

SOCIAL ENTREPRENEURSHIP: PERSPECTIVE AND PROSPECTS

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ABSTRACT

Almost all the advanced and growing economies of the world have gained momentum in the area of Social entrepreneurship. Social entrepreneurship refers to economic sustainability and financial independence. It promotes general social values, such as environmental protection, individual integrity and similar goals among population. This concept applies to a scenario where everyone should be given a chance to become an entrepreneur. Apart from the right to an economic livelihood, the concept of social entrepreneurship also refers to building the stability of a community in which it develops. Precisely one of the basic differences between social and traditional entrepreneurship is profit. Traditional entrepreneurship aims “profit” as primary business result, while social entrepreneurship doesn’t. But if a social entrepreneur cannot make any profit, how he/she will be able to make any progress? How the business will evolve in due course of time? In lack of progress or development, a stagnation or regress will be faced by the businesses. Considering the fact that only profitable systems can successfully combat the disadvantages caused by numerous economic fluctuations and negative economic trends, a serious question arises, how a system such as social entrepreneurship make a sustainable. Namely, by definition, social enterprises do not generate profit, which is precisely a category that is necessary to ensure independence and sustainability in work.

This chapter will address some basic differences between the traditional approaches to entrepreneurship in relation to social entrepreneurship. The primary aim of this chapter is to provide a detailed meaning and discussion about Social Entrepreneurship. Additionally, it’s feasibility and relevance in terms of development of the economy during the present times.

PERSPECTIVES

The notion of social entrepreneurship has been in the literature since 1970s. Initially it was presented mostly due to the rise of social problems that society began to encounter. The term “social entrepreneur” was first presented by Joseph Banks in his basic work entitled Social Sociology, 1972. The motive for the use of this notion has been related to the need for managerial skills in order to successfully overcome social and business challenges. After that, in the early 1980s, Ashoka was formed as the first organization to support social entrepreneurs in the world. Later, Drucker (Drucker, 1990) introduces another cognate term, which is social innovation, with

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the desire to promote the use of managerial skills in non-profit institutions, all of which supports the promotion of the value of social entrepreneurship and its goals.

The issue of the Social Entrepreneurship Mission has not been much explored, mostly due to the perception of the role of social entrepreneurs, as creators and managers of the process of change, with the aim of creating a new and innovative environment in which social and not personal (individual) values will be promoted. According to Dees (2001) social entrepreneurs act boldly without being limited by resources available, they exhibit heightened accountability to the constituencies served and for the outcomes created using these resources. Social entrepreneurship is often associated with non-profit activities (Dees, 2003), but in recent times, its role in developing the development and their implementation is emphasized in order to solve many social problems. He has emphasized on bringing two ways of thinking in one where people with business-like methods come together with innovative solutions to social problems. This definition also supports the view of (Bornstein, 2004), who stated that business entrepreneurs, are “for” the economy while social entrepreneurs are “for” social change and “are the driven, creative individuals who question the status quo, exploit new opportunities, refuse to give up, and remake the world as a better planet to live in”.

REVIEW OF LITERATURE

What is entrepreneurship?

Although in economic theory entrepreneurship is usually defined as the sum of entrepreneurial innovation, organizational, managerial and control functions, it should be emphasized that this is only one of the possible definitions since entrepreneurship is impossible to uniquely define. Why? Because entrepreneurship is a challenge, i.e. more than a desire for success, more than innovation, more than knowledge and persistent work, more than a new product, more than a new consumer.

Entrepreneurs shifts economic resources from low to high productivity areas with higher yield (say, 1803). Entrepreneurship includes all the activities of entrepreneurs focused on investment and a combination of necessary inputs, expansion to new markets, creation of new products, and is dominantly related to groundbreaking times, conditions of uncertainty, crisis and changes in the environment. The economic theory of developed countries highlights entrepreneurship as the cornerstone of economic and economic development and views it as a specific product factor. As such, its task is to combine and coordinate production factors in the most favorable way, maximizing profit. The information revolution in business gives entrepreneurs an incentive and makes it the head of continuous technological development, modernization and economic development. Entrepreneurs represents the ability to marshal resources to seize new business opportunities, defined broadly they are central to economic growth (OECD, 1998).

