

**EXPLORATORY STUDY OF THE ENABLERS AND CHALLENGES OF A SOCIAL
ENTREPRENEUR: CASE OF DR GOVENDER IN THE GELVANDALE
COMMUNITY, PORT ELIZABETH, SOUTH AFRICA**

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I. INTEGRATIVE SUMMARY

The world, as is, presents various kinds of social challenges attributable to distinctive factors. Certain individuals in possession of particular set of traits develop a drive to intervene in alleviating such problems through various kinds of initiatives. In most cases, such individuals would use either their own resources, or those at their disposal to establish a vehicle through which such social problems can be addressed. It is through organizing these resources into a meaningful venture that self-sustaining, viable and usually non-profit making enterprises become operational entities. This growing concept is known as Social Entrepreneurship, conducted by individuals who seek to achieve an objective of creating social value at different levels through varying means and measures. This qualitative study aims to understand the challenges and enabling factors encountered by such individuals, known as social entrepreneurs, in their quest to alleviate social problems through social value creation. In exploring such factors, this qualitative study adopted a single case study approach to look at the enablers and challenges encountered by Dr Jeff Govender through his multi-disciplinary social enterprise, Famhealth Medipark (FHM), within the community of Gelvandale in Port Elizabeth, South Africa.

Existing research in the field covers mainly the taxonomy of the social entrepreneur as well as traits that are identified as the driving forces behind such individuals. There is also vast literature in existence which predominantly focuses on defining and classifying the concept of social entrepreneurship. The notable gap in identifying enabling factors that play an imperative role in making such ventures a success, as well as factors that impede these enterprises from succeeding, is rather evident. This qualitative study seeks to answer the following research question:

What factors enabled or impeded Dr Govender from creating social value within the Gelvandale community in Port Elizabeth? A secondary research question focused on how Dr Govender attempted to deal with the challenges he faced as a social entrepreneur with a social mission of creating value in this community.

In dealing with this question, the study traces the origin of entrepreneurship as a field. The concepts of social entrepreneurship, social entrepreneur and social enterprise were distinguished from each other through various definitions of social entrepreneurship. The

various types of social entrepreneurs were briefly examined, and an overview comparison of the social entrepreneurs to their commercial counterparts was done. More detail was then given on challenges and enablers, followed by attempts to deal with these. Existing literature was used to propel some of the arguments made.

This is an exploratory qualitative study which samples incidents encountered by Dr Govender in his quest to create social value within the Gelvandale community within Port Elizabeth in South Africa. It is from such incidences that both enablers and challenges were identified.

A total of seven in-depth face-to-face interviews were conducted with Dr Jeff Govender in which an interview guide was used to gather data regarding the incidents. Interviews were repeated until responses were repetitive, which was viewed as data saturation. Follow up interviews were conducted for clarity and for further probing. Brief audio documentaries were also used as a secondary source of data which complemented interview data.

Key findings of the study highlighted four major enabling factors:

- (1) strong enthusiasm to create positive change in others within a community;
- (2) network to resources;
- (3) a nurturing world view; and
- (4) consistent self-sacrifice.

Factors impeding the social entrepreneur from creating social value were identified as:

- (1) limitation of finance;
- (2) overwhelming effect of multiple roles;
- (3) negative effects of non-accredited status of the care-giver training programme;
and
- (4) predominance of a destructive mind-set entrenched within the Gelvandale community.

These were then categorised according to two levels, individual and systematic.

The report gives an account of the identified limitations of the study, highlights the value that the study is perceived to add, and also gives recommendations to the existing social entrepreneurship model within Famhealth. It is noteworthy that this report has three sections which are standalone but interrelated. Section 1 is an academic paper. This section comprises

an introduction, condensed literature review, condensed research methods, findings and discussion of the findings. Limitations as well as value of the study are all part of section 1. Section 2 is an expanded version of literature review while Section 3 is an expanded version of the research methodology followed in this study.

II. ACKNOWLEDGEMENTS

To my dear Lord, whose love and kindness has never failed me yet, all that I am, and all that I ever will be is to praise your name and live in your honor. I remain grateful for all that you are to me.

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This thesis is dedicated to my daughter Akhimbali Mfeketho and my nephew Issa Luthuli may you take it a few steps further.

IF IT IS TO BE, IT IS UP TO ME (Johnsen, W.H.)

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SECTION 1: ACADEMIC PAPER

1.1 Abstract

Social entrepreneurs seek to create social value in various ways in the community. Notably, they encounter not only enabling factors but also face and attempt to deal with a variety of challenges in their endeavor to start and run social ventures.

This academic paper adopts a single case study approach with the aims to explore challenges and attempts to deal with them, as well as enablers, in how Dr Govender sought to create social value within the community of Gelvandale in Port Elizabeth in South Africa. Famhealth Medipark was chosen because it is unique and has been considered as an example of successful social entrepreneurship in Port Elizabeth. In the light of this, there has not been any previous study particularly focusing on its challenges and enablers in adding social value in the community through a multi-disciplinary venture. This research is valuable as it builds our understanding of how social entrepreneurs create social value.

This qualitative study uses a single case study to focus on incidents of challenges and enabling factors as experienced, recollected and expressed by Dr Govender as a social entrepreneur. A variety of data, such as interview data collected through sampling incidents in nine in-depth initial and follow-up interviews, documents, audio documentaries and emails, were used. Open coding and constant comparison was used to analyze data and induce themes.

Findings depict that Dr Govender as a social entrepreneur was propelled by four enablers: (1) strong enthusiasm to create positive change in others within a community, (2) network to resources, (3) a nurturing world view, and (4) consistent self-sacrifice.

Dr Govender also revealed that he faced four types of challenges in setting up and operating Famhealth Medipark (FHM) as a vehicle with the sole purpose of creating and adding social value to the community of Gelvandale. Predominantly, (1) limitation of finance, (2) overwhelming effect of multiple roles, (3) negative effects of the non-accredited status of the care-giver training programme, and (4) the predominance of a destructive mindset entrenched within the Gelvandale community were key challenges he faced and attempted to deal with in

setting up and operating a social venture to ultimately create social value. Although other types of data have been used, the predominant reliance on primary data collected through in-depth interviews is one of the major limitations of this qualitative study. However, this qualitative and exploratory study provides insights into our understanding of not only challenges encountered by social entrepreneurs but also the various drivers that sustain their social mission. Recommendations were then made, based on the findings from the research conducted.

Keywords: social entrepreneur, social entrepreneurship, enablers and challenges

1.2 Introduction

While social entrepreneurship is touted as helpful to address some of the state and market failures in society, social entrepreneurs face a variety of challenges to run successful social enterprises (Zahra *et al.*, 2009:520). Most authors such as Korosec and Berman (2006, cited in Dacin *et al.*, 2010:39), Light (2006, cited in Dacin *et al.*, 2010:39) and Laville and Nyssens (2001:322) agree that the work of any social entrepreneur starts primarily as an emotional response to the social problem.

The context of this study is Gelvandale, a predominantly coloured area where Dr Jeff Govender as a social entrepreneur has been working to address a variety of social problems. The area is thwarted by significant social and economic challenges, ranging from teenage pregnancies, abuse of chemical substance, poverty, lifestyle related illnesses related to social class to unemployment. These breed a particular psychological mind-set of being disempowered and defeat in most members of the community due to the circumstances in their surroundings, eroding any form of social value in existence within the community. It was such challenges that pushed Dr Govender into forming Famhealth Medipark (FHM), a multi-disciplinary healthcare centre, in 2008. This qualitative study uses a single case study method to focus on exploring enablers and barriers encountered by Dr Govender in achieving his objective of creating social value

Currently, the kinds of social problems that social entrepreneurs seek to create social value in addressing range from those of an economic nature to health-related problems. In highlighting a link between income equality, health and social problems, Lynch *et al.* (2001: 196) assert that at an individual level (within societies), higher incomes and other markers of

socio-economic circumstances are associated with better health. It is due to such economic challenges, amongst other factors, that Muhammad Yunus founded the Grameen Bank in 1983 in India through which credit and banking services to the poor are provided, gaining funding from different sources including the central bank of Bangladesh as well as guarantees provided by the government of Bangladesh (Yunus *et al.* 2010:314). The Aravind Eye Care System in India offers an intriguing hybrid model of social entrepreneurship within the health care sector which has proven viable even when rolled out in the United States (Elkington and Hartigan, 2008:40).

In their analysis of empirical research on studies conducted in the field of social entrepreneurship, Hoogendoorn *et al.* (2010:7) broadly identified four distinct approaches with which most definitions of the concept are aligned. The first approach is the **innovation school of thought** which is anchored in the philosophy that encompasses the comparison of commercial entrepreneurship with social entrepreneurs. The second approach is based on the **Social Enterprise School of thought** in which the main study is the enterprise that is described as an entrepreneurial, non-profit venture that generates earned income while serving a social mission. The **Emergence of Social Enterprise in Europe (EMES)** is the third approach highlighted by Hoogendoorn *et al.* (2010:7), and it advocates the understanding that social enterprise has an explicit aim to benefit the community. The fourth and last approach is the **UK social enterprise approach**, which may be initiated by individuals, groups of citizens or by legal entities and is subject to a limited distribution of profits. All these approaches classify social entrepreneurship on the basis of the individual (*social entrepreneur*), the process (*social entrepreneurship*), the organisation (*social enterprise*) as well as the environment in which these operate (Gartner, 1985, cited in Hoogendoorn *et al.* 2010:16).

Gras *et al.* (2010:24) provide a summary of identified research gaps within the social entrepreneurship field which include (a) establishing the role played by partnerships, strategic alliances and other structures in enabling a social firm to be more competitive and thus more successful (b) investigating causes and consequences of social enterprise failure and identify strategies to avoid failure (c) identifying contextual patterns that hinder the emergence of different kinds innovations (within social entrepreneurship) as well (d) establishing the entrepreneurial and strategic process that is most effective for creating social value across different social entrepreneurship activities. In particular, Zahra *et al.* (2008: 121) focuses on

the contribution of personal and structural factors the emergence of social ventures, organizing behaviour and subsequent success and failure (thereof) while Austin *et al.* (2006:15) highlight the paucity of studies on how contextual forces shape opportunity creation for social entrepreneurship. More importantly, Austin *et al.* (2006:19) highlight the need to address the enabling or impeding factors (separately or both in one study) to social value creation as they believe there is ‘much intellectual and social value to be created. It is, therefore, in the light of this, that this qualitative study seeks to explore enabling factors and challenges experienced by Dr Govender, a social entrepreneur in creating social value in the community.

Famhealth Medipark was chosen because it is very unique in its setting. Primarily, it is through his work as a medical doctor in this community (since July 1983) that Dr Govender got exposed and became cognisant of the glaring social ills facing the residents of Gelvandale community. This inspired him to devise means and measures in an attempt to deal with the challenges. The idea of the Famhealth Medipark was then conceived to be instrumental in addressing these. The name Famhealth comes from the fact that the venture is intended to impact all family aspects ranging from physical well-being to actual values as family is an important basic component of society. The Herald newspaper in Port Elizabeth recognised Dr Govender by giving him the ‘Citizen of the year award - Sustainable Development’ in 2011. Such recognition further enhances the FHM profile as well as what the venture stands for within the community. Furthermore, no previous study has focused on its challenges and enablers in adding social value in the community through a multi-disciplinary venture. This research is valuable as it not only builds our understanding of how social entrepreneurs create social value, but also addresses the research gaps identified above by Gras *et al.* (2010:24) regarding barriers and enablers encountered by social entrepreneurs in creating social value and also highlights attempts in dealing with these. The study is important because it privileges the views of a practicing social entrepreneur, and consequently provides a good experiential basis for the various stakeholders involved in training and supporting social entrepreneurs to understand the real challenges and enablers faced by this type of entrepreneurs. Additionally, the study is also of value to those involved in the development and training of entrepreneurs in general as some of the identified challenges and enablers are prevalent and common to the domain of entrepreneurship.

This paper begins by reviewing existing literature to explore key concepts relevant to this study. Thereafter, the paper discusses the method used in this study before presenting the findings. A discussion of the findings is followed by the conclusion.

1.3 Literature Review

Researchers exploring the social entrepreneurship concept are faced with identifying common as well as contentious aspects of the wide plethora of definitions of the concept in an attempt to formulate a good understanding of social entrepreneurship. In their endeavours to create social value, social entrepreneurs encounter some challenges which tend to manifest themselves as barriers. This section, then, aims to examine these as well as to cover enabling factors that empower this type of entrepreneur in their quest. This section focuses on the origin and challenges of defining the social entrepreneurship concept. Further on, the study gives an overview of the concept of social entrepreneur by comparing social entrepreneurs to their commercial counterparties. The barriers and enablers in creating social value are then covered. A summary of key aspects on social entrepreneurship, enablers and challenges is then given in conclusion.

1.3.1 Origin and Definitions of Social Entrepreneurship as a concept

Social Entrepreneurship as a term comprises two key aspects, ‘social’ and entrepreneurship’. It through tracing the origin of the latter aspect, which is the social dimension, that in-depth understanding of the social entrepreneurship concept is gained. The importance in distinguishing between the interrelated concepts of social entrepreneurship, social entrepreneur (person) and social enterprise (entity) is then highlighted so as to gain further insights into the notion of social entrepreneurship, and to understand the people behind such ventures as well the context in which such ventures are undertaken.

1.3.1.1 Origin of entrepreneurship

Santhi and Kumar (2011:14) assert that the origin of the word entrepreneur comes from the term ‘entreprendre’ which means to undertake. It is against this backdrop that scholars such as Timmons (2000, cited in Nieman and Nieuwenhuizen, 2011:9) believes entrepreneurship encompasses much more than the process of creating or seizing an opportunity and pursuing it. More importantly, the creation and seizing of the opportunity is done irrespective of the resources currently controlled. This definition captures the two key aspects of

entrepreneurship, namely discovery of opportunity and exploitation of that opportunity. Pioneers of the field, Cantillon and Say (1755 and 1803, cited in Nieman and Nieuwenhuizen 2011:5) put forward that they were not only interested in just the economy but in also the managerial aspects of the business, business development as well as business management.

Notably, entrepreneurship as a concept is conceived as playing a vital role in contributing to the economic prospects of companies, sectors and entire nations (Soriano and Montoro-Sanchez, 2011:297). In this regard, Cantillon and Say (1755 and 1803, cited in Nieman and Nieuwenhuizen, 2011: 5) also indicate that entrepreneurs invested money in buying raw material at a certain price to sell at uncertain prices. It is on this basis that entrepreneurs were viewed as risk takers, organizers of production, middleman, as well as change agents and innovators.

It is due to such complexity that various terms appear in the literature placing various degrees of emphasis on the entrepreneurship process versus personal characteristics and capabilities of the entrepreneur (Soriano and Montoro-Sanchez, 2011:297). Economic classics include the concept as one of the four factors of production, the other three being land, labour and capital. As a function, entrepreneurship refers to the discovery and exploitation of opportunities and/or creation of enterprises. It is notable that a number of studies on entrepreneurship have focused on the individual, on economic aspects for starting a new enterprise and also on business development (Spear, 2006:399).

Nieman and Nieuwenhuizen (2011:31) highlight five different types of entrepreneurs: (1) *basic survivalists*, characterized by lack of economic independence; (2) *pre-entrepreneurs*, which is a group initiative that follows a welfare-oriented approach; (3) *subsistence entrepreneurs*, which is about independent income generation; (4) *micro-entrepreneurs*, who hold an operating licence from local authority and often have a fixed workshop, and lastly (5) *small scale entrepreneurs*, who tend to be well-educated individuals who have adequate collateral to back up a loan application with a bank (Nieman and Nieuwenhuizen, 2011:31).

