

THE IMPACT OF SOCIAL CAPITAL ON SOCIAL ENTREPRENEURSHIP

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ABSTRACT

Today, social entrepreneurship is an emerging concept that consists in creating a viable economic activity to meet social and environmental needs, to act as agents of change and promote social objectives on lucrative objectives, hence the need to introduce social structures into the economy. In this article, we try to present key concepts in order to better discern the qualities and constraints of social entrepreneurship.

In the case of Morocco, the practices of social enterprises are new relationships with the market and generally promoters of wealth that can support the classical economy. In fact, the opportunities and constraints of the evolution of social entrepreneurship that are subject to the responsibility of the various stakeholders must be addressed.

Keywords: Social entrepreneurship, Social capital, Network, Participation.

INTRODUCTION

It is in recent years that the notion of social entrepreneurship has been increasingly used to respond to social and environmental challenges while promoting growth. Social entrepreneurship is a new way of doing business that develops with the combination of economic capacity and social utility. It is a component that provides innovative solutions to societal needs while promoting wealth creation, employment and social added value.

In the case of Morocco, to assess the growth of social entrepreneurship, it would be important to observe a series of successful state interventions through social entrepreneur support programmes such as the adoption of sectoral strategies, self-employment programmes such as Moukawalati and the National Human Development Initiative (INDH). And yet this sector is lagging behind to take a significant place and achieve a satisfactory result. This is because of a set of constraints that hinder the proper functioning of social enterprises linked essentially to the capacities of social entrepreneurs to weave relationships and exploit the resources of their environment.

For these reasons, this article aims to answer the following question: How can we meet the needs of social entrepreneurs so that they can benefit, as much as others, from the advantages of the market?

To respond to this problem, we have two objectives: first, we seek to identify the emergence of social entrepreneurship through relational means (social capital, social interactions, trust and shared vision and experiences). Then determine the corrective actions of stakeholders to support social entrepreneurs so that social entrepreneurship takes on a significant size in the general economy.

This article is structured as follows: we will first provide elements concerning the conceptual framework and theoretical foundations of this research; then we will specify the main challenges and perspectives to the emergence of social enterprises in Morocco.

The hypotheses formulated in our research are based on relational mechanisms and support systems.

H1- Investing in social capital could have a positive impact in the process of social entrepreneurship.

H2- the social entrepreneur exploits the relational network with his environment.

H3- Social entrepreneurship benefits from useful resources (technical, human...) for business development.

SOCIAL ENTREPRENEURSHIP CONCEPTUAL FRAMEWORK

The activities that contribute to the formation and growth of a company have a primary objective it is the creation of value, This can also concern forms of non-profit organization like social entrepreneurship.

The traditional entrepreneur engages in lucrative activities. But over the last few decades, a new category of entrepreneurship has emerged: social entrepreneurship, where companies not only have a lucrative purpose, but also a social purpose, in other words, a large part of the profitability is at the service of the social purpose. So the forms of entrepreneurship vary according to the type of organization that is set up.

A- Classic Entrepreneurship

Business creation is crucial for vitality and the maintenance of the economic fabric of the nation. It is presented as an unemployment emergency, so it has proven to be a means for job seekers to save and create their own future.

Entrepreneurship is therefore increasingly perceived as an alternative to salaried life for personal and professional development. It is probably the thesis put forward by Peter Drucker in his book on entrepreneurs which has contributed most to spreading this idea. [1]

Entrepreneurship is a method, a state of mind, a way of thinking, posing and solving problems, a systemic perspective that is adopted by many practitioners and researchers. For others, it is a contextualized phenomenon, its process defined here by "How, by whom and with what consequences opportunities to create new products and services are discovered, evaluated and exploited"[2].

A. Tounès considers that entrepreneurship is "a dynamic and complex process. It is the result of psychological, sociocultural, political and economic factors. It takes the form of attitudes, skills, perceptions, norms, intentions and behaviours that manifest themselves in a given context." [3]. for him, it is very largely conditioned by the level of economic development and the cultural, political and social context. This perception is the cause of the difference between entrepreneurship in developed and developing countries in terms of the number of projects and their qualities, for that the States must adopt support policies and develop the spirit of entrepreneurship with consideration of three levels that interact, not only the actions undertaken, but also the person of the entrepreneur, and the context of creation (structural level) Verstraete (2003)[4]. A mix of attitudes, resources and infrastructure is the ecosystem foundation of entrepreneurship. According to GEDI, the global entrepreneurship index measures the health of entrepreneurial ecosystems and then ranks the performance of countries relative to each other, and the example of Morocco is ranked 65 out of 137 countries overall in 2018[5].