Entrepreneurship is also explained as a process that is stimulated by an initiative that offers innovation in itself and never reaches the existing situation. From this new ideas and changes are born. In explaining the notion of entrepreneurship, in addition to the above, innovations and work, risk, imagination, knowledge, education, planning, assessment, prediction, motive, morale, energy and boldness should be taken into account. Certain authors define entrepreneurship as the

ability to form a certain effective, valuable economic activity based on creative human activity and limited production resources.

Entrepreneurship is a special economic function, different from ownership and managerial, or perhaps even more so: a set of interrelated functions aimed at launching new business initiatives with the aim of expecting out-of-earnings revenue. This in fact means that entrepreneurship differs significantly from the professional management of routine processes in an economy in relatively stable operating conditions. Entrepreneurship always represents a certain degree of ability to notice a favorable opportunity that has potential business success, and an entrepreneurial decision to enter into action and when the risk is too great.

The Anglo-Saxon world identifies entrepreneurship mainly with a new small enterprise. Unlike them, Germans identify entrepreneurship with the notion of power and ownership, which, in Drucker's opinion, is even more inaccurate. Namely, the German name "Unternehmer" is translated as a person who manages the company and at the same time owns it, which in the English name corresponds to the term "owner-manager".

According to (Drucker, 2001) the difference between social entrepreneurship and traditional entrepreneurship is that the first considers a social mission achievement, focusing on social component. At the same time, both types of entrepreneurship are socially valuable. As per (Austin, 2006) social value in social entrepreneurship is the main driving force. On the same grounds (Mair & Noboa, 2006) added that the tangible outcomes from the social entrepreneurial behavior should "yield and sustain social benefits". Social impacts include all social and cultural consequences, whose activities aim to change the way of life, business or any other form of behavior, in order to meet their own needs. Whereas cultural impacts consider changes to the values, norms, beliefs of individuals that orient and rationalize their cognitive perception of themselves and their society (Burdge & Vanclay, 1996).

Traditional entrepreneurship

Traditional entrepreneurship is a specific way of economic behavior, growth and development within the small and medium-sized enterprises. The first known records about a small company appeared 4,000 years ago. The historical development of small entrepreneurship shows that a small enterprise existed in almost all old cultures. In small-scale entrepreneurship, the following were especially emphasized: Arabs, Babylonians, Egyptians, Greeks, Phoenicians, Romans. However, their products and services were often of poor quality and poor performance, which made small businesses become scandalous and distrustful. During the middle Ages, the Roman Catholic Church kept small entrepreneurs on the margin of economic survival. Traders were often burnt out because they did not improve the product, but only raised the prices specified by the manufacturer. Until the 19th century, the Church also spoke out against the practice of charging interest on loans.

Although the small business's economic position is changing in the last decades of the 20th century, it still remains in the shadow of economic events. Nevertheless, the present situation confirms the fact that the economic significance of a small enterprise will be more and more actual. Small and medium-sized enterprises are independent economic entities that are responsible for opening up a large number of new jobs and as such they feel the self-responsive action and development of individuals in the professional sense more than when it comes to

large undertakings. Motivation and satisfaction in work is, when it comes to small businesses, bigger due to self-responsibility and direct personal contacts, so that small and medium-sized enterprises stimulate the quality of life, not just employees but also consumers. Small and medium enterprises also ensure competition and act against the tendency of monopolization, increase the wealth and diversity of supply, ensure the freedom of consumer choice and adapt quickly to changing demand. In general terms, SMEs are also more environmentally friendly as smaller energy consumers and their technology is more environmentally friendly. The share of a small enterprise in the overall export of one economy is, as a rule, low, but due to highly specialized production, they have significant export potential.

Entrepreneurship in large enterprises (intra-entrepreneurship)

Modern trends in the economy as well as the processes of globalization have contributed to increasing competition and constant changes in the environment in markets around the world. Large companies began to see the need for innovation and flexibility in order to improve their business. One way to achieve this is to unite the advantages of small businesses (creativity, flexibility, innovation, market knowledge) with market power and financial resources of a large enterprise (Solberg & Olsson, 2010). This concept is today known under the term “Entrepreneurship in Large Enterprises” (Intrapreneurship) (Pinchot, 1984; Koch, 2014).

