

Social Entrepreneurship Realities: Do a Country Need Social Entrepreneurs or Innovative Social Entrepreneurs?

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Abstract

The purpose of this research paper is to look on social entrepreneurship and people's perception on social entrepreneurship in the Sultanate of Oman. This study took the perceptions of 100 Omani people, through semi-structured interviews and survey, in Sultanate of Oman on social entrepreneurship. Majority of the survey/interview respondents think that business entrepreneurs are more challenging than social entrepreneurs but the challenges that are the social entrepreneurs facing are very distinctive and it is not that easy for social entrepreneurs to find out a spectrum where we can create social value with profit. The study results show that Omani people rather prefer more innovative social entrepreneurs than normal social entrepreneurs. People presumed that many social enterprises in Oman are with inherent vision of sustainable growth that is environmentally friendly that are well equipped to balance growth with ecological concerns in the country as carbon emissions can be threat in Oman because of the economy's high dependency of oil sector. Besides, the respondents call on the Government's crucial role in the social entrepreneurship arena.

Keywords: *Entrepreneurship, Social Entrepreneurship, Value creation, Oman, Innovators.*

Introduction

Definition of social entrepreneurship has changed over time. From corporate philanthropy to non-profit and now to self-sustainability. Social entrepreneurship has evolved and will keep evolving with time and needs of the world. This research article look into social entrepreneurship and people's perception on social entrepreneurship in the Sultanate of Oman.

Defining Social Entrepreneurship - Differences between Business and Social Entrepreneurs

Entrepreneurship is highly valued in any society. Academic writers mainly put forward entrepreneurship in its wealth creation property. However, we cannot deny that social entrepreneurship has given an emporium to entrepreneurship literature and it emphasizes the entrepreneurship in another dimensions' than wealth creation. Social entrepreneurship also has been stressed the 'terms' which has been put forwarded by Say (value creation), Schumpeter (innovation), Drucker (pursuit of opportunity), and resourcefulness from Stevenson. According to Gregory Dees (1998) social entrepreneurs are the agents of change in any social sector and they create social value. Moreover, they are mainly waiting for business opportunities like other private value creating entrepreneurs and are free minded for any changes and adaptation.

Generally, people assume that business entrepreneurs are more challenging than social entrepreneurs but the challenges the social entrepreneurs facing are very special and it is not that easy for social entrepreneurs to find an area where they can start their enterprise. The success of a business entrepreneur guided or judged by how much wealth they are creating for years.

The result of social entrepreneurship is subjective and it is not that easy to make the society aware that whether or not social entrepreneurs are creating any social value. However, it is quite easy for business entrepreneurs to shift their resources to economically productive resources and they can avail capital, labor and equipment easily as people, mainly, aim for profits so they like to put their resources in outcome generating ventures.

Business entrepreneurs are waiting for customers' feedbacks and if the costs are less than the creation of value from the customers it is usually accepted that the business created value or profit. So it is easy for the owners of business to attract economic resources. But this is not same with social entrepreneurs. It is quite difficult for social entrepreneurs to justify the value creation and the resources' which has been used in the value creation process. Despite social entrepreneurs work in markets, the markets do not always work for social entrepreneurs. There is certain ambiguities presents in market terminologies. For example market does not value social improvements, benefits or harms correctly, which is truly important for social entrepreneurs for the consistency in value creation. (Dees, 1998)

In fact, there are few ideas put forward to hold up social entrepreneurship. One suggestion is that social entrepreneurs have social motives with business considerations. (Dees, 2006). Apparently, there are many nonprofit organizations come forward to start social enterprises in order to find new sources of revenue like government funding.

The second idea is there is a desire among some business executives to promote the provision of human social services by/ for profit companies. (Dees, 2006) Social needs created business opportunities. Mainly, social entrepreneurs aim to address the major unmet needs of our society as profitable business opportunities and to do so in partnership with government and other sectors.

This group access great potential in mixing social motives with business considerations. Moreover, there are social entrepreneurs' leads nonprofit enterprises to call for the creation of 'community wealth enterprises' (steckel, 2010). Apparently, to meet the challenges of the future, nonprofits must be thoroughly reinvented to create new wealth-that is 'nonprofits for profits'

Oman and Social Enterprises: Are Omanis ready to take a next step?