1.3.1.2 Three perspectives of entrepreneurship

Smith (2010:177) posits that the nature of entrepreneurship has evolved so that they may be broadly categorized into three major perspectives: **economic**, **psychological** and **behavioural**. From an *economic perspective*, Schumpeter (1934, cited in Smith, 2010:177)

defined entrepreneurship as innovation or carrying out unique combinations of resources to create new products, services, processes, organisational forms, sources of supply and markets. The *psychological perspective* emerged with a new focus on the personal characteristics of an entrepreneur or answering the question of who are entrepreneurs: an argument was made that entrepreneurs have distinct traits which inclined them to identify and explore opportunities more than other people (Smith, 2010:177). The *behavioural approach* to entrepreneurship explores business behaviour and business context to understand entrepreneurship (Simpeh, 2011:4). There has been criticism levelled against each of the perspectives highlighted above.

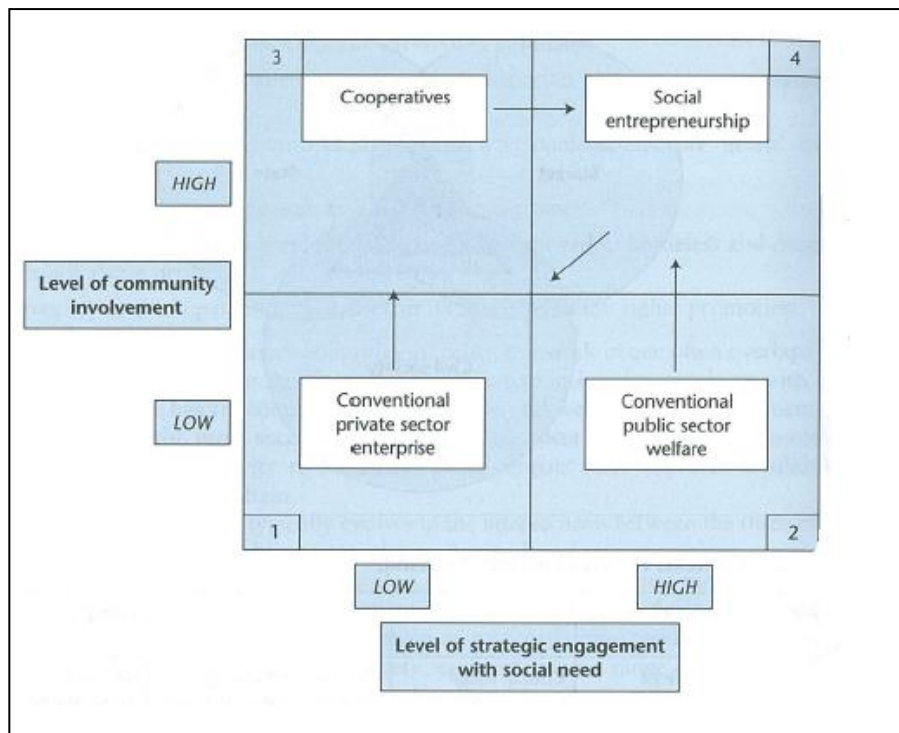
1.3.1.3 Defining the Social Entrepreneurship concept

This section highlights the ‘multifaceted, dynamic and often highly contingent’ nature of social entrepreneurship as a phenomenon (Nicholls, 2006, cited in Carter and Jones-Evans, 2006:233). Perrini *et al.* (2006:515) argue that the concept of social entrepreneurship has invoked interest in literature due to its ability to innovatively utilize resources to explore and exploit such opportunities that sustainably meet the social need. In identifying the social dimension of social entrepreneurship, Perrini *et al.* (2010:515) highlight the importance of opportunity identification which would be followed by opportunity evaluations, this stage entails analysing the desired impact that the venture is intended to have. The last stage would be opportunity formalization, which includes formulating a formal social mission as well as the core values for the venture.

In attempt to understand this concept, Mort *et al.* (2002:76) sum up social entrepreneurship into a three-dimensional construct that involves (1) the expression of entrepreneurially virtuous behaviour to achieve a social mission; (2) a coherent unity of purpose; and (3) action in the face of moral complexity as well as the ability to recognize social value creating opportunities. In discussing the process of social entrepreneurship (Nicholls, 2006, cited in Carter and Jones-Evans, 2006:233), argues that it is erroneous to focus only on not-for-profit organizational models, as for-profit models also provide mechanisms by which social value is created. As such, the mechanism by which social value is created may not actually be important but rather “how to maximize the social impact”.

Social entrepreneurship typically entails high levels of community involvement and high strategic engagement with social need as indicated in Figure 1 below.

Figure 1: Mapping social need and community engagement



Source: Nicholls 2006 (cited in Carter and Jones-Evans 2006:230)

It is important to note that social entrepreneurship is distinguishable from other forms of entrepreneurship through structural embeddedness, which defines the type of relationship between the actors in a particular venture and also the degree of strategic engagement with social need (Chell *et al.*, 2010:490).

As a way of gaining deeper understanding of the concept of social entrepreneurship, it is instructive to explore a variety of definitions for social entrepreneurship. A cursory review of various definitions of a social entrepreneur and social enterprise are vital as this study focuses on a social entrepreneur. This section also provides a table that reflects the variety of these definitions. There are at least five prevalent factors identified that stand out as a common thread for the definitions above, with particular focus on the social entrepreneur. Firstly, **innovation** refers to the creative methods that social entrepreneurs employ to best achieve their mandate. Secondly, the **social objective** partly differentiates social entrepreneurs from

their commercial counterparts in that their model is not built on self-enrichment but on addressing the social ills in which government could not intervene due to limited resources in most instances. Thirdly, the **social value** that the social entrepreneur aims to create tends to form the core of the social entrepreneurship model and also guides the mandates thereof. The definitions above also highlight the **non-profitable** nature of such entities, which sets them apart from their counterparts in that entrepreneurs venturing into social entrepreneurship are not driven by intended economic gain. Lastly, social entrepreneurs endeavour to run **self-sustaining** enterprises.

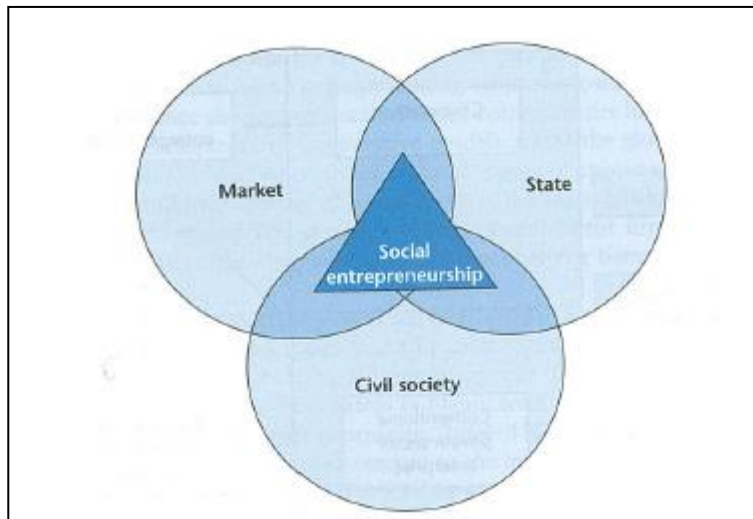
This study adopts (and therefore roots most of its arguments in) the definition by Mort *et al.* (2006: 76), who put forward the argument that the social entrepreneur is involved in innovative processes that use and combine resources to “pursue opportunities to catalyse social change and/or address social needs”. Adoption of this definition is based on the fact that it is more comprehensive as it embraces three key aspects of both entrepreneurship in general and social entrepreneurship in particular. For example, the adopted definition takes cognizance of the aspects of (1) process; (2) innovation; (3) a combination of resources to exploit opportunities; and (4) the focus of the entire process being catalysing of social change or addressing social needs. Furthermore, the definition also acknowledges that a social entrepreneur is not just concerned about social innovation but also recognises the opportunity for new social value creation. This definition is aligned with the **innovation school of thought**.

Within a South African context, social entrepreneurs and social entrepreneurship in South Africa have pivotal roles to play due to a variety of factors (Urban, 2008:347). Commercial markets are putting less or no value in providing these social goods. However, it is notable that efforts to reduce dependency on social grants are currently being embraced and instituted (Urban 2008:347). Furthermore, social deficits in South Africa are exacerbated by a social context characterised by massive inequalities in education, housing, high unemployment and poverty rates. The significant development in the South African social entrepreneurship scene by 2012 is confirmed by Meldrum *et al.* (2012:2) as they highlight a significant number of projects that have either been completed or are under way, such projects highlight the significant state of the social entrepreneurship sector in South Africa as well as the support that is available. In a recent mapping exercise, Meldrum *et al.* (2012:2) identified about fifty support providers that were offering services to South African social entrepreneurs, with

services ranging from a full programme of support including training, mentoring, coaching, access to finance and incubator space, to individual elements of support such as training, consultancy, investment, networks and online resources.

Figure 2 depicts the intersection where social entrepreneurship occurs within the interplay of the estates of the society, namely the market, state and civil society, as the background.

Figure 2: Three estates of society



Source: Nicholls (2006, cited in Carter and Jones-Evans, 2006:233)

1.3.1.4 Differences between commercial and social entrepreneurs

The differences between social entrepreneurs and the ‘mainstream’/commercial entrepreneurs tend to be based on a number of spheres, this is attributable to the fact that their objectives are not the same. Austin *et al.* (2006:2) note that such differences may be highlighted using four main domains: (1) market failure, (2) mission, (3) resource mobilization and (4) performance management. Firstly, *market failure* highlights the fact that social purpose organizations emerge when there is a social-market failure and a need for an innovative solution to society’s problem (Dees, 1998, 1 cited in Carter and Jones-Evans, 2006:221). In a nutshell, social entrepreneurs seek to create change and social value which is distinct from economical value. An example highlighted to drive this point home is that of people such as Florence Nightingale, Mahatma Ghandi and the cooperative activities of groups of people such as the Rochdale Pioneers are all about challenging the status quo, addressing social issues with tenacity and vision and creating “mission-related impact” and not wealth (Carter and Jones-Evans, 2006:221).

Secondly, the *mission* differentiates commercial from social entrepreneurs. Concisely, the mission of social entrepreneurs is to create social value for public goods and to fill gaps in state provision, while commercial entrepreneurs aim to create profitable operations resulting in private gain or value (Carter and Jones-Evans, 2006:221).

Thirdly, the domain of *resource mobilization* highlights limitations encountered by social entrepreneurs on tapping into the same capital markets as commercial counterparts (Austin *et al.*, 2006:3). In some instances, this is attributable to restrictions relating to distributing surpluses generated by non-profit organizations (Carter and Jones-Evans, 2006:221). Furthermore, the embedded social purpose of for-profit or hybrid forms of social enterprises also inhibit such venture from competitively compensating employees. Austin *et al.* (2006:2) propose that human and financial resource mobilization is a prevailing difference and leads to fundamentally different approaches in managing financial and human resources.

Lastly, Austin *et al.* (2006:3) note that *performance management* in terms of measurement is a challenge for social entrepreneurs. This is not commonly a challenge to commercial entrepreneurs who have various tangible and quantifiable performance measurement tools at their disposal, such as financial indicators, quality, market share and customer satisfaction.

According to Nicholls (2006, cited in Carter and Jones-Evans, 2006:233), social entrepreneurs usually identify “underutilized resources (e.g. people, buildings, equipment) and find new ways of putting them to use to satisfy unmet social needs” that the state welfare is failing or cannot address. In the light of this, it is less surprising that it is argued that the social entrepreneurship model has highlighted the need to be more effective, accountable and flexible in approaches to address social needs.

Social entrepreneurs use the capital to create something of value to the community, while commercial entrepreneurs create private value. Laville and Nyssens (2001:313) state that social entrepreneurs are arguably promoting a special kind of social capital because individuals who are concerned with a particular social problem, or tend to follow a certain ideology, are brought together to succeed in designing an economic and social activity around it.

Within the South African context, Urban (2008:347) opines that the South African government still appears reluctant to directly engage with social entrepreneurs, because

government views social entrepreneurs as innately risky. Furthermore, the South African government also views social entrepreneurial ‘activities’ as maverick endeavours. It is notable that issues of transparency and accountability are also often raised when it comes to social entrepreneurs.

1.3.1.5 Types of Social Entrepreneurs

As an attempt to understand the minor differences between social entrepreneurs, Smith and Stevens (2010:577) assert that there are three types of social entrepreneurs. A social entrepreneur is labelled as *social bricoleur* when he or she focuses mainly on local concerns and is partly driven out of first hand exposure to challenges. A social entrepreneur is characterized as a *social constructionist* if he or she normally identifies gaps in the social market and tries to fill them (Smith and Stevens, 2010:578). Thus, opportunities are identified by an entrepreneur being more alert than others on the broader market. Unlike the social bricoleur, domain specific knowledge serves a social constructionist less as a method of problem recognition. It may however be necessary for social constructionists to identify that the same problem exists in many different contexts (Smith and Stevens, 2010:578).

The third and last type is the *social engineer*. This form of social entrepreneur engages in entrepreneurship through seeking to implement social ventures to replace those solutions currently being provided (Smith and Stevens, 2010:579). This type focuses on large scale issues with mass appeal, and on issues that are well known in a variety of settings and often understood by individuals with limited knowledge of any particular aspects of the problems (Smith and Stevens, 2010:579). Mindful that resources are important in this type, it is often critical to take cognizance that these may already be in existence and held by the very institutions that the social engineer seeks to replace (Smith and Stevens, 2010:580).

1.3.2 Social entrepreneurship barriers and enablers

This section of the study initially discusses the actual barriers and enablers faced by social entrepreneurs. In this context, barriers refer to the factors that hinder social entrepreneurs from delivering the intended/desired social value or change to the communities in which they operate, whilst enablers on the other hand are factors that make it possible for the same social entrepreneurs to create social value. Barriers encountered by social entrepreneurs when creating social value include limited access to the best talent, problems with access to

funding, and inherent strategic rigidities which hinder their ability to mobilize and deploy resources to achieve the organization's ambitious goals. In recognition of these challenges, Haugh (2006:169) highlights resource acquisition as one of the thematic areas that require future research in social entrepreneurship as a concept. Chell *et al.* (2010:488) recognize one of the major challenges facing social entrepreneurship as being that of undertaking sustainable ventures. To overcome some of these barriers, social entrepreneurs sometimes opt for a for-profit organizational form to increase their ability to access commercial capital markets and to pay more competitive wages to attract talent (Austin *et al.*, 2006:12). This therefore makes it critical that a social entrepreneur develops a large network of strong supporters as well as an ability to communicate the impact of the venture's work so as to leverage resources outside organizational boundaries that can enable them to achieve their goals (Austin *et al.*, 2006:13).

Research by Dacin *et al.* (2010:243) asserts that factors or conditions that tend to support or make it difficult for social entrepreneurs to create social value to their beneficiaries may be grouped into four broad categories: *conventional aspects*, *institutional aspects*, *cultural aspects* and *social aspects*. *Conventional aspects* include the regulatory environment that either supports or impedes entrepreneurship; an example of this would be legislation in a country in which social entrepreneurship operates (Dacin *et al.*, 2010:243) which could either limit the growth of the venture or totally stifle it.

The *institutional category* includes participative managerial structure, availability of skilled labour and the degree of co-operation in the form of joint projects and a weak institutional context (Saka-Helmhout and Karabulut, 2006:130). *Cultural aspects* (commercialization versus culture) typically include a low professional standard of advice available due to stakeholders not being able to speak/interpret the social entrepreneurship language (Martins *et al.*, 2004:20). Last, but not least, *social aspect* (economic stability versus social mission) include the political climate of the country, corruption and limited access to social and business networks (Martins *et al.*, 2004:20).

Table 1 gives a summary of findings of research by Urban (2008:353) conducted within the South African context. It highlights enabling factors to the success of social entrepreneurs and notes its barriers.

Table 1: Barriers and enablers encountered by social entrepreneurs within the South African context

ENABLERS	BARRIERS
1. The entrepreneur's social network.	1. Volume of requests forwarded to the social entrepreneur.
2. Total dedication to the venture's success.	2. Lack of a formal process for handling such requests.
3. Whether the capital base is at the establishment base.	3. Strong sense of prioritising the business aspect of the venture (need for survival/concerns for self-sustainability).
4. Acceptance of the idea in public discourse.	4. Concern that the benefactor might not utilise the gift received from the social entrepreneur wisely.
5. The composition of the venturing team (salaried versus volunteer workers).	
6. Forming long-term collaborations within the public and non-profit sectors.	
7. The ability of the service to pass the market test.	
8. The entrepreneur's previous managerial experience.	