This concept appears in several different forms, and we will only list the most popular ones. The first, most often mentioned is organizational entrepreneurship, and it refers to entrepreneurship in already-established enterprises, regardless of whether they are large, non-profit, owned by a state or small business. Some of the methods applied by entrepreneurial organizations are:

- Entrepreneurs in large enterprises are guaranteed a share in proprietary rights over created internal innovations;
- Entrepreneurship teams are treated as profit centres rather than cost centres; most of the companies deal with this with separate bank accounts for each team;
- Team members provide a wide range of opportunities at work, developing innovation, teamwork and exchanges;
- Continuing education is a constant;
- Entrepreneurial teams are formally recognized in the structure of the organization.

In addition to the modern trends of linking entrepreneurs, along with large enterprises, the notion of corporate entrepreneurship is related. It signifies processes in which innovative processes develop and produces by creating an entrepreneurial culture in the organization and can occur in different forms. Entrepreneurship in large enterprises is a process in which large companies are looking for new ways of using, maintaining or retaining innovations and making profits, in a way that employees expect the creation of an “enterprise” within an existing organization (enterprise in the enterprise). The said enterprise is not defined by law, but it operates as a separate unit. This concept has been known for more than 20 years, and one of the first advocates is Gifford Pinchot in the 1980s. Traditional entrepreneurship and entrepreneurship in large enterprises adorn many common characteristics, and only some of them are:

- Focus on innovation (new products, processes, management methods);
- Focus on creating products that create added value;
- The necessity of investing in different activities (which results in an uncertain outcome).

Of course, there are differences between entrepreneurship in small and large enterprises:

- Entrepreneurs in large enterprises operate within the boundaries of the existing company, i.e. entrepreneurs in large enterprises are still employed within the same but have the freedom to manage a particular aspect of business, most often the introduction of a new product or innovation in business. It is precisely such companies that impose a policy of granting permits to entrepreneurs to take steps in order to create the desired future. On the other hand, traditional entrepreneurs are self-employed people who run their own businesses.
- Entrepreneurs in large companies know that if they fail, they will secure their salaries for at least some time. Traditional entrepreneurs only share what they earn.

In accordance with the system in which they operate, entrepreneurs in large enterprises are selected on the basis of corporate standards, not entrepreneurial success.

- Entrepreneurs, as a rule, do not have to worry about their education and movement in “real” social circles - they care about earning money to pay salaries and other obligations.
- Entrepreneurs in large enterprises are part of an already established corporate hierarchy, so they do not have the problem of choosing the necessary business structure (e.g. technical support, human resources, marketing or sales). Traditional entrepreneurs must organize this all by themselves.

One of the biggest differences between “corporate” and “traditional” entrepreneurship is that entrepreneurs in large enterprises have at least minimal support of enterprises, while a traditional entrepreneur has nothing but what he does not achieve. Entrepreneurs in large scale must obtain a license for the implementation of the subject idea by the senior management, while traditional entrepreneurs are autonomous in that regard and they are self-sufficient. The advantage of entrepreneurship in large enterprises in comparison with small businesses is the availability of resources within the organization, but the process of innovation within large systems is becoming increasingly difficult as the company grows, for several reasons:

- What the enterprise is bigger is that it is more difficult to know who it is doing;
- Specialization and separation help individual organizational units stay focused on what they are doing, and, on the goal, they need to achieve, but this makes communication difficult between them;
- Also, in large organizations, internal competition is present, which is also an aggravating circumstance, as it encourages groups to hide ideas, not sharing them with the rest of the organization.