Sultanate of Oman, relatively a young country in Gulf Co-operative Council (GCC) with a small economy, is looking forward avenues to strengthen the economy. One of the main visions of Oman 2020 is to strengthen the enterprise culture and enhance the private sector for the future growth of the economy. Oman have a good heritage of enterprise culture for ages.

According to Dr.Omar Al Saddi, 'in the past Omanis used Omani legacy to create economic value through community lending facilities and it can now inspire social businesses to make sustainable products and services'. There are many projects are under grounding in Oman by youths in environmental field similar to paper recycling. Further, there are also several chances for Omani women to start social enterprises as their self-employment activities are not accounted for as it is in informal sector. (Prins, 2016).

Generally, role models are essential for the development of social enterprise and Oman badly lacks good role model in social enterprises sector. However, the idea of universal enterprise education in schools and colleges is a good initiative from the Omani Government to promote enterprise attitude among Omani youth. (Chaaban, 2015).

Discussion: Is Oman need Social innovators than Social entrepreneurs? Perspectives of Omani people/entrepreneurs on Social Entrepreneurship.

There are mainly two schools of thoughts on social entrepreneurship globally. One school is focused on the generation of 'earned -income' to serve a social mission. In keeping with an emerging convention, we can call this as 'the social enterprise school'. The other school is focused on establishing new and better ways to address social problems or meet social needs. We can call this the 'social innovation school'. (Dees, 2007). These both schools reflect different perspective, priorities and, to some extent, values. Both schools have been critical to the growth of the field of social entrepreneurship .It is important to highlights a few of key thought leaders, organizations and themes associated to each one before exploring the promising intersection of the two. Social Innovators are those who identifying, selecting and supporting social enterprises with innovative solutions for any society's most pressing needs.

Private sector has a crucial role to play in tackling society's challenges. We also see an increasing demand from our society to contribute to solving the issues they face. Growing social investment market can meet some of this demand. Social Innovators mainly play a role in helping to develop the growing social investment market by supporting social entrepreneurs who are addressing poorly met social or environmental needs, transforming the way societies work and generating positive social impact. If Social innovators can play hand in hand with Social entrepreneurs, there would be higher chance to solve a society's innermost problems. So when social enterprise school and social innovation school should act together, then, social entrepreneurship would grow dramatically. (Dees, 2007).

A sample of Omani people, 100 Omanis, mainly professionals was interviewed to understand their idea about Social entrepreneurship. Few of questions we have aired were; what kind of social enterprise would you prefer? What do more they have required to start further social enterprises in Oman? What kind of helps can be good to start social enterprises? Etc...

Most of the Omanis, we have interviewed, says that they prefer to have *social innovative entrepreneurship* in sustainable growth, recycling, fuel generation rather than oil, and enterprises that can protect the country's fauna and flora, less carbon emission technologies etc. After all, they thought to have total sustainable development strategies through innovative social entrepreneurship.

Mr. Ahamed says, we do not need more traditional social enterprises. We prefer to have something that would create changes in society. For Mrs. Fatima, funding agencies need to support even small and cottage industries as that area already spoiled because of the advent of multinational companies. According to Mr. Yusif, government should have central control over the social entrepreneurship quarter and we should plan ahead for any project which the society can get benefit of. Mrs. Mariam says, the government should support foreign direct investment in the social entrepreneurship arena. Mr. Mohammed believes that social enterprise initiative searching for extraordinary startups and new ideas that helps business to create positive change in society. Mr. Yusif says, "the innovation is much more efficient in Oman than existing solutions and much less costly to scale. Finally, he believes that many Omanis are hedging their business risks by having multiple revenue streams to benefit from, increasing their odds of survival through the critical and unpredictable early startup years"

"I believe, an innovative social enterprise is sound when innovation and solution is rooted in technology that can scale to address the magnitude of the problem nationally"- Mrs. Noura.

According to Mr.Salim,"there is real demand for change and for larger, more traditional organizations to bring smaller social enterprises and startups into their supply chains, as well as giving their employees opportunities to create shared value in Omani society.Mrs.Lathifa believes that innovative social enterprises empowers women in their community to be self-sufficient, as the enterprises uses its earnings to educate the next generation of girls.