Source: Urban (2008:353)

There are notable commonalities found in the barriers highlighted above. Peattie and Morley (2008:94), Haugh (2006:9) and Saka-Helmhout and Karabulut (2006:130) all highlight *limited availability of resources* (both human and financial) as one of the most prevalent barriers that impede social entrepreneurs from creating social value. *Lack of formal support structure* for social entrepreneurs is another common barrier noted by various authors such as Urban (2008:353), Saka-Helmhout and Karabulut (2006:130) as well as Dacin *et al.* (2012:38). One last common barrier noted by Urban (2008:353) and Martins (2004:20) is the *limited access to social networks* as these assist in scaling the impact of the social value created by the social entrepreneurs.

In terms of enablers, Urban (2008:353) and Boschee (2006:7) concur that social entrepreneurs leverage innate *competitive advantage*, which includes the unique inborn qualities that social entrepreneurs tend to capitalise on when creating social value, an example of this would be an ability to relate to people/beneficiaries in a certain manner that not only touches their lives but enables them to buy into the vision of the social entrepreneur. Notably, both Chell *et al.* (2010:488) and Urban (2008:353) cite the drive of *self-sustainability* as another enabler for social entrepreneurs. Commonly, this entails a social entrepreneur using his or her resources mindful of the need to deliver maximum value along all three aspects of the triple bottom line. Arguably, this promotes independence, particularly when compared to their commercial counterparties (Urban 2008:349).

1.4 Research method

This is a qualitative study which used a single case method and adopted a constructivist paradigm to gain deep understanding of multiple realities from the perspectives of Dr Jeff Govender who is a social entrepreneur. A single case study approach was used because FHM is a unique social enterprise run by Dr Govender. It is unique not only because of the creative ways of raising funds, but also because it has been successful and is getting increasing media attention and public profile. According to Babbie (2001, cited in Fouché and Delport 2011:266), a paradigm is “the fundamental model or frame of reference we use to organise our observation and reasoning” to understand how the world works. Guba and Lincoln (1994, cited in Denzen and Lincoln, 1994:107) posit that as a set of beliefs, the research paradigms provide guidance for the researcher in the choice of method which reflects their ontology and epistemology. The constructivism paradigm is the most appropriate paradigm for this study as the reality is local, specific and constructed by Dr Jeff Govender as a social entrepreneur in this study. In other words, challenges and enablers in creating social value are based on the experiences of this research participant. Secondly, epistemology refers to the way we gain knowledge, and deals particularly with the question of the nature of the relationship between the knower or the researcher and what can be known about reality (Babbie 2001, cited in Fouche and Delport, 2011:267). The study is inter-subjective as the researcher interacted closely with Dr Govender to gain trust and build rapport, which was necessary to gain his deeper, subjective and rich understanding of his reality. Thirdly, the paradigm also addresses issues of methodology which seek to understand how the researcher can go about finding out reality, or rather how we know the world or gain knowledge of it Babbie (2001, cited in

Fouche and Delpont, 2011:267). This study uses a single case which has been purposively chosen to explore and understand the challenges which were faced, and it also attempts not only to deal with the challenges, but also to explore enabling factors of creating social value in a particular and unique context. Purposively, the study sampled incidents recollected by Dr Govender to depict enablers and challenges he experienced in creating social value in the community of Gelvandale.

A total of seven in-depth face-to-face interviews were conducted with Dr Govender to obtain information about these incidents. An interview guide was used in the initial interviews with Dr Govender (see Appendix 2). All interviews were conducted at Dr Govender's office in Gelvandale. On an average, each interview was forty minutes long. Primary data collection ceased when Dr Govender was becoming repetitive in his responses such that any further interviews would not lead to new insights. A follow-up interview was conducted to seek clarity, probe on some of the incident data to get in-depth understanding and to saturate data on his views regarding challenges and enabling factors that were experienced. Both primary and secondary qualitative data (e.g. interview data, emails, audio documentaries) were transcribed and analysed using open coding and constant comparison to induce themes.

While a case study allows the use of different methods of collecting data, the main data used in this study is qualitative data collected through interviews. Follow-up emails were also used to seek clarity on the emerging issues and to share part of the emerging findings. Additionally, data was also collected from brief audio documentaries of two previous interviews with Dr Govender, and limited documents such as "FHM Dedication statement" (see Appendix 1). Permission was obtained from Dr Govender not only to use his experience of starting and running a social enterprise, but also to record the interviews (see Appendix 3: letter of approval from Dr Govender).

1.4.1 Research quality

To enhance research quality, issues of credibility, dependability, confirmability and transferability were addressed in this study. Schwandt (2007:299) advises that "credibility (parallel to internal validity) addresses the issue of the inquirer providing assurances of the fit between the respondents' views of their life ways and the inquirer's reconstruction and representation of same". Follow-up interviews were held to share the emerging results with

Dr Govender, and also a member's check at the end of the study was done to address the issue of credibility.

Furthermore, dependability (parallel to reliability) focus(ed) on the process of the inquiry and the inquirer's responsibility for ensuring that the process was logical, traceable, and documented (Schwandt, 2007:299). A detailed description of the processes used in this study provides an audit trail which enhances dependability. Confirmability (parallel to objectivity) was concerned with establishing the fact that the data and interpretations of an inquiry were not merely figments of the inquirer's imagination. A variety of direct quotes reflecting the views of Dr Govender have been used in this report to reflect the findings and allow readers to make up their own minds (Schwandt, 2007:299). Mindful that this case concerns experiences of an individual, openness and rapport was developed with Dr Govender throughout the study. To ensure voluntary informed consent of Dr Govender, aims of the study were clearly communicated to him. Furthermore, to make Dr Govender more comfortable and open, it was emphasized that the study would focus on his experiences which no one else but himself would recollect and express better based on his memory. It is also instructive to note that Dr Govender was cooperative and happy to be part of the study as this was the first time that his work as a social entrepreneur was the subject of an academic study.

Notably, some sensitive information has not been included at the request of Dr Govender in line with the ethics of research. One major limitation of the study is that this qualitative study focuses on one individual as a case of study, and also lacks relevant documents as source of data.

1.5 Findings

Concisely, the aim of the study was to explore the enablers and challenges experienced by Dr Govender in creating social value in the Gelvandale Community, and also how he attempted to overcome the challenges over the years. In this regard, Dr Govender as a social entrepreneur identified four enablers: (1) strong enthusiasm to create positive change in others within a community; (2) network to resources; (3) a nurturing world view and (4) consistent self-sacrifice.

In as much as there were these enablers, Dr Govender also revealed that four types of challenges were particularly critical in setting up and operating Famhealth Medipark as a vehicle with the sole purpose of creating and adding social value to the community of Gelvandale. Predominantly, (1) limitation of finance was highlighted as one of the most critical challenges experienced by Dr Govender as a social entrepreneur. Furthermore, he also reported that (2) the overwhelming effect of the multiple roles that he had to take to remain in operation was evident in the failure to adequately dedicate time to core social entrepreneurship activities, and the difficulty in single-handedly managing different functions in the enterprise, and ultimately he overstretched his capacity. Besides these, Dr Govender echoed that (3) the negative effects of non-accredited status of the care-giver training programme manifested a variety of ways. Finally, (4) predominance of a destructive mind-set entrenched within the Gelvandale community created fear in potential patrons visiting FHM, and also resulted in underutilisation of income generation facilities owned by FHM. Each of these findings is discussed in detail below.

1.5.1 Enablers to create social value by Dr Govender

In terms of enablers to deliver social value, Dr Govender as a social entrepreneur identified four enablers: (1) strong enthusiasm to create positive change in others within a community, (2) network to resources, (3) a nurturing world view, and (4) consistent self-sacrifice.

1.5.1.1 Strong enthusiasm for positive change in others within a community

The desire for positive change in others within the community as reflected by Dr Govender was not only evident in strong and various ways, but also ultimately enabled him to create hope in others and to create and perpetuate personal satisfaction to create change in the community. The strength of his enthusiasm was characterised by not only the intensity but also the sustenance of his excitement which started way back from the initiation of FHM.

It's my purpose in life, it has full meaning for me and I understand it in totality.

That I am impacting on future generation. If I want to make the world a better place and make a lasting impact. I have to continue doing what I started doing long ago and should continue doing, and continue doing more of it.

Furthermore, Dr Govender also specified various ways in which he derived encouragement and enthusiasm to create positive change in others. Focusing on the fulfilment from the outcome of his effort to change others, Dr Govender illustrated this enabler as follows:

There was this girl probably in her late teen....she did not achieve much academically at school. She was told by her family that she is useless. And that she must not go outside...she must stay indoors. And that she will not get a boyfriend. She will not be able to make friends. She must just stay at home. And...I think she accepted that... Because it happens that if you hear something often enough...should start believing. She plucked up courage to come to the course [care-givers training course] and at the end of the four day course, we normally go through a process where we normally give them a chance to say how they feel and what the course has done for them, and so forth. Someone who had been trapped in the house for long enough...quiet on the first and until the fourth day...voluntarily stood up, and gave a testimony, with streaming tears. Pouring down her face...that for the first time in her life...she realised that she actually has value...and she can do something. Just to hear that...is exciting. Together with Sister Jacob, we were all excited to realise that we can have that kind of impact in lives.

At a more a personal level, altruism evident in Dr Govender as a person was also critical in enabling him to appreciate and demonstrate care for others in the community. In one of the interviews, Dr Govender had this to say:

Ability to de-emphasize on material acquisition just for myself is important...and I needed to care for others. Every one of us has a little heart.

In a brief audio documentary, Dr Govender reiterated how his strong drive to develop home-based care remained a central driver for him to create value in others:

Every action has a ripple effect...and we do not see our actions in isolation. If we believe that something is good...we simply do it even if it benefits one person. We are deeply passionate about the home-based cared programme. In society, there is a deep lack of caring for one another, apart from sickness, just caring for one another.

In a more a nuanced way, Dr Govender expressed the strength of his drive in terms of scope and connectivity of positive change in a community as enriching for him to continue to create real change in people in the community.

No amount of media exposure out there is more powerful than when you touch lives. So now it starts to add up, 520 lives touched on the care-givers side. Now we are going into the youngsters and training leadership. And touching lives, those lives are linked to other lives. And slowly you are touching the lives of those other people they are linked to. And so it will start to go on. I also still go on.

1.5.1.2 Network to resources

Network resources in the form of access to experts in various fields, agreements with various institutions pursuing or interested in similar social mission, and quality of trusted friends were highlighted as aspects that enabled Dr Govender to strive to enable people to make informed decisions in life.

It is through his networks that Dr Govender managed to align himself and obtain buy-in as well as formulate relationships with various other stakeholders (e.g. Nelson Mandela Metropolitan University) that had potential to both enhance and add value to the social initiative.

The venture has evolved for the better in that we continue to provide the healthcare service as well as act as an information forum for the community. We believe that information enables you to make good decisions.

Dr Govender partly attributed the success of his social entrepreneurial activities to strategic alliances he was able to form over the years. In this respect, relationships were formulated with Nelson Mandela Metropolitan University (NMMU) to access academics who addressed information sessions on various subjects at FHM. NMMU made a decision to become involved and align itself with the goals of FHM in its quest for community upliftment, transformation, development and sustainable enterprise through health promotion and education for work and life, and a memorandum of understanding was signed in this regard. To illustrate how strategic alliances were critical in his success as a social entrepreneur, Dr Govender touched on the bouquet of free services offered to the community by FHM through partners, including the NMMU Nursing Science department under the leadership of Dr Essie

Ricks, in its quest for social value creation in terms of making information available to guide informed life decision making within the community.

Succinctly, Dr Govender highlighted various aspects of life as well as the type of information that was being provided to help people in the community make informed decisions.

We would like to uplift people economically. We would like to uplift them in terms of their decision making choices for life, health choices for life in terms of personal health and financial and family value systems, reduce crime rate, reduce use of substance alcohol and drugs and also influence other people to do the same, other businesses and leadership people.

With Dr Govender as the only instrumental overseer of the model, the venture has been effective through working in partnership with stakeholders to bridge to resources. The interview excerpt below shares his views in this matter:

We have been highly effective in setting up the organisation or in our general way of doing things as we have always had minimal resources, we just have been working on partnerships because there really isn't money to throw at anything. We have been busy, as you know I won the Herald Citizen of the Year in the category of Sustainable Development, with such recognition one gets the sense that there is buy-in. We have also been involved with NMMU and NAPDI indirectly so, they have been doing the tremendous work in the community which we facilitated, also we provided them offices as you know. These resources and partnerships have been vital to the existence of Famhealth.

Trust as a reflection of quality of network resources was also highlighted as an enabler in ensuring the survival of the social enterprise.

The pressure of making ends meet, continuing to grow the practice, deal with tenants and run the centre mounted up without abatement. I reached a point where I had maximised all credited facilities (my home and all other properties were fully bonded) and did not have funds to cover salaries and expenses. At different times during the past 3 years I had to borrow money from friends. Three good friends loaned me R100 000.00 each at different times without any contracts signed – just a phone call and the money was deposited into my account...Recently I had to assist one of these

friends when he landed in financial difficulty; I gave him a loan on the basis to help him. He repaid me a few days ago.

1.5.1.3 Nurturing world view

Nurturing was an important element in the growing up of Dr Govender and helped him to make sense of the world in terms of support given to others.

I come from a family where my mother and father did a lot for their respective families and extended family where people lived in our house even though we were not so well off, schooling and matriculated in our house. I think that formed the foundation. Seeing my mother work hard with her hands made quite an impression on me, by working with her hands mean physical labour. First pay check in fifth year I gave every cent to my mother. that comes from them, you have to receive it to be able to give it.

1.5.1.4 Consistent self-sacrifice

Dr Govender explained how he had self-sacrificed in a variety of ways to ensure that the mission of adding social value was a reality. Focusing on financial sacrifice and life style changes, Dr Govender exemplified self-sacrifice at both individual and family level as follows.

Financial loss as we [family] had to change the whole lifestyle, we haven't been on an overseas trip for the past six seven years. Financially it was a massive massive massive family financial sacrifice. It completely changed our lifestyle. Family stopped getting things. I am going to spell it out, my wife drives a Honda Jazz and I drive a ten year old bakkie. I don't indulge in expensive clothes. I wear the same things over and over but you know I do have a lot in the wardrobe and they are decent enough, that I have accumulated over time. I believe that to look decent I have to be presentable.

Emotional, financial, time, physical and I think opportunity cost. I could have studied and become a more skilled, specialist or have more qualifications, [which is] good for patients. But that's financial I suppose.

In attempt to quantify how much he had forfeited by focusing on FHM instead of full time practice as a medical doctor, Dr Govender had this to say:

I could have made R100K a month in practice, it is difficult in terms of money...more than R10m. You can't ring-fence just the entire FHM, I'll tell you why...I moved to ECIPA what I did there developed me as a person, running the organisation setting it up developed me as a leader. To get that resilience and capacity to just push long hours every single day that was developed there. And also they gave me the opportunity to show myself that I could do things outside my personal side, you know like getting a degree and run a practice, I could lead people, I could convince them to do things...you know we could create things...you know there was success and that became embedded in me. Actually, I attribute the success of FHM to self-sacrifice.

1.5.2 Challenges faced by Dr Govender in creating social value

Results show that Dr Govender identified four key challenges: (1) overwhelming effect of multiple roles, (2) limitation of finance, (3) negative effects of non-accredited status of the care-giver training programme, and (4) predominance of a destructive mindset entrenched within the Gelvandale community, and how he tried to deal with some of these challenges.

