization's mission and operations.

In the social enterprise sector, market analysis and innovation are essential for seeing opportunities, filling gaps, and maintaining competitive advantage (Zahra et al., 2009). Social entrepreneurs can comprehend market dynamics, spot new trends, and customize their goods and services to fit the requirements of their intended beneficiaries by carrying out in-depth market analysis (Mair & Martí, 2006). Social enterprises may achieve positive social change, set themselves apart from competitors, and add value for stakeholders by using innovation-driven market strategies (Bacq & Janssen, 2011). In conclusion, impact measurement and evaluation are critical for performance enhancement, effectiveness assessment, and stakeholder responsibility (Dacin et al., 2011). Social enterprises may demonstrate value, learn from successes and mistakes, and promote continuous improvement in their programs and activities by methodically monitoring and analyzing social effects (Austin et al., 2006).

By guiding organizational growth plans and policy initiatives targeted at supporting the sector, the identification of these characteristics offers significant insights into the dynamics of social entrepreneurship (Mair & Martí, 2006). To maximize the effect and sustainability of social enterprises, it is imperative to comprehend how these aspects interact (Nicholls & Cho, 2006). For example, putting strategic initiatives into action and encouraging innovation depends on strong leadership and management practices, and financial sustainability allows social enterprises to invest in market research, impact measurement and evaluation, and stakeholder engagement (Dacin et al., 2011). Additionally, market research and stakeholder involvement guide innovation initiatives and assist social entrepreneurs in finding development and expansion prospects (Zahra et al., 2009).

To sum up, the identification of variables influencing social enterprise success emphasizes how intricately linked and complicated organizational effectiveness is in the social sector (Mair & Martí, 2006). Social enterprises can improve their ability to bring about significant social change and have a positive impact on communities and ecosystems by focusing on leadership and management, financial sustainability, stakeholder engagement, market analysis, and innovation, and impact measurement and evaluation (Dees & Anderson, 2003). These results highlight the significance of taking a comprehensive approach to strategy formulation and organizational growth, one that incorporates various success factors and is in line with the particular objectives of every social enterprise (Nicholls, 2006).

## The New Knowledge

This paper synthesized the new knowledge of "Factors Affecting the Success of Social Enterprise," here are detailed explanations for each factor:

**1. Leadership and Management:** Successful leadership and management are essential for any social enterprise to succeed. In addition to inspiring and motivating the team and setting the direction and vision, leaders also make strategic choices that affect the organization's course. Effective resource management, seamless operations, and the ability of the business to adjust to changes and obstacles are all guarantees of good management. A positive organizational culture is fostered and a clear focus on the mission and goals of the social enterprise is maintained with the support of strong leadership and management.



**2. Financial Sustainability:** A social enterprise cannot survive over the long run without financial sustainability. This entails bringing in enough money to fund operations, make further investments in the company, and fulfill the social mission. Diverse revenue sources, prudent financial planning, cost management, and the creation of business models that strike a balance between social impact and profitability are all necessary to achieve financial sustainability. A social enterprise cannot grow or maintain its operations without financial stability. (Chaiseeha, 2022)

**3. Stakeholder Engagement:** Involving stakeholders is essential to establishing trust, garnering support, and making sure the social enterprise fulfills the requirements and expectations of the people it serves. These stakeholders include beneficiaries, employees, investors, partners, and the community. Fostering cooperative relationships, aggressively seeking feedback, and transparent communication are all necessary for effective stakeholder engagement. By involving stakeholders, an organization can better comprehend their viewpoints, respond to their issues, and gather support and resources for its initiatives.

**4. Market Analysis and Innovation:** Thorough market analysis aids social enterprises in comprehending the competitive environment, spotting opportunities and risks, and customizing goods and services to satisfy consumer needs. Innovation is the process of coming up with fresh, original ideas to solve problems in society, boost productivity, and improve the value offered. Social enterprises can maintain their relevance, competitiveness, and impact by staying ahead of the curve through ongoing market research and innovation.