The evolution of entrepreneurship, as an economic and social phenomenon, seems to be the appearance of new entrepreneurial forms [6], among these forms there is social entrepreneurship that differs from private entrepreneurship and public entrepreneurship. Social entrepreneurship concerns the various enterprises in the social economy sector that seem to correspond to new contemporary needs.

B- Social Entrepreneurship

The origins of social entrepreneurship could go back more than half a century. It is an emerging concept that is gaining popularity around the world and several authors speak of it (Barendsen and Gardner, 2004; Christie and Honig, 2006; Schlee, Curren and Harich, 2009). It has a particular importance through research and implementation of innovative solutions to social problems, while mobilising citizens in this process.

However, it will only be used more widely at the end of the 1990 by Boschee (1995, p. 1), Dees(1998)[8], Bornstein (1998)[9], and Thompson, Alvy and Lees (2000)[10], in recent years, other definitions of social entrepreneurship have multiplied, citing that of (Austin, Stevenson and Wei-Skillern, 2006)[11] who defined it as an innovative activity, creating social value that can occur within or through the associative, commercial or public sectors. And for Nicholls[12], social entrepreneurship is a set of innovative and effective activities that strategically focus on solving social market failures and creating new opportunities to systematically add social value using a range of resources and organizational forms to maximize social impact and generate change. (Nicholls, 2008).

Thus, social entrepreneurship constitutes a particular form of participation through action at the level of social enterprises and social entrepreneurs acting on a daily basis to transform the landscape of society (Nicholls, 2006). Social entrepreneurship is thus inspired by traditional entrepreneurship and brings new solutions to social, environmental and humanitarian problems. It places economic efficiency at the service of the general interest whatever the legal status of companies (association, cooperative, etc.).

Today, large companies are turning to social entrepreneurship for multiple reasons and among these reasons is the acceptance of a market adept at filling social needs gaps by harnessing the power of competition while promoting innovation and organizational efficiency (Dees, 1998). Also, the financing granted to companies with social missions is relatively increased since the governments think of decreasing the financing of certain sectors in order to rebalance the distribution of the subsidies, And finally, the social needs increase, by the disengagement of the State towards some sectors.

THE IMPORTANCE OF SOCIAL ENTREPRENEURSHIP IN SOCIETY

Social entrepreneurship has been a predominant theme and has experienced great growth in recent years. Its ambition is to put economic activities at the service of people and envisages a sustainable response and alternative solution to the multiple challenges posed by the economic, social, environmental and moral crises.

Social entrepreneurship contains enterprises that include economic, institutional and social relationships, such as associations, cooperatives, mutuals and integration companies. The legal status of the activity of social enterprises is of little importance. What is decisive is the objective that must express a service to the community. Social entrepreneurship is therefore defined by the objectives set: Develop a social action that meets the needs of a determined population, and the triptych "Entrepreneurship, Innovation, Social" is at the heart of the dynamics of their activity. Companies that declare themselves "social" place the objective of

profit as secondary and a large part of the results almost at least 50% is allocated to the social objective, in the US more than 80%, in Bangladesh 100%, in France between 90 and 95% and in Morocco 50% (According to Mr. Younes Al Jaouhari, DG of Olea Institute for the development of solidarity entrepreneurship).

In the definition of Defourny and Mertens (2008)[13] the social enterprise must be based on a decision-making power not based on capital ownership, a participative dynamic, involving different parties concerned by the activity, and a limitation to the distribution of profits. The profile and motivations of the social entrepreneur are not the same as those of the economic entrepreneur, yet social entrepreneurs face the same difficulties as others, and these are usually economic problems (management, profitability, etc.).