1.5.2.1 Overwhelming effect of multiple roles

Dr Govender acknowledged that the fact that he manages the entire project by himself means that he has to perform a variety of roles (e.g. running the clinic, managing the projects, managing finances, estate management and social entrepreneurship), leading to lack of time, feeling overstretched, and not adequately performing some of these roles. In this vein, he highlighted the loss of financial resources attributable to his lack of estate management expertise:

I think that was something I could do...but I took on too much because it was just happening as it went along, I think I should have set it out at that point in time...maybe I didn't have the insights and maybe...I mean when you have too many skills...you just think...OK I'll do that...if you don't have the skill...you know you can't do it. All the spread sheets [processing payments]...all those things...I could it. But what I found was...eventually...that time was running out. So I started slacking off in following up with them, I put all the paper work in place. I should have...what's

the word...outsourced it earlier on... I lost a lot of money and I think had I gotten a good [property management] agent managing it, you know every time you connect with someone, you start connecting with others through that person...and maybe my opportunities for tenancy would have improved. You know I stayed out of that network and what happened is that eventually it became such an issue that even when handing it over, it was not so easy cause they all want all 'darts in a row' when you give it to them...and that became such a challenge as well because running with so many things...it just kept rolling on and the tenants were taking advantage...and I had to start getting all philosophical about it.

Alluding to the nature and scale of the negative effects of trying to perform multiple roles and not doing some of them well, Dr Govender expressed how he was being affected by loss of money and time as follows:

One, it has taken a whole lot of my time. Two, huge loss of income. Three, basically just the whole interaction with them (tenants) which is not entirely a positive interaction. You have to collect debt...you know just...it is not a positive kind of activity that you would want to get involved in...but it's there...and it has an impact...not having the money impact on not being able to take the place forward...the facility...the loss incurred would come down to over R1 million.

The multiplicity of roles and being overstretched as a social entrepreneur as a prevailing challenge was evident as follows:

Having to work in the [doctor] practice during the day, see patients to make sure that is continuing then interacting with the builders [project management] meant that I work 24 hrs a day, but I stayed in the practice at night.

1.5.2.2 Limitation of financial resources

According to Dr Govender, limited access to financial resources, and lack of variety in streams of financial resources into the enterprise impacted negatively on the scale and survival of his social mission and ambitions. Emphasizing the challenges of access to financial resources, lack of variety of financial resources, and the sole source of funds at the beginning of FHM, Dr Govender reiterated that his ambition “to have the best possible health

service in the heart of a healthy, peaceful and prosperous community” as expressed in the “FHM dedication” (see Appendix 1) was being arrested by limitation of financial resources.

I had to buy two dilapidated buildings that were sitting next to each other. And unfortunately the banks in accordance with their criteria would not fund it [my enterprise]. There was no grant from anybody. So it was a complete solo effort.

Even though there was slight and positive change in his access to finance, the challenge remained as illustrated in this interview:

First thought was to buy the house next door and develop it, but then this came up, two properties next to each other like that and negotiated. I did speak to the banks, they had a cut-off level as they financed such deal from R2.5 million and up, their collective value was R1.8 million for the two so I could not move. Then I asked myself what do I do now because if I don't secure the property there's nothing else I could do, so I contacted all my financial people, insurance brokers and people managing my offshore investments. Told them to liquidate everything, I was told you are going to lose money, I just said liquidate don't tell me, just give me the money. So I took all the money, added it together and was able to pay for it cash, R1.8 million. I think it is a critical factor, I just sat in my surgery and thought to myself where this place is located, the number of people and the time that I have been here this is the type of service that would add value, I did not do any market research. I did not do any detailed viability studies I need later on when I need a further loan and the bank asked me to do some projections, then we did that. So basically the first critical step was to liquidate everything that I had then purchased the building and had to start building. I re-bonded my house and surgery to the max, gave me money to start building. By this time the bank started seeing I was creating value in the property, they granted R2.5million medium term loan, I managed to continue and completed.

Furthermore, he reflected on how his ambition remains unrealised due to financial limitation as expressed in this interview:

Yes the theatres would have been done...x-rays would have been in place...all of those things would have been in place...but they are not.

In dealing with the limitation of financial resources, Dr Govender used some low cost and ways to secure funds such as borrowing money from friends, innovative formalisation of FHM to create a trust to be able to disburse more funds.

[Interviewer] Do you plan to have any formalised fund raising initiatives in the future?

[Interviewee]. FHT NPO PBO...the trust is contribute to address problems...it get a tax certificate. This means more money for activities as less tax is paid.

1.5.2.3 Negative effects of non- accredited status of care-givers training

As a Social Entrepreneur, Dr Govender firmly believes that the non-accredited status of the care-giver training affected not just the recognition of the programme, but also the likelihood of graduates getting paid employment despite their skills. As a critical aspect of the intended change in the community, Dr Govender lamented how the care-givers certificate was not formally recognised, which not only reduced the likelihood of graduates getting paid employment but also could not be advertised aggressively.

If we were accredited...we would advertise it aggressively. An accredited course is perceived by people as of great value as certificate apart from content. It creates greater value for them to explore opportunities...I think people would put money into something that they believe has formal recognition. It would put them in a better position to secure jobs.

Despite the negative effects arising from the non-accredited status of the care-givers programme and the subsequent low profile as perceived by potential employees and trainees, Dr Govender alluded to the social value created by this pool of human resource as volunteers in frail care homes and hospices.

Most of them are employed, either in private homes or working as volunteers in frail care homes.

From a perspective of economic value and access to external sources of funding for the programme, Dr Govender illustrated some of the disadvantages he is still facing because of non-accreditation as follows:

If you're applying for funding anywhere, accreditation plays a critical role you see. Also...as it is...they (trainee health caregivers) are already getting employed, ummm and then...ja it would certainly give us ability to access funding as well, we would get more people through the program, give them economic freedom and hire more staff.

1.5.2.4 Predominance of destructive mind-set

The predominance of a destructive mind-set among the people in the community was evident as a challenge to the enterprise from early in its inception. Dr Govender complained about theft, vandalism and assault of builders by community members during the construction phase of FHM as follows:

There were immense challenges even in the construction phase where people were assaulting builders and stealing building materials...just normal vandalism...that challenged me emotionally a lot cause I know nobody else to talk to about it...I'd just get call to say that this that that has been bashed. The builder would be working in broad daylight and should be taken away from them.

Even after inception, Dr Govender asserted that prevalent destructive behaviour in the community made patrons from other parts of the city or clients not just fearful to attend evening talks or tenants to occupy office space, but also discouraged others from utilising the income generating facilities such as conference facilities. Below is what Dr Govender shared regarding the prevalence and negative effects of violence on the growth of his enterprise and its social impact:

The violence in this community affects people from different walks of life, some of them are fearful to come into the area...it affects tenancy and clients coming into the area to support the tenants and obviously grow the centre. It affects people utilising the conference centre. It affects people attending the talks from other parts of the city and our activities.

Focusing not just on the scale of this impediment, but also its negative and direct effect on his operations, Dr Govender said:

it's a social (dis)order yes...and the whole economic situation that perpetuation of crime and violence and basically it ends up being means of survival. They think it's fine to take...clearly they believe I have a whole lot more...and it does not matter if

they take CCTV cameras...to them it does not matter, I can always claim from the insurance...but little do they realize that everything has a financial impact...but I understand...that is just where they are...it's unfortunate that some people in society become socialized in that way...it is not only unique here.

Dr Govender also highlighted a variety of attempts that he was engaged in to deal with this impediment to his operations, but also in the society:

NAPDI [Northern Areas People Development Initiative], [youth academy] leadership programme, Father's Day, Mother's Day, youth programme, Easter Bunny day, all those...Nelson Mandela Day, Free Service day and the various talks that various experts give.

1.6 Discussion of findings

The findings from the data collected were presented in the previous section, these were based on enablers and challenges encountered by Dr Govender in creating social value. The primary source used to collect data was the interviews with Dr Govender as the social entrepreneur, secondary data was in the form of documents, brief documentaries and emails. The social constructivist paradigm was adopted for this study as the realities are local, specific and constructed by Dr Govender. Data collected from the primary interviews was transcribed and analysed to induce themes. The section below discusses these findings in the light of existing literature: this includes literature reviewed in this study and that which was not initially reviewed for the purpose of the study.

This section focuses on discussing the key findings of the enablers and linking these to relevant literature. Various themes were then induced from the data collected on the enabling factors experienced by Dr Govender in social value creation, then consolidated into two main themes for purposes of discussion. The challenges, as per findings, are also categorised into themes further on in the research.

As mentioned in the findings, four factors were identified as enablers that were supportive of Dr Govender's social value creation objective. Each of these is categorised under one of the two broader themes mentioned below. This section will give more detail on each of these. Findings on enabling factors to Dr Govender's social value objectives seem to be evident at two levels: individual and system.

At the individual level, findings such as (1) strong enthusiasm for positive change in others within the community, (2) consistent self-sacrifice, and (3) a nurturing world view reflect that Dr Govender as a social entrepreneur holds manifested unique characteristics in his endeavour to create social value as these were all enablers. On the other hand, the overwhelming effect of playing multiple roles within FHM is the one challenge categorised under the individual level. Generally, this resonates with the psychological perspective of entrepreneurship which asserts that entrepreneurs have distinct traits that incline them to identify and explore opportunities more than other people (Smith, 2010:177). It is notable that these traits seem not to be unique to a social entrepreneur. Other traits commonly highlighted under the psychological perspective to understand entrepreneurs in general include a need for achievement, a high internal locus of control, a willingness to take risks and a need for autonomy and independence.

Empirical research has mainly focused on the personality of the social entrepreneur. Mair and Marti (2006:41) assert that studies following this approach posit that social entrepreneurs are characterized by very special traits (Drayton, 2002 cited in Mair and Marti, 2006:41). Such traits include *special leadership skills* (Thompson, Alvy and Lees, 2000, cited in Mair and Marti, 2006:41), *a passion to realize their vision* (Bornstein, 1998, cited in Mair and Marti, 2006:41), both these traits may be linked to the **strong enthusiasm that Dr Govender has to create positive change**. Research also suggests converging views by authors such as Stewart and Roth (2001, cited in Llewellyn and Wilson, 2003:343), Smith (2010:178) and Simpeh (2011:8) regarding evident links between entrepreneurship and achievement needs, locus of control and risk taking, although some constructs of *locus of control* and *need to achieve* remain controversial. On an individual level, Dr Govender most certainly portrayed a need to achieve as well as locus of control with fair amount of risk taking through his **strong enthusiasm to create positive change**, which drove him to achieve his overall objective of creating social value.

Another individual trait highlighted is the *strong ethical fibre* that social entrepreneurs tend to possess (Drayton, 2002 cited in Mair and Marti, 2006:41), this trait may be linked to both the **nurturing world view** enabler as it talks to the perception that Dr Govender holds of others around him, which in turn has propelled him to venture into social entrepreneurship, as well as the **self-sacrifice** enabler, in that Dr Govender became so embedded within the Gelvandale

community that it almost came naturally: he shares a part of who he is together with his vision so as to drive the objective of social value creation

On the other hand, it can be argued that the same personality traits highlighted above proved to be a challenge as Dr Govender encountered the **overwhelming effect of playing multiple roles within FHM**. This challenge was posed by his innate locus of control and need to achieve, in turn posing a challenge to single-handedly manage different functions in the enterprise, and ultimately he overstretched his capacity.

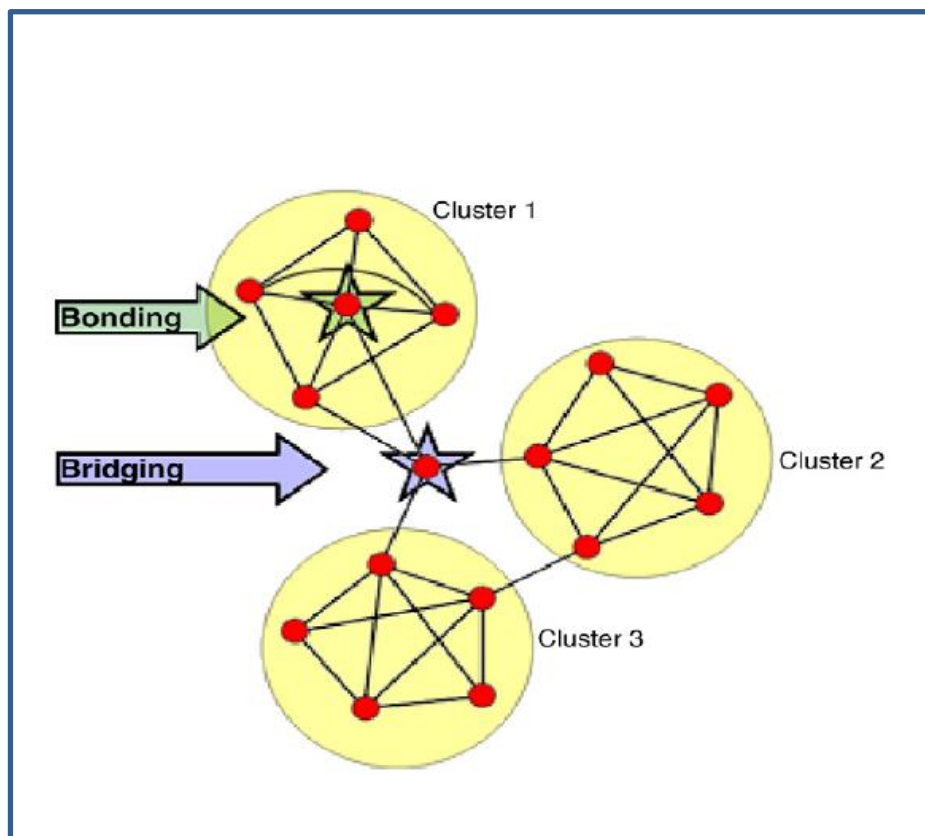
While empirical research has been used in analysing the findings of this research, criticism levelled at studies that seek to explore relationships between personality traits and entrepreneurship has been taken into cognisance. Such criticism highlights the use of personality traits such as risk taking, achievement motivation and internal locus of control as being narrow and vague (Llewellyn and Wilson, 2003:342). There is also the notion that achievement motivation is merely an artefact of cultural conditioning, while in the same vein, locus of control is criticised as seemingly comprising a mix of other dimensions of both personality and cognition (Kline, 2000 cited in Llewellyn and Wilson, 2003:342). There also has been criticism levelled against adoption of a classical single-minded model of personality traits as it tends to ignore influences of other natures. One last criticism is that existing studies on the subject of personality traits and entrepreneurship centre around the use of psychometric measures which tend not to be reliable nor can they be validated.

At a more systematic level, his **network to a variety of resources** (e.g. experts to give talks on a range of topics; health and science academics from academic institutions; financial resources from trusted friends, and general support from friends etc.) acted as an enabler as it assisted in the acquisition of resources and services which were available for free and advanced his interest of creating social value. According to Hoppe and Reinelt (2010:600), leadership networks are a “response to a rapidly changing world that is increasingly interconnected – one requiring greater learning and collaboration for solving complex problems”. Such networks tend to be used as a tool for scaling impact resulting from social value creation. Hoppe and Reinelt (2010:601) identify four kinds of such networks: peer leadership network (social ties among leaders connected through shared interest and commitments, work and experiences), organizational leadership network (set of social ties that are structured to increase performance), field-policy leadership network (connecting

leaders who share common interests and have commitment to influencing a field of practice or policy), and lastly collective leadership network. The network of resources that serves as an enabler for Dr Govender falls under the last category of leadership network, this type comprises of a self-organised system of social ties among people attracted to a common cause or focused on a shared goal (Hoppe and Reinelt, 2010:601).

Hoppe and Reinelt (2010:601) introduce the concept of social network analysis (SNA), which comprises a set of theories, tools and processes for understanding the relationship and structures of a network. The notion of bonding and bridging denotes two different kinds of connectivity. Bonding signifies connections in a tightly knit group, while bridging connotes connections to diverse others. Clusters, however, are tightly knit and highly bonded subgroups. Figure 3 is a depiction of the bonding, bridging and cluster interplay.

Figure 3: Bonding, Bridging and Clusters



Source: Hoppe & Reinelt (2011:602)

Within the FHM context, Dr Govender and his immediate human resource would form part of the same cluster in which there would be bonding within as they all share the exact same social value creation objectives, and the group works closely together in driving the vision. The connection from Dr Govender to other stakeholders such as NMMU, Hope Foundations and NEPDI would be through the bridging exercise as these stakeholders still added immense value to the social venture albeit forming part of other clusters.