**5. Impact Measurement and Evaluation:** Impact measurement and evaluation are critical to proving a social enterprise's efficacy in fulfilling its purpose. This entails establishing precise goals, monitoring advancement with metrics and indicators, and assessing the results of interventions. Impact assessment and measurement offer perceptions into what functions well and poorly, assisting in the improvement of tactics and performance. Additionally, it increases accountability and transparency, which may win over more funders and stakeholders.

When combined, these elements guarantee solid leadership, sound financial standing, active participation from stakeholders, market responsiveness, and quantifiable impact—all of which are critical to the overall prosperity and sustainability of social enterprises.

## Recommendation

### Further Development Recommendation

Drawing from the elements that have been identified as influencing the success of social enterprises, the following development principles might be suggested:

**1. Leadership and Management:** To improve corporate leaders' strategic thinking, inventiveness, and accountability, give priority to management training programs and leadership development programs. To develop successful leadership techniques and bolster organizational resilience, establish an environment that values ongoing learning and mentoring.

**2. Financial Sustainability:** Increase the variety of your income sources by looking into fresh funding options including earned income enterprises, joint businesses, and creative financing schemes like crowdfunding or social impact bonds. Enhance budgeting procedures and financial management techniques to guarantee effective resource allocation and reduce financial risks. However, it was confirmed that the readiness for education, status, occupation, and socio-economic status. Influence of family members Including receiving support from local politicians.

**3. Stakeholder Engagement:** Provide a framework for constant communication, cooperation, and exchange of ideas between the social enterprise and its constituents. Participate actively in decision-making processes with beneficiaries, funders, staff, and local communities to build credibility and support for the organization's goals and operations.

**4. Market study and Innovation:** To find opportunities, meet unmet requirements, and maintain a competitive edge in the social enterprise sector, do an in-depth market study. Encourage experimentation, creativity, and cross-sector cooperation to create new solutions to challenging social and environmental issues to cultivate an innovative culture.



5. *Impact Measurement and Evaluation*: To evaluate efficacy, boost performance, and increase accountability to stakeholders, put in place strong processes for impact measurement and evaluation. Methodically gather information, evaluate results, and share conclusions with relevant parties to show value, promote corporate learning, and guide strategic decision-making.

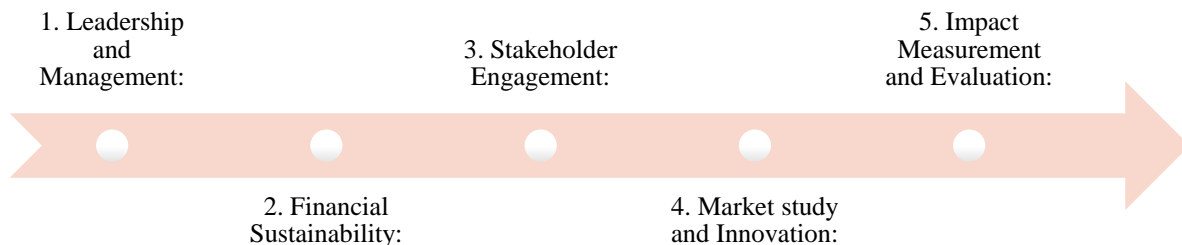


Figure 2 the success of social enterprises

### Further research Recommendation

Drawing from the existing data, two potential avenues for future research investigation could be:

1. *Examining how Factors Interact*: examining the relationship and reciprocal influence of the components that have been discovered as influencing social enterprise success through study. Examining the effects of management and leadership techniques on financial sustainability, stakeholder involvement, market analysis, innovation, impact measurement and assessment, and vice versa, maybe one way to do this. Gaining knowledge of the dynamic interactions among these elements may help develop practical plans for maximizing organizational effectiveness and making a long-lasting societal impact.

2. *Comparative Analysis in Various Contexts*: Conducting comparative research to examine how the components that have been discovered function in various institutional, cultural, and geographic contexts. Comparing social businesses that operate in various industries, geographical areas, or legal frameworks may help identify contextual elements that affect the efficacy and success of organizations. The creation of contextually appropriate interventions and policies to support the global development of social enterprises could also be informed by investigating differences in the effects of financial sustainability strategies, stakeholder engagement techniques, market analysis, innovation initiatives, leadership and management practices, and impact measurement and evaluation methodologies across contexts.

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