67% of the percentage of survey respondents believes that, young people in Oman wish to engage in areas that allows them to make a direct positive impact on the local community. 70% of people those who have participated in the survey opined that, they're seeking to start their own social enterprises in the next 5-10 years. Mr. Abdullai, working in Oman Chamber of Commerce and Industry, says, "As Oman positions Small and Medium Enterprises (SME) development as part of its national agenda, it is paramount to equip the country with the know-how and tools of social entrepreneurship skills which will pave the way for sustainable development. We believe in the importance of enabling youth and entrepreneurs to innovate in this area for Oman". Mr. Nasser is on the opinion that "the increasing role of social enterprises in Oman is a positive and necessary trend. These enterprises can help in transformation of the society as they can provide solutions to the problems or issues overlooked by other institutions. They are more likely to create innovative solutions that better appeal to society compared to the traditional enterprises." Mr. Abdulrahman says, "Knowledge Oasis, Oman, is moving to the right direction to achieve their goals to enhance the social entrepreneurship in Oman through innovative ways."

How can improve Social Entrepreneurship arena in Oman?

While we have enquired, generally to the youngsters, to the Omani people about their suggestions on 'how Oman can improve social entrepreneurship arena'? There are few ideas have emerged; people are on the opinion that the government's role is very much appreciated when they think about social entrepreneurship. Few youngsters believe that enhancement of investment avenues will sure create entrepreneurship that is more towards social region. People opined that governments can propose new enterprise promotion judicial documentations with the help of entities like legal banks and other financial bodies. Apparently, the respondents are agreed with the results of an Arabian social enterprise study conducted by Mr. Osman in 2016. (Osman, 2016).

There is a major debate around the world that, can entrepreneurship be taught? Auxiliary, many academics believe that attending entrepreneurship courses will improve the way you think about your business. There is a notion that educational organizations and training centers should offer tailored social entrepreneurship courses and encourage business and management students to understand social entrepreneurship and realize that the concept is much more than simply an altruistic vision. Majority of the study respondents agreed that there are many enterprise incubators in Oman and it is a nationwide agenda to include enterprise course in University /colleges curriculums as well. Besides, the respondents stressed the crucial role of private sector, mainly, for the startup stage of social enterprises. More to the point, the respondents think that the community's perception on social issues would play a major role in the creation of social entrepreneurship. Supplementary, the viewpoints of the study respondents is highly correlated here as well with Mr. Osman's study in 2016.

Further, social entrepreneurship can also be seen as an analogous to 'opportunity entrepreneurship' as unemployment is high in Oman, particularly among the youth. Moreover, by nurturing social entrepreneurship ecosystems would be the bedrock of each sector's development of the economy and can expect that social entrepreneurship will become an Omani 'behavior' in the near future. Moreover, the respondent's ideas are linked to Mr. Biber's one Middle East study in 2013. (Biber, 2013).

Conclusion

Social entrepreneurship could also help Oman to avoid the mistake other countries made with its growth especially China. The Red Dragon's phenomenal economic growth has come at the cost of air, water and soil pollution. Anger over pollution has replaced land disputes to become the chief cause for social unrest in China. Many enterprises around the Globe with inherent vision of sustainable growth that is environmentally friendly are well equipped to balance growth with environmental concerns. However, many Omani people feel that there are limitations to start social enterprises in Oman like Funding of projects, Lack of a Central Agenda: Lack of Structure and Lack of good Plans.

While Oman had made little strides during this decade in the area of social entrepreneurship, this is just the beginning and more is needed. Government needs to step up to the plate and make it easier for both foreign and domestic investors to invest in this area. However, it is really a cherishing moment for Oman that Omani high-performing entrepreneur Qais Al-Khonji has been named 'Social Entrepreneur of the Year Oman' by leading global publication *Business Worldwide Magazine 2016*. (Smith 2015) Apparently, a better regulatory framework, smoother taxation policies, creation of multiple investment bodies, using innovative investment vehicles, just some of things it needs to do in Oman to carry its social entrepreneurship efforts to the next level.

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