The assumptions of the development of intangible society, being an integral driver for social entrepreneurship: In the literature, the assumptions for the development of intra-entrepreneurship are usually distinguished as:

1. Understanding corporate entrepreneurship as a way to gain a competitive advantage - the company's management must believe in the well-being of corporate entrepreneurship and be persistent in implementing its principles, for example, changing the reward system.
2. Establish a corporate entrepreneurial model-businesses must choose from the following five options:
 - Organic organization - Entire organizations apply entrepreneurship and develop the organic structure. Such a structure enables the entrepreneurial business units to become self-sufficient and bring them closer to the consumer, while also promoting flexibility and experimentation. Individual units can grow in line with market developments while risk can be downloaded without consequences for the entire organization.
 - New product groups - Business units formed to develop new products.
 - Establishing semi-independent structures that accept proposals from individuals, assessing them and determining whether a project is worth financing.
 - Corporations for financing corporate enterprises - independent companies that aim to finance internal and external proposals that meet set criteria.
 - Special business units for human resources management - the goal of such parts of the organization is to educate managers through seminars and conferences dealing with entrepreneurship in large enterprises.
3. Developing Entrepreneurial Culture in Large Enterprises - According to Pinshaw, it is necessary to follow the following ten principles:
 - Self-determination - Entrepreneurs in large enterprises themselves realize their ideas, they are not people who only carry out their assigned tasks.
 - No loose hands - there is constant involvement. The innovator or initiator is involved in the overall development of the project.
 - The initiator of the idea must be enabled to realize it as long as she or he believes in it.
 - Provide access to information.
 - It is important to be aware of the fact that not all projects lead to great success.
 - Tolerance of risks, failures and mistakes.
 - The existence of a willingness to invest funds in entrepreneurial ventures without the expectation of a quick return of funds
 - Corporate - as a family of teams working to achieve the same goal
 - Forming teams regardless of the specialty of individual members
 - Providing numerous opportunities for project realization
4. Awarding Entrepreneurs in Large Enterprises-Unlike traditional entrepreneurs, an entrepreneur in a large enterprise is reluctant to give up a secure job. But at the same time for its work on very risky projects that have

the potential to generate big profits, it expects a great reward. They can be monetary (cash bonuses, profits etc.) and non-monetary (formal recognition of achievements, public awarding of awards). The real challenge for most companies when introducing the principle of entrepreneurship is to convince people in their actions. The basic credo of enterprises that develop entrepreneurship is creating a climate in which everyone has the potential to develop new ideas and search for talents and resources.

Framework for Social Entrepreneurship

The Social Entrepreneurship Intention Model (**Figure 1**) is the very first model, addressing the measurement of social entrepreneurial intentions. It is a combination of Mair and Noboa classical model and previously tested Shapero's model of an entrepreneurial event. It has been expanded by adding constructs of perceived desirability and perceived feasibility traditional entrepreneurial models. This model takes into account empathy and moral judgment over the traditional entrepreneurship models. There has to be a presence of some level of empathy with moral judgment to enhance social entrepreneurial intention process (Mair and Martí, 2006). The student further emphasizes that social entrepreneurs are drivers which initiate change by providing creative and innovative solutions to the most difficult issues of the society. They employ various innovative ways to support businesses with a social aim.