Burt (2004:353) posits the notion of participation in and control of information diffusion which underlies the social capital of structural holes. Social capital, in this regard, is defined as a function of brokerage opportunities that draws from network concepts emergent from sociology. Such holes tend to create a competitive advantage for an entrepreneur whose relationships span the holes as they are buffers through which people on either side broker relevant information (Burt, 2004:354). In the context of Dr Govender these can be seen as the information gap that is bridged by his networks so as to enable informed decision making amongst the recipients.

The level at which Dr Govender is entrenched within his networks may be measured by density and/or hierarchy. Network density refers to the average strength of connection between contacts, quantitative data may be used if need be to ascertain this measure. In a dense network, contacts tend to be in close communication and this enables them to impose sanctions against any individual violating shared beliefs or norms of behaviour (Burt, 2004:374). Network hierarchy, on the other hand, is an alternative source of closure with minority contacts. In most cases, a network is as hierarchical to the extent that it is organised around one person, Dr Govender as the social entrepreneur would be that person in this instance (Burt, 2004:374).

Further on, Baron and Markman (2003:42) distinguish between social competence and social capital of the entrepreneur, as well as the effect that each has on the other. Social competence is defined as the effectiveness of the entrepreneur in interacting with other people, while social capital refers to the reputation as well as social networks of the entrepreneur. Social capital, therefore, assists the entrepreneur in gaining access to the people that an entrepreneur may want to work with, while social competence plays a vital role in determining the outcomes of such interaction (Baron and Markman, 2003:42). Baron and Markman (2003:42)

thus draw the hypothesis that, all other factors being equal, the higher the entrepreneurs' social competence, the greater their financial success.

The other three challenges faced by Dr Govender in creating social value are also categorised under the systematic level. As mentioned above, these include (1) limitation of finance, (2) negative effects of non-accredited status of the care-giver training programme, and (3) predominance of a destructive mind-set. These challenges are due to restrictions posed by various respective environmental factors systems such as the funding regulations in the banking system, accreditation requirements by relevant accreditation bodies, and factors attributable to the social as well economic systems.

In their study with specific reference to India, Santhi and Kumar (2011:15) identify five challenges that social entrepreneurs encounter in their social value creation quest. These present themselves in the form of family, social, technology, finance and policy challenges. While the challenge regarding limitation of finance by Dr Govender would be linked to the financial challenge as identified by Santhis and Kumar (2011:15), it is, however, worth highlighting that bank loans with the mainstream banks are not an option at all in India, while in South Africa they may be available albeit limited. The second challenge under systematic level is negative effects of non-accredited status of the trainee healthcare-giver programme, which may be linked to policy challenges according to the challenge categories by Santhis and Kumar (2011:15): these are attributable to the high regulatory framework with which social entrepreneurs ought to comply. The last identified enabler is the predominance of a destructive mind-set which may be linked to social challenges as this stems mainly from a breakdown in adherence to societal norms.

1.6.1 Limitations of the study

One major limitation of the study is that this qualitative study was exploratory, used a single case study method, focusing on one individual, and also lacked relevant documents as source of secondary data. Mitigating factors such as triangulation and follow-up interviews with the aim of seeking further clarity as well as member checks have been utilised.

Furthermore, with interview data as the main source, it is very likely that Dr Govender may not recollect clearly some of the incidents which occurred in the early stages of the social venture or in the distant past.

1.6.2 Value of the study

The findings of this study may be transferred to contexts with similar characteristics. However, it is advised that there is need for greater understanding of contextual factors before making any generalisations.

1.6.3 Areas for future studies

Further studies should be conducted to gain better perspectives on enablers and challenges of how social entrepreneurs create value by gathering data not just from the individual entrepreneur but also other stakeholders within and outside the social venture.

1.6.4 Recommendations

A more formalised model of this social enterprise that can be replicated would have full impact when scaled. This would also enable the social entrepreneur to leverage more on existing as well as prospective networks. Formalising the model would also enable him to be further involved at a strategic level and delegate more of the operation activities of the business. This would further empower the employees while the social entrepreneur would have more time to add even greater value to the organisation through pursuing other value-adding ventures that would further grow the business.

1.7 Conclusion

In conclusion, the literature reviewed shows that the wide variety of definitions available on social entrepreneurship have in essence five major commonalities that surmise the gist of the concept, these include innovation, which each social entrepreneur needs to have in achieving their mandate, the social objective that differentiates them from mainstream entrepreneurs, the social value that they aim to create, the non-profitable nature of the enterprises that they conduct, and the self-sustaining nature of such enterprises. To a large extent, these definitions can be linked to one of the four major approaches identified above, those being the innovation school of thought, the social enterprise school of thought, the emergence of social enterprise in Europe and the UK approach.

The findings of the research conducted highlighted four major enablers: (1) strong enthusiasm for positive change in others within the community, (2) consistent self-sacrifice, (3) a nurturing world view, and (4) a network to a variety of resources. Four barriers

encountered by social entrepreneurs in creating social value were also identified: (1) limitation of finance, (2) overwhelming effect of multiple roles that he had to play, (3) negative effects of non-accredited status of the care-giver training programme, and finally (4) predominance of a destructive mindset entrenched within the Gelvandale community. These were then categorised according to either individual or systematic level. The first three enablers together with the first barriers fall under the individual level, and the rest were grouped under the systematic level category.

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SECTION 2: LITERATURE REVIEW

2.1 Introduction

There is surprisingly a wide plethora of definitions of social entrepreneurship considering that it is not necessarily a widely covered subject. As such, it is inevitable that any researcher exploring the concept of social entrepreneurship will grapple with a variety of definitions to identify common aspects and also contentious aspects of the definitions in attempt to get a rich understanding of this elusive concept. Like any other entrepreneur, social entrepreneurs also encounter some challenges in their endeavour to succeed. It is in this vein that the aim of this section is not only to review literature on the concept of social entrepreneurship, but also to explore the enablers and challenges that social entrepreneurs experience. To achieve this aim, the section will initially focus on the origin and challenges of defining the concept of entrepreneurship in general, before progressing to specifically dwell on social entrepreneurship. Further on, the section will give a cursory look at the concept of social entrepreneur by comparing social and commercial entrepreneurs and also discussing types of social entrepreneurs. Thereafter, the section will dwell on the various challenges and enablers which social entrepreneurs actually encounter, mindful that they work in various contexts. Finally, section provides a summary of key aspects regarding social entrepreneurship, enablers and challenges.

2.2 Origin and definitions of entrepreneurship as a concept

It is notable that social entrepreneurship is a compound term which comprises two key aspects, “entrepreneurship” and “social”. Arguably, it is instructive that tracing the origin of entrepreneurship first before exploring the social dimension will be helpful to gain in-depth understanding of the concept of social entrepreneurship. Furthermore, an attempt to highlight differences between social and commercial entrepreneurs and also to gain an understanding the interrelated concepts of social entrepreneurship, social entrepreneur (person) as well as social enterprise (entity) would equally be salient to unpack the notion of social entrepreneurship, understand those people who pursue this type of entrepreneurship and the context in which this is done.

2.2.1 Origin of Entrepreneurship

While the concept of entrepreneurship was first defined more than 250 years ago by such pioneers as Cantillon and Say (1755 and 1803, cited in Nieman and Nieuwenhuizen, 2011:5), it still continues to be elusive (Austin *et al.*, 2006:3). Nieman and Nieuwenhuizen (2011:5) assert that the concept of entrepreneurship does not originate purely from the science of economics. Pioneers of the field, Cantillon and Say (1755 and 1803, cited in Nieman and Nieuwenhuizen, 2011:5) put forward that they were interested not only in just the economy but also in the managerial aspects of the business, business development as well as business management. Schumpeter (1934, cited in Nieman and Nieuwenhuizen, 2011:5) opined that Cantillon was the first one to give a definition of the ‘entrepreneurial function’ as a whole even though the term ‘entrepreneur’ had been used before, which is traced back to have acquired its meaning in the 17th century (Venn, 1982, cited in Nieman and Nieuwenhuizen, 2011:5). Jean-Baptiste Say (1803, 1827, 1815, 1816, cited in Nieman and Nieuwenhuizen, 2011:5) was the second author to take interest in entrepreneurs, and regarded economic development as venture creation and hoped that the Industrial Revolution in England would spread to France.

The term entrepreneur comes from the French word “entreprendre” which means ‘to undertake’ (Santhi and Kumar, 2011:14). Nieman and Nieuwenhuizen (2011:5) indicate that it was Say who applied the concept of entrepreneurship as a means of developing farming to the liberal thinking proposed by Quesnay, Mercier de la Rivière, Mirabeau and other physiocrats. Such physiocrats held an agrarian philosophy partly informed by the fact that the dominant senatorial class was not allowed to take part in commerce in the Roman Republic, this implied that this class had to put much reliance on large plantations as source of income. This rule was bypassed through freedmen proxies who in turn sold the surplus of goods from sustenance farming (Charbit and Virmani, 2002:856). It is from this background that scholars such as Timmons (2000 cited in Nieman and Nieuwenhuizen, 2011:9) believe that entrepreneurship is more than just the process of creating or seizing an opportunity and pursuing it. More importantly, the creation and seizing of the opportunity is done irrespective of the resources currently controlled. This definition captures the two key aspects of entrepreneurship, namely discovery of opportunity and exploitation of that opportunity.

The definition by Keogh and Polonsky (1998:4, cited in Kalitanyi and Visser (2010:378)) suggests the existence of vision which enables the entrepreneur to see beyond the limitations of resource and exploit opportunities missed by others. It is also pivotal to underscore the determination to succeed against all odds in creating and building something of value from practically nothing (Bates *et al.*, 2005:48, cited in Kalitanyi and Visser (2010:378)).

Notably, entrepreneurship as a concept is conceived as playing a vital role in contributing to the economic prospects of companies, sectors and entire nations (Soriano and Montoro-Sanchez, 2011:297). In this regard, Cantillon and Say (1755 and 1803, cited in Nieman and Nieuwenhuizen, 2011:5) also indicated that entrepreneurs invested money in buying raw material at a certain price to sell at uncertain prices. It is on this basis therefore that entrepreneurs were viewed as risk takers, organizers of production, middleman, change agents and innovators.

It is due to such complexity that various terms appear in the literature placing various degrees of emphasis on entrepreneurship process versus personal characteristics and capabilities of the entrepreneur (Soriano and Montoro-Sanchez, 2011:297). Economic classics include the concept as one of the four factors of production, other three being land, labour and capital. As a function, entrepreneurship refers to the discovery and exploitation of opportunities and/or creation of enterprises. It is notable that a number of studies on entrepreneurship have focused on the individual, economic aspects for starting a new enterprise and also business development (Spear, 2006:399).

Nieman and Nieuwenhuizen (2011:4) highlight the confusion surrounding the definition of an entrepreneur. They put forward the argument that researchers have a tendency to perceive and define the concept from the understanding of their own disciplines. It is from this premise, therefore, that Nieman and Nieuwenhuizen (2011:4) raise the possibility of the confusion being not so as great as most people believe, due to the fact that similarities in the perception of the entrepreneur emerge within each discipline.

With a focus on entrepreneurial sophistication, Nieman and Nieuwenhuizen (2011:31) highlight five different types of entrepreneurs. Firstly, the *basic survivalist* is characterized by lack of economic independence and minimal involvement with other entrepreneurs within the network. Secondly, the *pre-entrepreneurs* comprise a group initiative that follows a welfare-oriented approach and are not necessarily self-sustaining. Thirdly, *subsistence entrepreneurs*

are self-employed and are about independent income generation. Fourthly, *micro-entrepreneurs* have between zero to nine employees, hold an operating licence from local authority and often have a fixed workshop. Last but not least, *small scale entrepreneurs* are those with about ten to forty-nine employees. These are usually well educated individuals that have adequate collateral to back up a loan application with a bank (Nieman and Nieuwenhuizen, 2011:31). As diverse as the field of entrepreneurship is, Spear (2006:405) asserts that it remains dominated by the ‘great man’ school of thought even though not all academic writers discuss the concept in terms of the solely the ‘heroic individual’ that is often a male figure. With this cursory view of the origin of entrepreneurship, it is vital to discuss the three perspectives that dominate the field of entrepreneurship.

2.2.2 Three perspectives of entrepreneurship

According to Soriano and Montoro-Sanchez (2011: 301), the individual that undertakes to coordinate the other three factors of production (capital, land and labour) is an entrepreneur, the behaviour itself is entrepreneurship, while the venture that is the result of this is an enterprise. Over the years, attempts to understand the role played by the entrepreneur as well as the nature of entrepreneurship have evolved so that they are broadly categorised into three major perspectives: **economic**, **psychological** and **behavioural** (Smith, 2010:177). From an **economic perspective**, Schumpeter (1934, cited in Smith, 2010:177) defined entrepreneurship as innovation or carrying out unique combinations of resources to create new products, services, processes, organisational forms, sources of supply and markets. Some of the criticisms levelled against this perspective include (a) failure to recognize that entrepreneurs actually create rather than simply detect already existing opportunities, and (b) the view that an entrepreneur is alert and gets additional information needed for exchange is simplistic as anyone can do that.

Secondly, the **psychological perspective** of entrepreneurship reflects a shift away from the focus on function of an entrepreneur in the economic system to highlight the characteristics of an individual (Smith, 2010:177). Subsequently, the psychological perspective emerged with a new focus on the personal characteristics of an entrepreneur or answering the question who are entrepreneurs (e.g. risk taker, innovator, tolerant of ambiguity etc.) (Smith, 2010:177). In particular, the personality traits under the psychological perspective of entrepreneur argue that entrepreneurs have distinct traits which inclined them to identify and

explore opportunities more than other people. A number of traits have therefore been identified as distinguishing entrepreneurs from those who are not (Smith, 2010:177). For example, some scholars have argued that a need for achievement explains human need to succeed, accomplish, and excel as an entrepreneur (McClelland, 1961 cited in Simpeh, 2011:3). Others have focused on high internal locus of control which refers to an individual's perception about the underlying main causes of events in his or her life (Rotter, 1966 cited in Simpeh, 2011:3). Notably, a human need for independence and autonomy has also been highlighted as a trait for entrepreneurs (Simpeh, 2011:4).

Some criticism of the psychological perspective includes confusion between a high need for achievement and actual locus of control in terms of which is more important than the other (Smith, 2010:178). Locus of control on its own is insufficient to give an explanation as to why other individuals are entrepreneurial, hence other forces such as social, cultural, political, organizational and interpersonal ought to be taken into consideration as they assist or impede the acquisition of skill (Smith, 2010:178). More importantly, this perspective fails to take into account the influence of environment or context on an entrepreneur (Smith, 2010:178).

Additionally, the psychological approach has also been criticized because no specific traits or characteristics have proven to be good predictors of behaviour; personality factors can and do actually change over time, and the pursuit of a single factor does not resonate with the complex nature of entrepreneurship. In this regard, the single factor analysis fails to exhaust the variety and number of traits associated with the definition of an entrepreneur (Smith, 2010:178).

Thirdly, the **behavioural approach** to entrepreneurship explores business behaviour and business context to understand entrepreneurship (Smith, 2010:179). In a nutshell, context which includes value system, gender, culture, ethnicity, family and occupational background (an example of which would be technical entrepreneurs, which refers to undertaking to do business due to their technical backgrounds) leads to entrepreneurial attitudes such as innovation that also leads to venture creation behaviour. For example, Simpeh (2011:4) states that cultural environment can produce attitude differences as well as entrepreneurial behaviour differences. As such, entrepreneurship focuses on (a) stages of business development, (b) different context in which entrepreneurs operate (e.g. migrant

entrepreneurs, technical entrepreneur, social entrepreneur etc.). Criticisms against this approach underscore that behaviour alone is not sufficient to influence occurrence of business. Another criticism is that identification of an entrepreneurial opportunity is not pronounced in the behavioural approach (Smith, 2010:179).

