

THE ROLE OF UNIVERSITIES IN PROMOTING SOCIAL ENTREPRENEURSHIP IN SOUTH AFRICA

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Abstract

Social entrepreneurship can help to reduce socio-economic problems facing many countries including South Africa. Also it can be used as a strategic tool in building social cohesion in country. This paper aimed to examine the role of Universities in promoting social entrepreneurship in South Africa. The study also look assess the support that universities are providing to social entrepreneurship and to evaluate the extend of the support. The paper also analyses most strategies used by South African universities to help the development of social entrepreneurship. Mix approaches of qualitative and quantitative techniques were employed for data collection. The primary data was collected from six universities in South Africa where two comprehensive universities, two universities of Technologies from KwaZulu -Natal province and two comprehensive universities in Gauteng province were chosen for sample for this study. The sample consisted of 40 respondents made up of deans of faculties, heads of departments, and director of social entrepreneurship and head of social entrepreneurship department respectively according to structure of each university. Combination of structured qualitative and five –point Likert scale questionnaire were emailed to the respondents to complete. The results reveal that most of respondents are not involved in social entrepreneurship activities, or any entrepreneurship development programs. The findings also indicate that some respondents they had no clue about social entrepreneurship that their universities are involved in. the study was limited by exploratory nature. Therefore, generalization must be done with care. Further research should aim to target large sample and include other academic staff rather than focusing only on the deans and heads of departments.

Key Words: Entrepreneurship; Universities; Social; Role; Promoting

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Introduction

Most economists and academics support the notion that entrepreneurship is becoming a crucial factor in the development and well-being of societies (Drayton, 2012). Social entrepreneurs are individuals with innovative solutions to society's most pressing social problems. They are both visionaries and ultimate realists, concerned with the practical implementation of their vision above all else (Ashoka, 2012 as cited by Drayton, 2012). Kumar & Gupta (2013) describe social entrepreneurs as those people who use innovative ways for tackling various socio economic needs of the society in their chosen areas, whether that is education, health care, economic development, the environment, the arts or any other social field.

It has been noticed that Government and the conventional entrepreneurs cannot adequately meet all citizens' social needs, especially in developing countries, hence the need for social entrepreneurship to fill this gap (Orobia, 2013). Kobus (2011) refers to social entrepreneurship as individuals and organizations that engage in entrepreneurial activities

with social objectives. Mair & Marti (2005) describe social entrepreneurship as a process that catalyses social change and/or addresses important social needs, in a way that is not dominated by direct financial benefit for the entrepreneur. This form of entrepreneurship differs from other forms of entrepreneurship, in the relatively higher priority given to promoting social value and development, versus capturing economic values. Social entrepreneurship, and the creation of social capital associated with the activities of social entrepreneurs, can bridge the gap between the formal world of governments and corporations, and the informal world of community – based in organisations and the voluntary sector (Jafta, 2013). According to Darabi, Soltani, Nazari & Emami (2012) social entrepreneurship needs champions who understand which initiatives are most appropriate, feasible and desirable and who can bring out the latent enterprise in others.

Problem statement

Many studies have indicated that Universities, through their researchers and academics, can play a pivotal role, by assisting social entrepreneurs in creating social institutions and structures, promoting social movements, and mobilizing resources to create sustainable social impact (Raghda, 2013). Kobus (2011) emphasizes that, even though authors, such as Thompson, Alvy & Lees (2000) and Mair & Marti (2006), conducted research with regard to this concept and its constituent elements in industrialized countries such as the USA, UK and Bangladesh. However, in Africa, particularly in South Africa, social entrepreneurship prevalence and its impact are not contextualized and are still not clear. Literature indicates that while individuals may be publicly recognized as social entrepreneurs for their contributions to improve the welfare of communities, the field of social entrepreneurship continues to struggle to gain academic legitimacy (Drayton, 2012). This article intends to present the role of Universities, and the relevance and extent of support they give to social entrepreneurs, with specific reference to the KwaZulu–Natal area.

Aims and objectives

Aims

To assess and evaluate the role played and support provided by universities to social entrepreneurship, in order to eradicate poverty and socio-economic problems facing South African communities in KwaZulu–Natal.

Objectives

- To ascertain the support that universities are providing to social entrepreneurship; and to evaluate the extend of the support;
- To recommend the best strategies those universities can use to provide support to social entrepreneurship.

Literature review

Literature indicates that the language of social entrepreneurship (SE) may be new, but the phenomenon is not (Urban, 2013). Soni, Shaikh & Karodia (2014) describe social entrepreneurship as the practice of responding to market failures with transformative and financially sustainable innovations aimed at solving social problems.

Department for Trade and Industry (2002) define social enterprise as a business with primary 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 maximise profit for shareholders and owners.

Furthermore, social entrepreneurship is defined as the way of using resources to create benefits for society (Tracy, 2007). Martin & Osberg (2007) indicate that social entrepreneurship is as vital to the progress of societies, as entrepreneurship is to the progress of economies. However, Granado, Hlupic, Coakes & Mohamed (2011) understand social entrepreneurship as activities developed by individuals or groups of people to create, sustain, distribute and/or disseminate social or environmental value in innovative ways through enterprise operations in their societies.