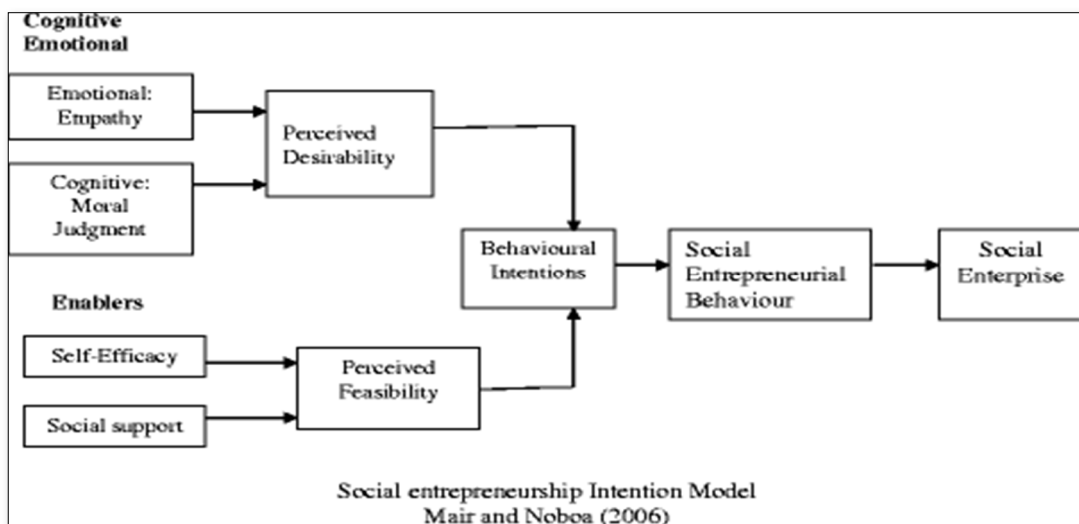


Figure 1. Social entrepreneurship Intention Model. Mair and Noboa (2006).

Factors that affect entrepreneurial behavior

Entrepreneurial activity has a multiple character and as such it is inspired by a small factor that defines his affliction. Regardless of many studies, research and analysis, so far consistent opinion regarding the dilemma between self-employment and working for others, hasn't been developed. As some of the most important factors affecting entrepreneurial behavior are usually stated¹:

- Personal characteristics,
- Culture,
- Social circumstances,
- A combination of all of these factors.

Personal characteristics

Despite the fact that the personality traits of an individual are not considered to be key determinants to determine his future behavior, most of the studies still focus and emphasize the individuality of entrepreneurs. Some theorists, do not consider that character lines are the decisive determinant of a successful entrepreneur, and they believe that, in essence, a good entrepreneur learns like everything else (Peter, 1985).

One professor of entrepreneurship on this topic says:

"For every risk-prone individual, I will give you an example of one who is not. For every eldest child who has become a successful entrepreneur, I will give you an example of the same successful entrepreneur who is the youngest of all children or who is a single. For every single person who grew up listening to the stories of successful parent entrepreneurs, I will give you an example of a successful entrepreneur whose parents were military or state officials, etc."

Based on numerous researches on entrepreneurship, it has been concluded that the experience in running a business has a strong impact on the individual entrepreneur. Michael Morris points out that the psychology and behavior of entrepreneurs' changes as the business develops. However, most believe that entrepreneurs possess special character traits and cannot learn the same. One journalist of Business Week, whose opinion goes by Draker's opinion, states: "While Draker is probably right when he says that general rules and laws of entrepreneurship can be learned, entrepreneurial spirit is something completely different. An entrepreneur can be a professional manager, but not every manager can be an entrepreneur".

Another expert explains "Good ideas always have, but the disadvantage is people who know how to implement them"

- Basic concepts of values and beliefs,
- Personal characteristics,
- Personal needs,
- Interests.

People usually choose professions that fully meet their needs and are in line with their own view of themselves.

Zhao & Seibert (2006) as a result of their research, state that personality-personality is a key factor in entrepreneurship. Namely, this study has investigated the impact of "Big Five", i.e. the key five characteristics of the personality and what impact they have on the phenomenon of entrepreneurship:

- Extroversion - An extrovert personality, according to psychologist Jung, is an active personality who likes to mix with the world that they love and seek for society. Controversy is an introvert personality.
- Self-awareness,
- The desire to establish a compromise
- Openness,
- Energetic.

The study showed that the characteristic of openness is one of the more important when it comes to entrepreneurship. It is a part of the personality that “encourages creativity, originality, and initiative to accept new challenges”. Whether entrepreneurial characteristics occur after birth or are acquired throughout life, certain characteristics are certainly crucial when talking about successful entrepreneurs. Let's look at what features it is:

- **Passion for work** - James Salter, founder of Gen-X sports, says “A Burning Passion for Work?!” Of course! “What is sure is that entrepreneurs must have more than a common interest in the job they are dealing with because he or she must overcome the many obstacles he will encounter. If there is no passion or interest, the job will definitely collapse. Personal and emotional dedication is best obeyed by the sentence “I could not live without giving my full contribution”.
- **Persistence despite defeat** - Because of all the obstacles and difficulties that need to be overcome, a successful entrepreneur must be constantly persistent. There are many cases in which entrepreneurs have become successful only after a few defeats. There is a good saying about this: “Successful entrepreneurs have no defeat. Behind them is just a rich experience from which they draw lessons”. They only know that “difficulties are just a chance in working clothes”. For example, Walt Disney broke up three times before making his first successful film. Joe Namath, a successful football player, explained the most positive view of the defeat: “I never lost a match, although it still went on for several times”.
- **Security in oneself** - Entrepreneurs rely on their abilities and the concept of the business they lead. They feel that they have the ability and capacity to achieve each goal, regardless of which part of the work they do. However, this belief is not without foundation. Accordingly, they have a fundamental knowledge of the market, which is most often derived from a multi-month research. What is in principle common to all successful entrepreneurs is the fact that they build their experience working for others. This allows them to acquire knowledge and give permission for a mistake before embarking on their own business. “For starters, I'd rather learn to drive someone else's bike than mine”.
- **Decisiveness** - Motivation and determination are direct factors for entrepreneurial behavior. According to Jon P. Goodman, director of Southern California Entrepreneur Program, Decisiveness is one of the key factors for a successful entrepreneur, who believes that his success is not based on fate, but with diligent work and a fundamental approach to business. This quality is known as the internal locus of control - the belief that everyone controls their own success. People who think that fate, economy, or some other extreme factors determine their success or failure, are not destined to succeed in business.
- **Risk management** - Risk is the backbone of every business, and the ability to successfully manage risk is one of the qualities of a successful entrepreneur. There is some general opinion that entrepreneurs are at high risk, but in most cases, this is not true. First of all, more than two-thirds of those who start their own business have a full or part-time job or have another job. They do not practice practicing all of their capital in a newly established business until it is convinced that it becomes sustainable. Entrepreneurs most often notice risks in the early stages of starting a business and are trying to minimize it as much as possible. Entrepreneurs also look at and perceive risks differently

from others, which is precisely as a result of a previously acquired experience.

- The Businessweek Journalist uses the example of Chuck Yeager, pilot test, and Scott Schmitt, the founder of extreme skiing, to illustrate this view. Yeager's field experience as well as the incredible talent for riding the aircraft has contributed to the fact that his perception and risk understanding are completely different from the others when it comes to testing new aircraft models. Scott Schmitt is engaged in descent from cliffs at a height of about 18 meters, and his videos speak in favor of the conclusion that he is a real "reckless enthusiast". However, Scott for each jump has precisely calculated points of reflection and descent. Moreover, he does not consider himself an enthusiast, but a very experienced skier.
- Recognizing Changes and Chances - For "ordinary" people, change is basically scary and should be avoided. Entrepreneurs, however, see changes as a necessity. The difference between ordinary and enterprising people lies in the fact that these others interpret the change as a necessity for further growth and development. In fact, in the changes, entrepreneurs are looking for motivation for new ideas and innovations, which they want to improve not only their business, but also the overall way of life.
- Accepting uncertain situations - The life of an entrepreneur is not structured. For entrepreneurs, there are no schedules or pre-defined processes that need to be followed closely. There is no guarantee of success in the world of entrepreneurship. External variables, such as economic trends, weather conditions, changes in tastes and consumer demands most often have a dramatic impact on business. Therefore, entrepreneurial life is explained as a life immersed by uncertainty as a constant indefiniteness. Successful entrepreneur works precisely in this way.
- Initiative and the need for success - The usual opinion is that entrepreneurs are people who are ready for action, with a clear leadership orientation, which makes them different from other people. Most people have the idea but not the courage to turn it into work. The reason for their initiative lies in the desire for achievement that is more pronounced than in others, and it turns into the energy that drives the initiative and results in success.
- Perfectionism and attention to detail - Entrepreneurs are most often perfectionists and are striving for perfection. Addressing the details and the need for perfection results in quality products and services. However, this feature can be one of the sources of nervousness and dissatisfaction, especially those who are not. Because of this fact, employees can treat entrepreneurs as a person difficult to cooperate with.
- Feeling for the time - Entrepreneurs are aware of the fact that time passes quickly and therefore they can be impatient. For this reason, no work has been done fast enough for them, and there is always a tense situation. It is precisely because of this tendency for perfectionism that this approach is most often irritated by employees because most of them do not think that all situations are equally urgent.
- Creativity - One of the reasons for the success of entrepreneurs is the developed imagination and the ability to predict different scenarios. Their ability consists of a combination of the chances that remain in sight. Nolan Bushnell, the creator of the first video game, thinks that creation itself is nothing more than taking the standards from one job and their implementation into another. For example, Bushnell worked in an amusement

park while studying, and used the knowledge gained through this experience, which combined with video technology created a whole new product. He thinks entrepreneurs need to know what customers want.