2.3 Defining the concept of Social Entrepreneurship

Defining the concept of social entrepreneurship is a challenge to many scholars bearing in mind this is a “multifaceted, dynamic and often highly contingent phenomenon” (Nicholls, 2006:236). However, it is fundamental to understand that social entrepreneurs are individuals who engage in an activity which can be characterized as social entrepreneurship. The concept of social entrepreneurship has invoked interest in literature due to its ability to innovatively utilize resources to explore and exploit such opportunities that sustainably meet the social need (Perrini *et al.*, 2010:515). Concisely, this definition breaks up two dimensions of this concept, namely entrepreneurial and social.

Having explored what the entrepreneurial dimension is all about, it is pivotal that the social dimension is identified as key in understanding social entrepreneurship. Thus social entrepreneurship, like any form of entrepreneurship, includes opportunity identification. This generic view of stages in an entrepreneurial dimension suggests that identification is followed by opportunity evaluations which include analysing the expected social change as well as economic viability desired for the venture to be deemed a success. In essence, this stage entails analysing the desired impact that the venture is intended to have. The last stage would be opportunity formalization, which includes formulating a formal social mission as well as the core values for the venture (Perrini *et al.*, 2010:515). This definition by Perrini *et al.* (2010:515) is in line with the **innovation school of thought** approach as identified by Hoogendoorn *et al.* (2010:7).

In attempt to understand this concept, Mort *et al.* (2002:76) sums up social entrepreneurship into a three dimensional construct that involves (1) the expression of entrepreneurially virtuous behaviour to achieve a social mission, (2) a coherent unity of purpose, and (3) action in the face of moral complexity as well as the ability to recognize social value creating opportunities. According to Mair and Marti (2006:37) social entrepreneurship mostly relates to not-for-profit initiatives in search of alternative funding strategies or management schemes to create social value (e.g. stimulating social change or meeting social needs). In this way,

Mair and Marti (2006:37) posit that social values typify the core business of entities such as Ashoka (covering the whole of Africa, Asia, Europe, Middle East as well as North and South America) which was founded in 1981 by Bill Drayton to create maximum social value at a large scale. Notably, others have pronounced the not-for-profit and entrepreneurial behaviour for social ends in defining social entrepreneurship (Hibbert *et al.*, 2005 cited in Dacin *et al.*, 2012:39). In terms of the process of social entrepreneurship, it is erroneous to focus only on not-for-profit organizational models, as for-profit model also provide mechanisms by which social value is created. As such, the mechanism by which social value is created may not actually be important but rather “how to maximize the social impact” (Nicholls, 2006:233). What is evident is that the means to create and sustain the social mission or value (for non-profit ventures) has been pronounced as entrepreneurial in nature, this is aligned to the **Social Enterprise school of thought** approach as identified by Hoogendoorn *et al.* (2010:7).

Currently, the kinds of social problems that social entrepreneurs seek to create social value in addressing range from being economic in nature to being health related. In highlighting a link between income equality, health and social problems, Lynch *et al.* (2004:9) assert that at an individual level (within societies), higher incomes and others markers of socio-economic circumstances are associated with better health. There also was strong evidence found for links between income inequality, homicide and violent crime (Lynch *et al.*, 2001:196). It is due to such economic challenges, amongst other factors, that Muhammad Yunus founded the Grameen Bank in 1983 in India through which credit and banking services to the poor are provided, gaining funding from different sources including the central bank of Bangladesh as well as guarantees provided by the government of Bangladesh (Yunus, 2010:314). The Aravind Eye Care in India system also offers an intriguing hybrid model of social entrepreneurship within the health care sector which has proven viable even when rolled out in the United States (Elkington and Hartigan, 2008:40). As a social venture, Aravind has pioneered a sustainable model based on the principle that large volume, high quality and community-centric services can result in low cost and long-term viability. In this model, Dr Venkataswamy and his team turned an eleven-bed eye clinic into one of the largest and most productive eye care facilities in the world. The venture is self-sustaining, treating over 2 million patients a year (two-thirds of whom are treated for free or with a steep subsidy) through the help of doctors wanting needing training in ophthalmology and still managing to

be profitable, the profit is then reinvested in growing the enterprise. The enterprise has also become an international resource and training centre that revolutionised eye care programs in developing countries (Elkington and Hartigan, 2008:41).

In his research on public health and epidemiology, Lomas (1998:1184) postulates that changes in physical and social structure of communities create social capital. Patrick and Wickizer (1995, cited in Lomas, 1998:1184) further bolster this argument in their assertion that “a community-level intervention is an intervention organized to modify the entire community through community organization and activation, as distinct from interventions that are simply community-based which may attempt to modify individual health behaviours such as smoking diet and physical activity”. FHM is one such venture as it seeks to intervene at the level of creating social value, and seeks to intervene at a level that is higher than addressing the symptoms (such as habits like drug abuse and teenage pregnancy) of the core problems (such as lack of knowledge, poverty) that stem from economic and social challenges.

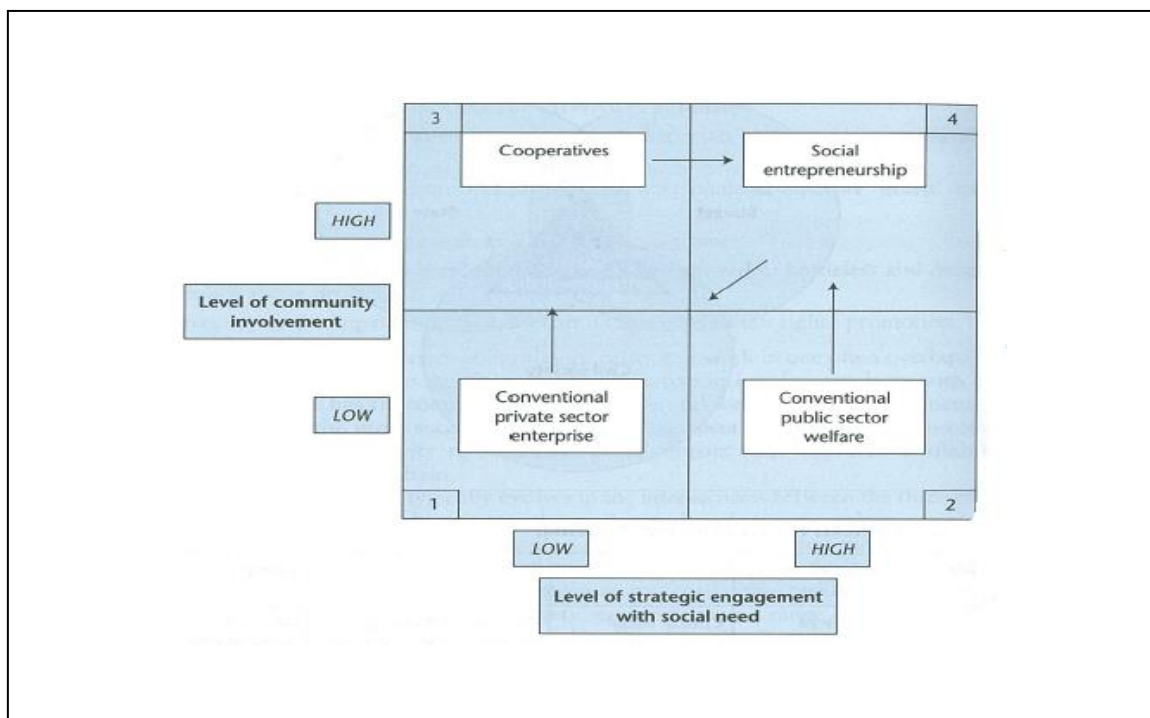
Research by Dacin *et al.* (2010:38) asserts that factors or conditions that tend to support or make it difficult for social entrepreneurs to create social value to their beneficiaries may be grouped into four broad categories: conventional aspects, institutional aspects, cultural aspects and social aspects. Conventional aspects include the regulatory environment that either supports or impedes social entrepreneurship. Institutional aspects include the participative managerial structure, availability of skilled labour and the degree of co-operation in form of joint projects (Saka-Helmhout and Karabulut, 2006:130). Cultural aspects which impede social entrepreneurship include a low professional standard of advice available due to stakeholders, not being able to speak or interpret the social entrepreneurship language, and some beliefs which may not be supportive of social entrepreneurship. Last but not least, social aspects include the political climate of the country, corruption and limited access to social and business networks (Martins *et al.*, 2004:20).

Haugh (2006:163) posits that success for social enterprises lies on such ventures relying on building teams with shared values and the right skills. In the same vein, Elkington and Hartigan (2008:262) highlight a variety of success factors including a focus on practical solutions, ability to innovate, passion for change, healthy impatience and an unwavering belief in the innate capacity of others to change to mention but a few. From an

entrepreneurial perspective, Boschee (2006:7) also highlights a different set of success factors which include the business having a competitive advantage, a strong management team and being self-sustaining, which are also relevant to entrepreneurship in general. It is vital to note that not all of these may necessarily apply to the social entrepreneurship concept due to its specialized nature (Boschee, 2006:7). While most social entrepreneurs tend to possess the same qualities such as innovativeness, risk-taking behaviour and an innate desire to achieve as their ‘mainstream’ counterparts, they often need to have the added quality that entails the ability to generate commitment of their followers to the project through highlighting its importance more in adding social, rather than economic, value (Mort *et al.*, 2002:79).

In a nutshell, it is critical to note that social entrepreneurship is unique as it deals with social needs in an embedded community (Nicholls, 2006:230). As such, mapping the dimension of the level of social need and the level of community involvement clearly shows the position of social entrepreneurship in terms of the private and public sectors. This particular dimension is linked to the **Emergence of Social Enterprise in Europe (EMES)** approach. Typically, social entrepreneurship entails high levels of community involvement and high strategic engagement with social need as indicated in Figure 4.

Figure 4: Mapping social need and community engagement



Source: Nicholls (2006:230)

Notably, social entrepreneurship is distinguishable from other forms of entrepreneurship through structural embeddedness which defines the type of relationship between the actors in a particular venture and also the degree of strategic engagement social need (Chell *et al.*, 2010:490).

It is noteworthy that not all scholarly attempts to define social entrepreneurship have focused on the aspects of “social value or social change” (Mair and Marti, 2006:37). According to Blau (1977, cited in Mair and Marti, 2006:39) the social dimension of social entrepreneurship could be problematic bearing in mind that “all actions are ultimately ‘social’ given that they inevitably constrained by, and embedded in, social relation”.

The variety of definitions also reflect that social entrepreneurship is conceptualized as a “dynamic process...which strives to exploit social innovations with an entrepreneurial mindset and a strong need for achievement, in order to create new social value in the market and community at large” (Perrini and Vurro, 2006:4).

Interestingly, the aspect of growth inherent in this perspective of social entrepreneurship resonates with what Nieman and Nieuwenhuizen (2011:10) underscore as three characteristics of an entrepreneurial venture which shift the notion of social entrepreneurship away from charity, voluntary or philanthropy models of social venture. Innovation, potential for growth and strategic objectives (e.g. market targets, market development, market share and market position) as characteristics of an entrepreneurial venture are equally applicable in the notion of social entrepreneurship.

As a way of gaining deeper understanding of the concept of social entrepreneurship, it is instructive to explore a variety of definitions for social entrepreneurship. A cursory review of various definitions of a social entrepreneur and social enterprise is vital as this study focuses on a social entrepreneur. Table 2 below reflects the variety of these definitions.

Table 2: Definition of social entrepreneurship, social entrepreneurship and social enterprises

SOCIAL ENTREPRENEURSHIP	
Source	Definition
Austin, Stevenson and Wei-Skillern (2006:2)	Social entrepreneurship is an innovative, social value creating activity that can occur within or across the non-profit, business, or government sectors.
Cho (2006:36)	[A] set of institutional practices combining the pursuit of financial objectives with the pursuit and promotion of substantive and terminal values.
Hibbert, Hogg and Quinn (2005:159)	Social entrepreneurship can be loosely defined as the use of entrepreneurial behaviour for social ends rather than for profit objectives, or alternatively, that the profits generated are used for the benefit of a specific disadvantaged group.
Lasprogata and Cotten (2003:69)	Social entrepreneurship means non-profit organizations that apply entrepreneurial strategies to sustain themselves financially while having a greater impact on their social mission (i.e. the “double bottom line”).
Mair and Marti (2006:37)	A process involving the innovative use and combination of resources to pursue opportunities to catalyze social change and/or address social needs.

SOCIAL ENTREPRENEURSHIP (CONTINUED)

Source	Definition
<p>Martin and Osberg (2007:35)</p>	<p>We define social entrepreneurship as having the following three components:</p> <ul style="list-style-type: none"> (1) identifying a stable but inherently unjust equilibrium that causes the exclusion, marginalization, or suffering of a segment of humanity that lacks the financial means or political clout to achieve any transformative benefit on its own; (2) identifying an opportunity in this unjust equilibrium, developing a social value proposition, and bringing to bear inspiration, creativity, direct action, courage, and fortitude, thereby challenging the stable state's hegemony; and (3) forging a new, stable equilibrium that releases trapped potential or alleviates the suffering of the targeted group, and through imitation and the creation of a stable ecosystem around the new equilibrium ensuring a better future for the targeted group and even society at large.
<p>Mort, Weerawardena and Carnegie (2003:76)</p>	<p>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, pro-activeness and risk-taking.</p>

SOCIAL ENTREPRENEURSHIP (CONTINUED)

Source	Definition
Peredo and McLean (2006:64)	<p>Social entrepreneurship is exercised where some person or group:</p> <ul style="list-style-type: none"> (1) aim(s) at creating social value, either exclusively or at least in some prominent way; (2) show(s) a capacity to recognize and take advantage of opportunities to create that value (“envision”); (3) employ(s) innovation, ranging from outright invention to adapting someone else’s novelty, in creating and/or distributing social value; (4) is/are willing to accept an above-average degree of risk in creating and disseminating social value; and (5) is/are unusually resourceful in being relatively undaunted by scarce assets in pursuing their social venture.
9. Perrini and Vurro (2006:4)	<p>Social entrepreneurship is a dynamic process created and managed by an individual or team (the innovative social entrepreneur), which strives to exploit social innovation with an entrepreneurial mindset and a strong need for achievement, in order to create new social value in the market and community at large.</p>
10. Roberts and Woods (2005:49)	<p>Social entrepreneurship is the construction, evaluation, and pursuit of opportunities for transformative social change carried out by visionary, passionately dedicated individuals.</p>
Robinson (2006:95)	<p>Social entrepreneurship is a process that includes: the identification of a specific social problem and a specific solution...to address it; the evaluation of the social impact, the business model and the sustainability of the venture; and the creation of a social mission-oriented for-profit or a business-oriented non-profit entity that pursues the double (or triple) bottom line.</p>

SOCIAL ENTREPRENEUR

Source	Definition
Alvord, Brown and Letts (2004:262)	Creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources, and social arrangements required for sustainable social transformations.
Bornstein (2004:1-2)	Social entrepreneurs are people with new ideas to address major problems who are relentless in the pursuit of their visions...who will not give up until they have spread their ideas as far as they possibly can.
Boschee and McClurg (2003:3)	A social entrepreneur is any person, in any sector, who uses earned income strategies to pursue a social objective. A social entrepreneur differs from a traditional entrepreneur in two important ways: Traditional entrepreneurs frequently act in a socially responsible manner...Secondly, traditional entrepreneurs are ultimately measured by financial results.
Dees (2001:2)	Social entrepreneurs are one species in the genus entrepreneur. They are entrepreneurs with a social mission.
Drayton (2002:124)	[They] have the same core temperament as their industry-creating, business entrepreneur peers. What defines a leading social entrepreneur? First, there is no entrepreneur without a powerful, new, system change idea. There are four other necessary ingredients: creativity, widespread impact, entrepreneurial quality, and strong ethical fibre.
Hartigan (2006:45)	Entrepreneurs whose work is aimed at progressive social transformation. A business to drive the transformational change. While profits are generated, the main aim is not to maximize financial returns for shareholders but to grow the social venture and reach more people in need effectively. Wealth accumulation is not a priority—revenues beyond costs are reinvested in the enterprise in order to fund expansion.