Mathews, Raina, Sapkal & Ray (2012) indicate social enterprises as for - profit organizations that provide services to the society, attempt to solve community problems and improve the social condition of the mass and provide a way for social and financial inclusion of the marginalized people. The meaning of social enterprise differs from country to country. According to Wijnberg (2012), in the United Kingdom social enterprises are defined as “businesses which exist to address a social or environmental need”, while in the United States’ entrepreneurial culture, social entrepreneurship refers to for-profit businesses that combine out-of-the-box thinking with the determination to create or bring about something new and positive in the world.

Unlike the UK and USA, in South Africa there is currently no formal or commonly understood definition of a social enterprise – one is either non-profit or for-profit, and there is no legislated place for a blended organisation. The US has a vehicle known as a Benefit Corporation (B Corp) for socially aligned for-profit enterprises, while the UK recognises these entities as Community Interest companies. In South Africa we are left with only the layman’s definition of social enterprise, of which there are two – “an NGO that generates part of its own income through commercial activity” and “a business that exists to profit and do good in the community” – with an emphasis on the former, the ‘NGO turned entrepreneur’ model (Wijnberg, 2012)

The donor landscape in South Africa is changing, and the new buzz word, ‘social entrepreneurship’, is heralding great expectations. However, while many corporate social investors are excited about the concept of social enterprise, with its promise of financial sustainability and simpler exits from project support, the NGO community is not quite so convinced (Wijnberg, 2012). Stimulating social entrepreneurship in South Africa has the potential to address not only the high youth unemployment rate in the country, but also other pressing social and environmental challenges (Viviers, Venter, & Solomon, 2012).

Social entrepreneurship has a significant amount to offer to local communities’ inclusion, cohesion and economic development (OECD, 2013). Social enterprise is a contested concept which has become a site for policy intervention in many countries (Teasdale, Lyon & Baldock, 2013). The area of Social

entrepreneurship has become an important issue of contemporary relevance in academic literature and research. The paper puts forward a view of social entrepreneurship as a process that brings social change or addresses important social needs. Social entrepreneurship is seen as differing from other forms of enterprise where a high priority is given to promote social value and development rather than making financial profits and gains (Kumar & Gupta, 2013)

It has been noticed that in the UK, social enterprises have undergone high growth rates with high levels of success in pursuit of their aims (Chell, Nicolopoulou & Karatas-Ozkan, 2010).

Research methodology

A comprehensive theoretical review on the social entrepreneurship was done, critical factors contribution to the success and all variables need to be measured the success of social entrepreneurship were identified and put in the questionnaire interviews.

Target population

The research method selected was a survey by means of questionnaires as the main source of collecting primary data. In this regard, the data were collected from a sample of six universities in South Africa. The sample of 40 respondents from four universities in

KwaZulu –Natal province. The sample included two interviews conducted from two universities in the Gauteng province.

Questionnaire Administration

Questionnaires were distributed to the respondents. Data were collected in the form of questionnaires and personal interviews. Data were collected at the campuses of universities where questionnaire were emailed to them and some were personally delivered. Structured interview questionnaire were emailed and later followed by face-to- face interview from two universities.

Data analysis

The information collected from selected universities were categorised and analysed according to the research questions and research objectives. The researcher grouped research questions in order to show the patterns and to draw general conclusions for the data

Reliability and validity

This study used T-Test to confirm the reliability of the results, and they were found to be significance at the .000.

Table 1. Social entrepreneurship training and education provision

Statement	Response category	Frequency	Percent	T-test	df	Sig (2-tailed)	mean	95% conf	
								lower	upper
Social entrepreneurship programmes offered by Universities	Strongly agree	1	14.3	6.222	6	.001	2.85714	1.7335	3.9808
	Agree	2	28.6						
	Neutral	1	14.3						
	Disagree	3	42.9						
University involvement in social entrepreneurship curriculum review	Agree	2	28.6	7.129	6	.000	3.42857	2.2518	4.6054
	Neutral	2	28.6						
	Disagree	1	14.3						
	Strongly agree	2	28.6						
Provision of social entrepreneurship at university	Agree	1	14.3	9.295	6	.000	3.42857	2.5260	4.3311
	Neutral	3	42.9						
	Disagree	2	28.6						
	Strongly agree	1	14.3						
Provision of social entrepreneurship courses	Strongly agree	1	14.3	6.000	6	.001	2.57143	1.5228	3.6201
	Agree	3	42.3						
	Neutral	1	14.3						
	Disagree	2	28.6						
Provision of social entrepreneurship coaching and mentoring	Strongly agree	1	14.3	6.844	6	.000	3.14286	2.0192	4.2665
	Agree	1	14.3						
	Neutral	1	14.3						
	Disagree	4	57.1						
University social entrepreneurship residential training and education programmes	Strongly agree	1	14.3	6.299	6	.001	3.28571	2.0093	4.5621
	Agree	1	14.3						
	Neutral	1	14.3						
	Disagree	3	42.9						
University social entrepreneurship residential community facilities training and education	Agree	1	14.3	6.682	6	.000	3.57143	2.6689	4.4740
	Neutral	2	28.6						
	Disagree	3	42.9						
	Strongly agree	1	14.3						

Research findings

The first sections of this paper outlined comprehensive literature reviewed based on the stated problems experienced by South African social entrepreneurship sector. The aims and objectives of this study were also discussed and questionnaires were developed in relation to that. Therefore, this sections report on the key findings from the interviews conducted in the selected South African universities.