- Ability to see the whole - Entrepreneurs have the so-called holistic approach to looking at things (see the whole problem), compared to others who only see parts. A process known as “environmental scanning” allows entrepreneurs to see the entire business environment and the economy of a country, and thus form a clearer picture of business activity. This is one important step in determining the market strategy.
- Motivation factors - Although most people believe that money is the main driver of an entrepreneur, other factors are in fact much more important. The motive of achievement, as a feature of the entrepreneur mentioned earlier, and the desire for independence are things that are more important than money. Entrepreneurs usually decide to start their own business only to avoid having someone superior to them. Most of them receive a pay that is lower than the one they would get to work for someone else.

A study that took into account about 3,000 entrepreneurs identified the following factors as very important when it comes to the reasons for self-employment

- Use of personal skills and abilities;
- Control over your own life;
- The desire to make something useful for the family;
- Because he/she likes the challenges;
- Life where he/she decides.

Some other studies have identified other factors that adorn successful entrepreneurs, and are linked to status in society, recognizing a wider social class, and giving recognition of a different type.

Self-efficacy - A recent study has indicated that the concept of own efficiency has an impact on entrepreneurial intentions of individuals. Self-efficacy is defined as a personal conviction of an individual that he is able to fulfil the task set. All research concerning this factor points to the fact that it significantly determines all areas of human development. Confident individuals have a predisposition to achieve success in entrepreneurial activities, because in a specific way such persons are thoroughly prepared for each subsequent step in their careers.

Another concept that is equally valuable is the concept of Thought self-leadership. This concept starts from the thought that the way of thinking is the basic source from which is inspired by a positive and negative view of the world of an individual. Such a concept of thinking influences how they receive information and how they make decisions. Their thinking focuses on continuous search for opportunities, and a positive attitude towards all newly emerging situations that make it easier to deal with challenges. The desirable way of thinking, known as thinking, that is directed at constant perception of obstacles, in every new situation only sees problems and as such results in the abandonment.

Culture

The influence of culture on entrepreneurial predisposition is not clearly defined, because it is considered that different cultural groups do not engage in entrepreneurship for the same reasons. Different cultures have different beliefs and

value systems and this factor should be taken into account when it comes to the concept of entrepreneur. For example, Japanese culture is based on a system of achieving concrete results and it is the one that encourages entrepreneurs to work until the end result is achieved. Another equally important factor when the culture is concerned is whether it supports the system of internal control (keeping things in its own hands). Thus, e.g. American culture forces this approach to problems, while Russian culture does not. Individuals who come from a culture with such an adopted system of values have better predispositions for entrepreneurial success.

Culture also creates the image and status of an entrepreneur. A study involving emigrant entrepreneurs who moved to Canada came to the conclusion that Indians experience entrepreneurship as something positive, while Haitian people consider the same thing as an interest that is unique to people with a low degree of self-esteem. Cultural expectations were also an obstacle in the case of a Puerto Rican woman living in Washington. As she planned to start her own business, the brother recalled that it was necessary to marry. From the previous one, it is clear that different cultural milieu is different in entrepreneurship. Nevertheless, prosperous economies and cultures view it as a priority on the path of civilization.

Social circumstances

In most societies, there are always examples of those who did not plan to be entrepreneurs, but who were forced to do so due to what happened in society. Decisions to become an entrepreneur have greatly contributed to changes in the market. This has resulted in a large number of emigrants from different countries who have realized that there is no demand for their skills in the country they originate from. This approach is known as adaptive behavior. Accordingly, although some entrepreneurs do not come from an environment that values entrepreneurship, they become exactly the answer to the new situation.