SOCIAL ENTREPRENEUR (CONTINUED)

Source	Definition
Korosec and Berman (2006:448-449)	Social entrepreneurs are defined as individuals or private organizations that take the initiative to identify and address important social problems in their communities. Organizations and individuals that develop new programs, services, and solutions to specific problems and those that address the needs of special populations.
Light (2006:50)	A social entrepreneur is an individual, group, network, organization, or alliance of organizations that seeks sustainable, large-scale change through pattern-breaking ideas in what or how governments, non-profits, and businesses do to address significant social problems.
Masseti (2008:7)	Introduces the Social Entrepreneur Matrix (SEM). Based on whether a business has a more market- or socially-driven mission and whether or not it requires profit, the SEM combines those factors that most clearly differentiate social entrepreneurship from traditional entrepreneurship.
Prabhu (1999:140)	Persons who create or manage innovative entrepreneurial organizations or ventures whose primary mission is the social change and development of their client group.

SOCIAL ENTERPRISE

Source	Definition
Dart (2004:411)	Social enterprise differs from the traditional understanding of the non-profit organization in terms of strategy, structure, norms, [and] values, and represents a radical innovation in the non-profit sector.
Harding (2004:41)	They are orthodox businesses with social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners.
Haugh (2006:5)	Social enterprise is a collective term for a range of organizations that trade for a social purpose. They adopt one of a variety of different legal formats but have in common the principles of pursuing business-led solutions to achieve social aims, and the reinvestment of surplus for community benefit. Their objectives focus on socially desired, nonfinancial goals and their outcomes are the nonfinancial measures of the implied demand for and supply of services.
Hockerts (2006:145)	Social purpose business ventures are hybrid enterprises straddling the boundary between the for-profit business world and social mission-driven public and non-profit organizations. Thus they do not fit completely in either sphere.

Source: Modified from table by Dacin *et al.* (2010:39)

With focus on social entrepreneur, there are at least five prevalent factors identified that stand out as a common thread for the definitions above. The first one talks to **innovation**, which refers to the creative methods that social entrepreneurs employ to best achieve their mandate. The second factor identified refers to the **social objective** which partly differentiates social entrepreneurs from traditional commercial entrepreneurs in that their model is not built on self-enrichment but on addressing the social ills in which government could not intervene due in most instances to limited resources. The **social value** that the social entrepreneur aims to create is the third identified factor, this tends to form the core of the social entrepreneurship model and also guides the mandates thereof. The definitions above also highlight the **non-profitable** nature of such entities, this also sets them apart from their counterparties in that entrepreneurs venturing into social entrepreneurship are not driven by intended economic gain. Lastly, social entrepreneurs seek to run **self-sustaining** enterprises.

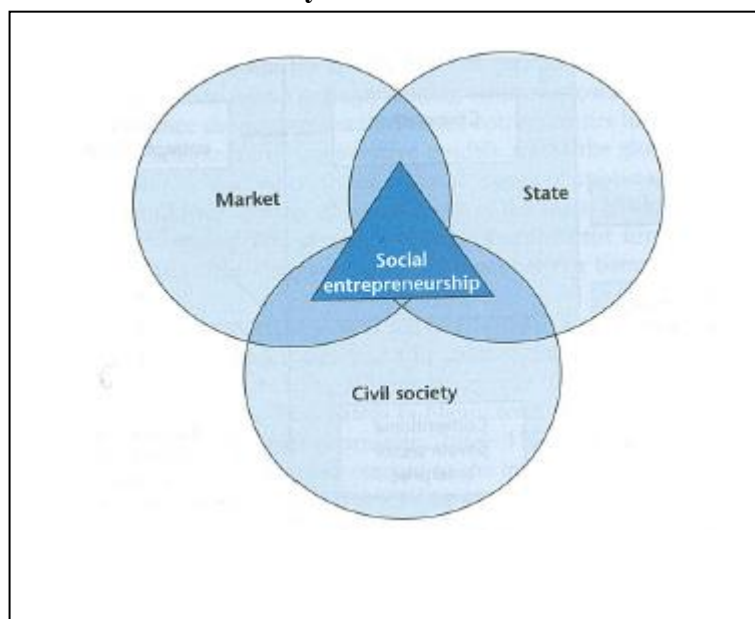
Borrowing the definition by Mort *et al.* (2002:76), a social entrepreneur is involved in innovative processes that use and combine resources to “pursue opportunities to catalyse social change and/or address social needs”. This definition is adopted because it is more comprehensive as it embraces three key aspects of both entrepreneurship in general and social entrepreneurship in particular. For example, the adopted definition takes cognizance of the aspect of (1) process, (2) innovation, (3) combination of resources to exploit opportunities, and also (4) the focus of the entire process being catalysing of social change or addressing social needs. Furthermore, the definition also acknowledges that a social entrepreneur is not just concerned with social innovation but also recognition of the opportunity for new social value creation.

According to Urban (2008:347), social entrepreneurs and social entrepreneurship in South Africa have pivotal roles to play due to a variety of factors. For example, traditional government initiatives are unable to satisfy the entire social deficit (e.g. health and education needs, early pregnancies, HIV and AIDS) in South Africa. Additionally, commercial markets are putting less or no value in providing these social goods. However, it is notable that efforts to reduce dependency on social grants are currently being embraced and instituted (Urban, 2008:347). Furthermore, social entrepreneurs have a salient part to play in South Africa bearing in mind that the survival of many non-governmental organizations (NGOs) is at stake (Urban, 2008:347). Social deficits in South Africa are exacerbated by a social context characterised by massive inequalities in education, housing, high unemployment and poverty rates. Karanda and Toledano (2012:208) cite that such social context ranges from

environmental issues to the recovery of cultural aspects and also guides the purpose of social entrepreneurship in South Africa. The significant development in the South African social entrepreneurship scene by 2012 is confirmed by Meldrum *et al.* (2012:2) who highlight a significant number of projects that have either been completed or are under way, such projects highlight the significant state of the social entrepreneurship sector in South Africa as well as the support that is available. In a recent mapping exercise, Meldrum *et al.* (2012:2) identified about fifty support providers that were offering services to South African social entrepreneurs, ranging from a full programme of support including training, mentoring, coaching, access to finance and incubator space, to individual elements of support such as training, consultancy, investment, networks and online resources.

Figure 5 depicts the intersection where social entrepreneurship occurs within the interplay of the estates of the society, namely the market, state and civil society as the background.

Figure 5: Three estates of society



Source: Nicholls (2006:229)

2.3.1 Differences between commercial and social entrepreneurs

Social entrepreneurs differ from their counterpart mainstream commercial entrepreneurs on a number of spheres as their objectives are not the same. Austin *et al.* (2006:2) note that such differences may be highlighted using four main domains: (1) market failure, (2) mission, (3) resource mobilization, and (4) performance management. Firstly, market failure highlights the fact that social purpose organizations emerge when there is a social-market failure and

need for an innovative solution to society's problem. This implies that commercial market forces are not meeting a particular social need. In most cases this is often due to the inability of people to pay for the services they need. Thus, the context of a social venture is crucial and can be exemplified by public welfare, or developments such as Graameen Bank targeting the un-bankable poor in India. The context of social venture reflects that social entrepreneurs seek to address market failures by "combining the passion of a social mission with an image of business-like discipline, innovation and determination" (Dees, 1998, 1 cited in Carter and Jones-Evans, 2006:221). In a nutshell, social entrepreneurs seek to create change and social value which is distinct from economic value. For example, people such as Florence Nightingale and Mahatma Ghandi, and the cooperative activities of groups of people like the Rochdale Pioneers, are all about challenging the status quo, addressing social issues with tenacity and vision and creating "mission-related impact" and not wealth (Carter and Jones-Evans, 2006:221).

Austin *et al.* (2006:2) echo that social entrepreneurs create opportunities out of problems encountered or perceived as not economically viable by commercial entrepreneurs. Social entrepreneurs are different from any other entrepreneurs not just because of their altruism but also because they combine the efficiency of the entrepreneurial marketplace with the welfare orientation of the state (Mort *et al.*, 2002:83).

Secondly, mission is a second dimension which differentiates commercial from social entrepreneurs. In this regard, there is a difference in the fundamental purpose of social entrepreneurs and commercial entrepreneurs. Concisely, the mission of the social entrepreneur is creating social value for public goods, filling gaps in state provision, while the commercial entrepreneur aims to create profitable operations resulting in private gain or value.

Austin *et al.* (2006:3) assert that this contrast is overstated as commercial entrepreneurs do benefit society in the form of new and valuable goods, services and jobs which bear transformative impact or outcomes (e.g. individual empowerment, improved public welfare). Other scholars argue that the distinctive aspect of social or transformative impact may not be easy to measure or may also be a short-term goal for commercial entrepreneurs. Nonetheless, it remains the contention of Austin *et al.* (2006:3) that differences in mission are fundamental in distinguishing features between social and commercial entrepreneurship.

Thirdly, the domain of resource mobilization highlights limitations encountered by social entrepreneurs on tapping into the same capital markets as commercial counterparts (Austin *et al.*, 2006:3). In some instances, this is attributable to restrictions relating to distributing surpluses generated by non-profit organizations (Austin *et al.*, 2006:3). Furthermore, the embedded social purpose of for-profit or hybrid forms of social enterprises also inhibit such ventures from competitively compensating employees. Austin *et al.* (2006:3) propose that human and financial resource mobilization is a prevailing difference and leads to fundamentally different approaches in managing financial and human resources.

Lastly, Austin *et al.* (2006:3) note that performance management in terms of measurement is a challenge for social entrepreneurs. This is not commonly a challenge to commercial entrepreneurs who have various tangible and quantifiable performance measurement tools at their disposal (e.g. financial indicators, quality, market share and customer satisfaction). With a social mission, the major challenge is around measuring social change or social value. It is arguable that this measurement challenge is due to non-quantifiability, multi-causality, and temporal dimensions as well as perceptive differences of social impact created (Austin *et al.*, 2006:3). According to Austin *et al.* (2006:3), performance measurement of social impact will remain a fundamental differentiator that complicates accountability and stakeholder relations. This challenge is exacerbated by the fact that social value may refer to wider non-financial impacts of programmes, organisations and interventions (e.g. well-being of individuals and communities, social capital and the environment, etc.). These are typically described as “soft outcomes, mainly because they are difficult to quantify and measure” (Wood and Leighton, 2010:8). It is argued that the level of social value that is created is the result of how the social entrepreneur manages the conventional, institutional, cultural and social aspects that influence the actual venture (Martins *et al.*, 2004:21). According to Nicholl (2006, cited in Carter and Jones-Evans, 2006:221), social entrepreneurs usually identify “underutilized resources (e.g. people, buildings, equipment) and find new ways of putting them to use to satisfy unmet social needs” that the state welfare is failing or cannot address. In the light of this, it is not surprising that it is argued that the social entrepreneurship model has highlighted the need to be more effective, accountable and flexible in approaches to address social needs.

Lastly, social entrepreneurs use the capital to create something of value to the community, while commercial entrepreneurs create private value. Laville and Nyssens (2001:330) state that social entrepreneurs are arguably promoting a special kind of social capital because

individuals who are concerned with a particular social problem or tend to follow a certain ideology are brought together to succeed in designing an economic and social activity around it.

Within the SA context, Urban (2008:347) opines that the South African government still appears reluctant to engage directly with social entrepreneurs, because government views social entrepreneurs as innately risky. Furthermore, the South African government also views social entrepreneurial ‘activities’ as maverick endeavours. It is notable that issues of transparency and accountability are also often raised when it comes to social entrepreneurs.

2.3.2 Types of Social Entrepreneurs

As an attempt to understand the minor differences between social entrepreneurs, Smith and Stevens (2010:577) assert that there are three types of social entrepreneurs. A social entrepreneur is labelled a **social bricoleur** when he or she focuses mainly on local concerns and is partly driven out of first-hand exposure to challenges. A social entrepreneur is characterized as a **social constructionist** if he or she normally identifies gaps in the social market and tries to fill them (Smith and Stevens, 2010:577). Thus, opportunities are identified by being more alert than others on the broader market. Unlike with the social bricoleur, domain specific knowledge serves less as a method of problem recognition by a social constructionist. It may however be necessary for social constructionists to identify that the same problem exists in many different contexts (Smith and Stevens, 2010:578).

The third and last type is the **social engineer**. This form of social entrepreneur engages in entrepreneurship through seeking to implement social ventures to replace those solutions currently being provided (Smith and Stevens, 2010:579). This type of social entrepreneur focuses on large scale issues with mass appeal, and on issues that are well-known in a variety of settings and often understood by individuals with limited knowledge of any particular aspect of the problems (Smith and Stevens, 2010:579). Mindful that resources are important in this type, it is often critical to take cognizance that these may already be in existence and held by the very institutions that the social engineer seeks to replace (Smith and Stevens, 2010:580).

2.4 Barriers and Enablers to Social entrepreneurship

This section addresses the actual barriers and enablers faced by social entrepreneurs. In this context, barriers refer to the factors that hinder social entrepreneurs from delivering the intended/desired social value or change to the communities in which they operate, whilst enablers are such factors that make it possible for the same social entrepreneurs to create social value.

Haugh (2006, cited in Dacin *et al.*, 2010: 39) opines that while the human (e.g. actual staff members, both paid and/or volunteers) and financial (capital to start the business) resources required for success have similarities across commercial and social entrepreneurship, social entrepreneurs are often faced with a variety of constraints. In a nutshell, these include limited access to the best talent, problems with access to funding, and inherent strategic rigidities which hinder their ability to mobilize and deploy resources to achieve the organization's ambitious goals. In recognition of these challenges, Haugh (2006, cited in Dacin *et al.*, 2010:39) highlights resource acquisition as one of the thematic areas that require future research in social entrepreneurship as a concept. Peattie and Morley (2008:94) provide a particularly good analysis of the way resource constraints often shape the early development of social entrepreneurs and the value of a "bricolage" perspective to understand how they access and mobilize resources (Peattie and Morley, 2008:94).

Chell *et al.* (2010:488) recognize one of the major challenges facing social entrepreneurship as being that of undertaking sustainable ventures. According to Chell *et al.* (2010:488) social entrepreneurs are more often than not having to 'make do' with minimal resources and funders/investors tend to have less appetite due to low economic benefits associated with such ventures. It is also noted that social enterprises have to seek business solutions to social problems. In this regard, it becomes clear that for such ventures to be sustainable they need to deliver maximum value along all three aspects of the triple bottom line, namely economic, social and ecological factors (Chell *et al.*, 2010:488). To overcome some of these barriers, social entrepreneurs sometimes opt for a for-profit organizational form to increase their ability to access commercial capital markets and to pay more competitive wages to attract talent (Austin *et al.*, 2006:12). It becomes critical, therefore, that the social entrepreneur develops a large network of strong supporters as well as an ability to communicate the impact

of the venture's work so as to leverage resources outside organizational boundaries that can enable them to achieve their goals (Austin *et al.*, 2006:13).

Table 3 gives a summary of findings of research by Urban (2008:353) conducted within the South African context. It highlights enabling factors to the success of social entrepreneurs and notes its barriers. The study below is different as it focuses on quantitatively measuring social entrepreneurship activity as well as skills associated with successful social entrepreneurship within the South African context.

Table 3: Barriers and enablers encountered by social entrepreneurs within the South African context

ENABLERS	BARRIERS
1. The entrepreneur's social network.	1. Volume of requests forwarded to the social entrepreneur.
2. Total dedication to the venture's success.	2. Lack of a formal process for handling such requests.
3. Whether the capital base is at the establishment base.	3. Strong sense of prioritising the business aspect of the venture (need for survival/concerns for self-sustainability).
4. Acceptance of the idea in public discourse.	4. Concern that the benefactor might not utilise the gift received from the social entrepreneur wisely.
5. The composition of the venturing team (salaried versus volunteer workers).	
6. Forming long-term collaborations within the public and non-profit sectors;	
7. The ability of the service to pass the market test.	
8. The entrepreneur's previous managerial experience.	

Source: Urban (2008:353)

It is through evaluating such enablers and barriers that social entrepreneurs gained invaluable lessons as well as through learning various lessons from pioneers in the field. Consolidating such learning as well as suggestions by other successful social entrepreneurs would guide successful navigation through the enablers and barriers to the success of the social entrepreneurs in creating value.