On the question of what social entrepreneurship programmes offered by universities, many respondents were either neutral or disagree that their universities are offering any social entrepreneurship programmes. While large numbers of the respondents

agree that university do involve in social entrepreneurship curriculum review. This might be not necessary the curriculum for their university in particular. On the issue of provision of social entrepreneurship at university big amount of respondents agree that there is provision of social entrepreneurship. However, on the other hand, they indicate disagree with regard to the provision of social entrepreneurship coaching in their universities. Respondents were either neutral or disagree with the statement that university provide social entrepreneurship in residential training and education programmes. T - Test was done significance level and found to be .000.

Table 2. Universities support of social entrepreneurship development

Statement	Response category	Frequency	Percent	T- test	df	Sig (2 - tailed)	mean	95% conf	
								lower	upper
University brainstorming on social entrepreneurship	Agree	1	14.3	6.635	5	.001	3.16667	1.9398	4.3935
	Neutral	2	28.6						
	Disagree	3	42.9						
University tips on social entrepreneurs leadership	Agree	1	14.3	5.976	5	.002	3.33333	1.8995	4.7671
	Neutral	2	28.6						
	Disagree	2	28.6						
	Strongly agree	1	14.3						
University free training of social entrepreneurs	Neutral	2	28.6	10.954	5	.000	4.0000	3.0614	4.9386
	Disagree	2	28.6						
	Strongly agree	2	28.6						
University free consultation to social entrepreneurs	Agree	1	14.3	8.174	5	.000	3.50000	2.3993	4.6007
	Neutral	2	28.6						
	Disagree	2	28.6						
	Strongly agree	1	14.3						
University close work with social entrepreneurs	Strongly agree	1	14.3	6.708	5	.001	3.00000	1.8504	4.1496
	Neutral	3	42.9						
	Disagree	2	28.6						
	Strongly agree	2	28.6						
University professional voluntary to assist social entrepreneurs	Neutral	2	28.6	12.474	5	.000	3.83333	3.0433	4.6233
	Disagree	3	42.9						
	Strongly agree	1	14.3						
University support to social entrepreneurs	Neutral	3	42.9	15.652	5	.000	3.50000	2.9252	4.0748
	Disagree	3	42.9						
University support strategies on social entrepreneurs environmental challenges	Strongly agree	1	14.3	6.708	5	.001	3.00000	1.8504	4.1496
	Neutral	3	42.9						
	Disagree	2	28.6						
	Strongly agree	2	28.6						

With regard to the question relating university brainstorming on social entrepreneurship development most of the respondents disagree with the statement. Thus means that they believe their universities are not doing any brainstorming. More that 50 percent of the respondents were either don't know or disagree that university is giving tips on social entrepreneurship. The overall findings of this survey is that South African universities are not full participating or engaged in support supporting social

entrepreneurship initiative. This could be due to the lack of understanding the really meaning of social entrepreneurship or lack of popularity of social entrepreneurship in South Africa as a whole.

Interview response

The interview response from Director of the Centre for Social Entrepreneurship and Social Economy and Head of departments for social entrepreneurship

respectively indicated that their universities offers short courses and qualification course from NQF 5 – NQF 7 level and also now contemplating elective modules for master’s degree in some faculties/areas. Respondents stipulate that social entrepreneurs training it are important to the universities for the outreach to the community and social cohesion.

Limitation

The study was limited on six South African universities only, where majority were universities of KwaZulu – Natal province. The study also limited by lack of wiliness to participate in the filling of questionnaire from potential respondents due to the lack of understanding of social entrepreneurship concept and sensitivity of the information required in the questionnaire.

Conclusions

It has been concluded from interviews that University are developing social entrepreneurs but do not always provide funding for it and municipalities are paying special attention to the needs of the NGOs – in all is very much that those who want to lecture social entrepreneurship must find the funding themselves. It has been found that sometimes a service is free because there is a sponsor. The university does not provide the service from its own funding.

In order to enable social entrepreneurship to grow, it is recommended that South African government must provide universities with financial assistance to roll social entrepreneurship programmes and it should be included in the curriculum so that can be treated like any other qualification offered by universities. African education and training policy should be improved to include social entrepreneurship, thus will encourage more people to get into social entrepreneurship sector. It will also attract more financial sponsors to invest in social entrepreneurship entities.

On the practical side, the results of this study clearly indicate that, due to the lack of support from government items of money South Africa universities are not participating as they should in promoting social entrepreneurship in South Africa. Due to this lack of social entrepreneurship education and training in it is difficult for the sector to grow. The practical implications of this study will therefore benefit potential social entrepreneurs and South African government to realise the important of this sector in building social cohesion in the country.

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