A combination of all factors

Whether an individual becomes an entrepreneur or decides to work for another depends on a large number of factors that we have previously elaborated. Bearing in mind the fact that entrepreneurial activities should be encouraged in the early childhood period, some scientists guided the theory that it is necessary to focus on encouraging entrepreneurial spirit in children at that time. A study in the kindergarten states that every fourth child shows entrepreneurial tendencies. However, during further education, only 3% of children retain that characteristic. Existing educational systems do not encourage the development of entrepreneurial qualities in an individual, they are more based on confrontation than on individualism. This inhibits creativity in children from the beginning, although it is very important for successful entrepreneurs. The economic, political and legal environment are factors that influence the attractiveness of the country's economy and the costs of doing business.

The attractiveness of the economy represents the potential benefits it brings from new investments. Benefit is, in general terms, long-term monetary gain from doing business in a country, and it depends on the size of the costs, as well as the current and future wealth of consumers in the market. The market can be high in terms of the number of consumers, for example, China and India, but when considering the low standard of living that affects the consumption of the population, then such markets are small when measured from the point of view of economic

potential. But we need to think about the development of the situation in the future. For example, in 1960, South Korea was known only as one of the impoverished countries of the third world. By 1996, it became the eleventh largest economic power of the world in terms of GDP. In terms of a business strategy, early entry into the potential market can lead to certain advantages and later to numerous shortcomings. Two factors that are quite good indicators of potential long-term profit are: the economic system and the property rights regime.

Business costs in a country are determined by a number of political, economic, legal and cultural factors. When it comes to political factors, costs may be higher if the government of the country in which it wants to invest asks for the payment of a large sum of money as a condition for doing business in that country. Recalling economic factors, an important variable is the development of infrastructure. For example, when McDonald's opens in Moscowⁱⁱ, entrepreneurs have encountered the next issue. The quality of Russian potatoes and meat did not meet the set standards, and McDonald's had to plant his potato plantations and build farms for breeding animals. It was precisely the reasons for the relatively high costs of opening new restaurants in Moscow.

The risk of doing business in a country is determined by numerous factors. In the political field there is a possibility of a political risk that is defined as the possibility that political forces will cause drastic changes in the state environment directly influencing the predetermined goals of a particular company. Political risk will be higher in countries where social disorder is, that is, where there are several ethnic groups, where different ideologies struggle for political control, where there is great inflation and a low standard of living.

Recommendations for an improved social entrepreneurship in the Sultanate

Sultanate of Oman is going through never before changes in terms of economic, social and environmental challenges and perspectives which need not only innovative but updated solutions. At present social enterprises are quite dynamic and effective vehicles to innovate, develop and deliver business models with a social mission at its core. This can also support OMAN: Vision 2040. On the basis of above discussion, we propose 4 main areas for the policymakers to concentrate.

- Improved Visibility, Recognition and Identity at an international level
- Improved Access to Funding
- Improved and transparent Legal Environment
- To drive International Development and Growth

CONCLUSION

Social entrepreneurs should recognize and be aware of the urgent need for continued efforts and relevant development in this area. In addition to this, these businesses should find of novel ways of doing things to ensure delivery of the high standards in every sector. This can be achieved by strengthening overall governance, attracting and developing leaders while imparting education, identifying routes into and through the social sector, skills development and sharing, advancement and promotion of digital fluency, data-informed social change and utilization of the same for enterprise capability with collaboration in the social sector.

Efforts have to be designed, developed and implemented by policy makers and higher education institutions to develop such courses that can be helpful in

initiating emotional intelligence among students. There has to be a collaboration among policy makers and educators to develop a sufficient understanding of the precursors for social entrepreneurial initiatives and intentions to support individuals involved in social entrepreneurship. Moreover, the change of attitude towards social entrepreneurship might be the key to move closer towards the understanding of social entrepreneurship generation process and its integration with the mainstream economic development. There has to be a close inspection of the drivers that support and inhibit social entrepreneurship. In the light of above initiatives rewards in action for interested individuals to become social entrepreneurs will seem to be more reasonable.

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