There are notable commonalities found on the barriers highlighted above. Peattie and Morley (2008:94), Haugh (2006, cited in Dacin *et al.*, 2010: 39) and Saka-Helmhout and Karabulut (2006:130) all highlight *limited availability of resources* (both human and financial) as one of the most prevalent barriers that impede social entrepreneurs from creating social value. *Lack of formal support structure* for social entrepreneurs is another common barrier noted by various authors such as Urban (2008:353), Saka-Helmhout and Karabulut (2006:130) and Dacin *et al.* (2010). One last common barrier noted by Urban (2008:353) and Martins *et al.* (2004:20) is the *limited access to social networks* as these assist in scaling the impact of the social value created by the social entrepreneurs.

One particular enabler highlighted by both Urban (2008:353) and Boschee (2006:7) is the leverage that social entrepreneurs attribute to the innate *competitive advantage* due to the fact that each social entrepreneur is born with a set of qualities that are unique to themselves, which in most cases propels them to pursue a social entrepreneurship route instead of the mainstream commercial one. Both Chell *et al.* (2010:488) and Urban (2008:353) cite *self-sustainability* as an enabler. This pertains to the fact that social entrepreneurs are expected to self-sustain (which often implies using the resources of the social entrepreneur) and deliver maximum value along all three aspects of the triple bottom line. This promotes independence of the social entrepreneur as they learn to rely solely on themselves as providers of resources (as mentioned above) particularly when compared to their commercial counterparties (Boschee, 2006:8).

2.5 Summary

This section has examined the concept of social entrepreneurship through assessing its origin and breaking down the definitional quagmire around the concept, highlighting the commonalities identified from the wide variety of social entrepreneurship definitions. A comparison between commercial and social entrepreneurs is done, highlighting both similarities and differences. The three distinct types of social entrepreneurs were also

examined. Lastly, the section has also discussed various barriers and success factors that affect social entrepreneurs from delivering the social value they intend, with particular reference to the South African context.

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SECTION 3: RESEARCH METHODOLOGY

3.1 Introduction

This section discusses the research methodology that has been used to gain insight into the barriers as well as enablers encountered by a social entrepreneur in creating social value and trainee primary health care-givers in acquiring social value within the community of Gelvandale. In providing an overview of the research methodology followed in this exploratory qualitative study, a brief description of the research paradigm, and research goals will be given which will not only highlight the importance of the study but also outline its uniqueness as well as its relevance when compared to existing research on the concept of value creation in social entrepreneurship. The section will also discuss sampling and data collection steps followed in the study. The methods used for analysing the collected data will then be described, followed by ethical considerations taken into account while conducting the research. A summary of the section will then be provided in conclusion.

3.2 Research Paradigm

According to Babbie (2001, cited in Fouche and Delport, 2011:266), a paradigm is “the fundamental model or frame of reference we use to organise our observation and reasoning” to understand how the world works. Guba and Lincoln (1994, cited in Denzin and Lincoln 1994:107) posit that as a set of beliefs, the research paradigms provide guidance for the researcher in the choice of method which reflects their ontology and epistemology.

The world consists of three logical questions which form part of the paradigm. Firstly, ontology refers to the way of being or the question “what is the form and nature of reality” (Guba and Lincoln, 1994:108 cited in Denzin and Lincoln, 1994:107). This qualitative study adopts a social constructivist paradigm to gain deep understanding of multiple realities from the perspectives of social entrepreneurs and trainee caregivers who have benefited from social entrepreneurship. The social constructivist paradigm is the most appropriate for this study as the realities are local, specific and constructed by the trainee primary health care-givers and Dr Jeff Govender as a social entrepreneur in this study. In other words, barriers and enablers in creating social value are based on the real-life experiences of these research participants.

Secondly, epistemology refers to the way of knowledge and deals particularly with the question about the nature of the relationship between the knower or the researcher and what can be known about reality. In essence, epistemology defines the manner in which reality is learnt or answers the question “what is the relationship between the knower (inquirer) and the known (or knowable) (Babbie 2001, cited in Fouche and Delport, 2011:267). The study is intersubjective as the researcher will need to interact closely with Dr Govender with the aim of gaining trust and building rapport which is necessary to gain a deeper, subjective and rich understanding of his reality.

Thirdly, the paradigm also addresses issues of methodology which seek to understand how the researcher can go about finding out reality or rather how we know the world or gain knowledge of it (Babbie, 2001 cited in Fouche and Delport, 2011:267).

3.3 Sampling

The focus of this study is a social entrepreneur called Dr Jeff Govender and trainee primary health caregivers at Famhealth Medipark. Dr Govender as a founder and Famhealth Medipark have been chosen purposively to understand the barriers and success factors of creating and acquiring social value. The organisation is multi-faceted in its activities which imply that at any given point in time it is making use of its 10 permanent staff members as well as a varying number of employees, these result in a varying number of benefactors.

The researcher selected only Dr Govender as the participant who will add most value to the study, this in essence is in line with definition of purposive sample by Babbie and Mouton (2001:321). In selecting the participant, the researcher interviewed Dr Govender so as to gain understanding of the obstacles faced since inception as well as factors that enable him to scale the impact of social value created.

3.4 Data collection

Individual face-to-face interviews were conducted with the social entrepreneur to get his perspectives of the barriers and how they impeded his role in creating social value through trainee care-givers, and also the factors which he believes contributed to his success. Follow-up interviews were conducted whenever necessary to saturate data. Furthermore, trainee care-givers were purposively chosen based on their belief and perspectives that they have realized social value from the project. Individual face-to-face interviews with volunteer trainee care-

givers also focused on their views regarding barriers and success factors experienced as they acquired social value from the social enterprise. Thereafter, theoretical sampling was employed. Similarly, follow-up interviews were conducted to ensure that data was saturated. Data collection ceased when interviews with new participants started being repetitive and not providing any new data. In this way, it was difficult to know beforehand how many participants would be interviewed and how many times. In the initial interviews with the social entrepreneur as well as the participants, an interview guide drawn from the literature about barriers and success factors of entrepreneurs was used. Subsequently, interviews aimed to explore in depth the emerging information. All interviews were audio recorded. Other sources of data such as newspapers and documents were also used.

3.7 Data analysis

The qualitative data was initially transcribed and thereafter analysed using open coding and constant comparison techniques to induce categories to be developed into key emerging themes. The analysis of data was part of an iterative process of data collection and analysis using theoretical sampling. It was only after the findings became more conceptual that the analysed data was presented to the participants for member check.

3.8 Research Quality

To enhance research quality, issues of credibility, dependability, confirmability and transferability were addressed in this study. Schwandt (2007:299) advises that “credibility (parallel to internal validity) addresses the issue of the inquirer providing assurances of the fit between the respondents’ views of their life ways and the inquirer’s reconstruction and representation of same”. Follow-up interviews to share the emerging results with Dr Govender, and members check at the end of the study were done to address the issue of credibility.

Furthermore, dependability (parallel to reliability) focused on the process of the inquiry and the inquirer’s responsibility for ensuring that the process was logical, traceable, and documented (Schwandt, 2007:299). A detailed description of the processes used in this study provides an audit trail which enhances dependability. Confirmability (parallel to objectivity) was concerned with establishing the fact that the data and interpretations of an inquiry were not merely figments of the inquirer’s imagination. A variety of direct quotes reflecting the

views of Dr Govender have been used in this report to reflect the findings and allow readers to make up their own minds (Schwandt, 2007:299). Mindful that this case concerns experiences of an individual, openness and rapport was developed with Dr Govender throughout the study. To ensure voluntary informed consent of Dr Govender, the aims of the study were clearly communicated to him. Furthermore, to make Dr Govender more comfortable and open, it was emphasized that the study would focus on his experiences which no one else but himself would recollect and express better based on his memory. It is also instructive to note that Dr Govender was cooperative and happy to be part of the study as this was the first time that his work as a social entrepreneur had been a subject of an academic study.

Notably, some sensitive information has not been included at the request of Dr Govender in line with ethics of research.

3.9 Limitations of the study

One major limitation of the study is that this exploratory case study focuses on one individual, and also lack of relevant documents as source of data. Mitigation factors such as triangulation and follow-up interviews with the aim of seeking further clarity as well as member checks have been utilised.

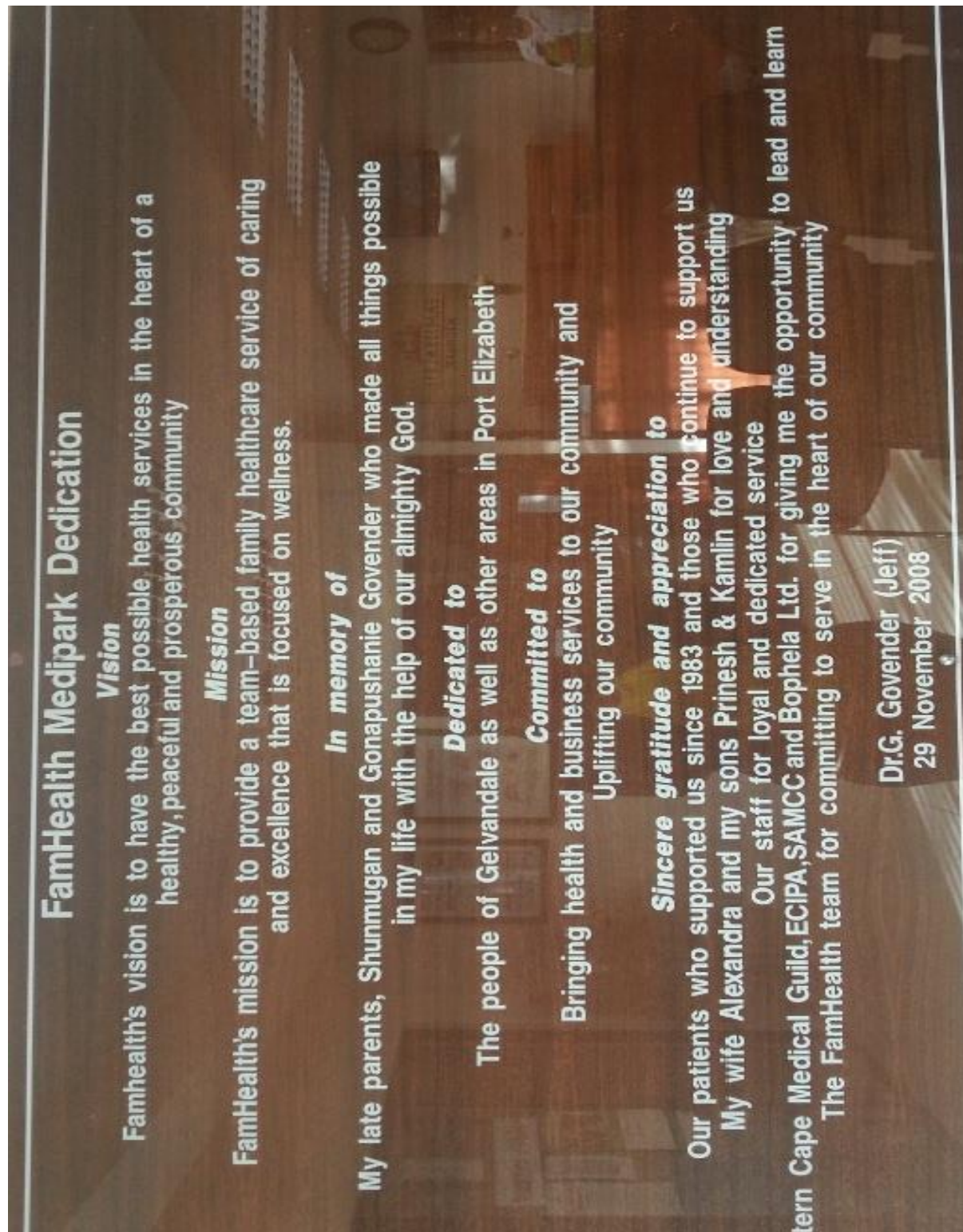
Furthermore, with interview data as the main source, it is very likely that Dr Govender may not clearly recollect some of the incidents which occurred in the early stages of the social venture.

3.10 References

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Appendices

Appendix 1: Famhealth Medipark Dedication statement



Appendix 2: Initial Interview Guide

The aim of this study is gain insight into factors that enable as well as the ones that inhibit the social entrepreneur from creating as well as intended beneficiaries from acquiring the intended social value through social entrepreneurship. The study also explores measures used to deal such barriers as well as capitalise on enablers.

- To explore and understand the barriers and success factors experienced by Dr Jeff Govender in *creating* social value through the trainee primary health caregivers in the community of Gelvandale.
- To explore and understand barriers and success factors experienced by Trainee primary health caregivers in *acquiring* social value in the community of Gelvandale.
- To understand how Dr Jeff Govender and Trainee primary health caregivers dealt with the challenges and capitalised on the success factors.

1.0 Introduction

- 1.1 What is your involvement in the business?
- 1.2 How long have you been involved with the business?
- 1.3 What is your background on?

2.0 Entrepreneurial nature

- 2.1 What prompted you to start the venture?
- 2.2 Which unique personality traits would you say you possess that aided in starting an organisation like Famhealth Medipark?
- 2.3 What characteristics would you say one needs to possess when starting an organisation of this nature?
- 2.4 What obstacles would you say hinder an organisation like Famhealth Medipark from growing?
- 2.5 According to you, how do you compare the organisation from the early days to how it is today? What factors have been helpful/ obstacles? Give examples.

3.0 Strategic Objectives

- 3.1 According to you what exactly did you want to achieve by starting this organisation?
What were the strategic objectives?
- 3.2 According to you do you think these objectives have been met? How ? Why do you think so?
- 3.3 Which factors contributed to the successful implementation of such? In what way? Give me examples.
- 3.4 Which factors threatened the successful execution of these? How? Please elaborate. Give me some example of this?
- 3.5 According to you, how did the community of Gelvandale got involved? What do you think of their involvement?. How has this involvement changed or remained the same?

4.0 Organisation

- 4.1 How did you organize FamHealth? Why did you organize in that way?
- 4.2 What mission did you want to accomplish by establishing this organization?
- 4.3 How many people were in the organization at the beginning? How did the organisation or way of doing things changed overtime?
- 4.4 What social objectives did you want to achieve?
- 4.5 How effective was the organization or way of doing things?

5.0 Resources

- 5.1 What resources did you have to gather to start this organization? Give me examples And how?
- 5.2 How were these resources coordinated? Who coordinated the resources?
- 5.3 How were the resources mobilized? Where did they come from? Why ?
- 5.4 According to you, what role did this resources play in the FamHealth?
- 5.5 Were there any resources which you were not able to get but were required? What are these resources
- 5.6 Were there any resources that were more useful than others? How and Why?

6.0 Social value

- 6.1 What value did you want to create by starting FamHealth? Who would get this value? In what way would they get the value?

- 6.2 Which factors impeded creation of such?
- 6.3 What were the enablers for creating social value within the community of Gelvandale?
- 6.4 How easy/difficult is it to scale the impact of social value created by this organization?

7.0 Opportunity identified

- 7.1 What factors enables you to explore this opportunity of starting FamHealth?
- 7.2 Which factors hindered you from exploring this opportunity?
- 7.3 Which factors made it possible for you to exploit this opportunity?
- 7.4 Which ones hindered you from exploiting opportunity?
- 7.5 According to you, what advice can you give to someone who wants to start an organization like this? What would be helpful to his to do well? What are the obstacles or challenges which h(s)he should watch out ?

Appendix 3: Letter of Permission

131 Springbok Street
Gelvandale
Port Elizabeth

29 August 2013

To whom it may concern

Sir/Madam,

Re: Permission granted for studies to be conducted of FamHealth Medipark

This is to confirm that I Dr Jeff Govender have granted permission to Mrs Chuma Mfeketho to conduct a study (including MBA Thesis) on Famhealth Medipark as an ongoing venture. I also confirm that I have willingly participated in the research conduct for the study.

Thank you

Dr G. Govender (Jeff)