Indeed, the social entrepreneur can be a socio-economic actor who organizes, sets up and assumes the risks inherent to a commercial enterprise. He can also be seen as "a person who imagines, develops and realizes his visions" (Filion, 1997)[14], he does not necessarily own his own business. On the other hand, it must "bring about a change on at least one of the following levels: the introduction of a new product, the opening of a new market, the conquest of a new source of raw material, or the renewed organization of a new branch of activity". [15]

THE ROLE OF INTERNAL AND EXTERNAL SOCIAL ENTERPRISE ACTORS IN PROMOTING SOCIAL ENTREPRENEURSHIP

A- Priority Given to the Roles of the Social Entrepreneur

The social entrepreneur is first and foremost an entrepreneur, it is by returning to the foundations of the economic theory of the entrepreneur that we formulate our own definition of the social entrepreneur. According to Schumpeter[16], the entrepreneur is an economic agent who innovates, which enables him to increase his turnover and his defined market position. The Schumpeterian entrepreneur's motive lies more in challenge and change.

Whether qualified as social or not, entrepreneurs by definition respond to market opportunities (Kirzner, 1973), which leads them to innovate (Schumpeter, 1935). Thus, in 1983, Young described innovative non-profit entrepreneurs, in line with Schumpeter's design.

More than the relational skills of the social entrepreneur that help to lead or eternalize his project, there are specific personal characteristics and belonging. We return to the literature in entrepreneurship which implies two approaches, the first is the dispositional approach[17] which focuses on the entrepreneur himself. It is based on the importance of socially acquired dispositions, character traits, skills, personal qualities, a description of the psychological traits supposed to characterize the entrepreneur's profile (Brockhaus, Horwitz, 1986 ; Gasse, 1987 ; Knight, 1987 ; Neider, 1987 ; Gartner, 1988 ; Ginsberg, Buchholz, 1989 ;D'Amours, 1993) [18].

The social entrepreneur's place of belonging is a factor that influences the development of entrepreneurial socialization. In his family environment, the presence of an entrepreneur would provide models of identification; promote behaviour of independence, autonomy, responsibility favourable to entrepreneurship. Also, an individual heir of a succession of entrepreneurs, participating very young in activities related to the enterprise, his entrepreneurial spirit results from a form of heritage transmitted by the family environment and thus the transmission of an economic, cultural and symbolic capital between generations.

Also the form of socialization is decisive for social entrepreneurial behavior; Mouline (2000) evokes two forms of socialization [19]. First, it is the so-called primary socialization that takes place in childhood with reference to the family as the main socializing instance.

In the second place, it is the so-called secondary socialization, when it is realized by all the other authorities and later in the construction of the pre-requisite qualifications of passion, risk taking, good governance, communication and impact measurement, all these criteria it is to be a social entrepreneur. Thus the family and society "educate" the individual; socialization can be seen as a deterministic conditioning process carried out by the family and then extra familial environment.

So we understand that the central element of social entrepreneurship is above all the person who is behind this entity, with the consideration that his personal character must be valued by innate and acquired assets that allow him to resist any problem. The socialization process determines the professional and social trajectories of the social entrepreneur, since it is constructed by active appropriation and positioning in relation to the influence of his environment (Berger and Lukmann 1967)[20].

B- The Importance of Social Capital for the Development of Social Entrepreneurship

As early as 1996, the World Bank carried out very ambitious research on the importance of social capital for development[21]. This concept is not new, several authors have referred to it as Bourdieu (1980) who describes it as "a set of resources interconnected by social relations, which influence social outcomes", thus Coleman(1988,1990) considers that "social capital encompasses the social structures that help individuals in their cognitive development", but Putnam who may have popularized the concept (1993,1995), it has become common for him to view social capital as a set of social relationships that foster cooperation, cohesion and generate benefits, yet he considers it to be the "characteristics of social organizations, such as networks, norms, and trust, that facilitate coordination and cooperation for mutual benefit" Putnam (1993, p. 36).

Nevertheless, social capital could have an important role in the process of social entrepreneurship, because the existence of established organizations among a group of individuals can strongly encourage the development of new social activities. Social capital plays a role in this encouragement, which facilitates the use of the necessary resources and information.

It is the interactionist approach [22] that aims at the success of the social entrepreneur by defining individual qualities. According to several authors, entrepreneurial socialization is a major device for fulfilling entrepreneurial roles through integration and social positioning. In fact, the social entrepreneur must use and develop their social capital (Verstraete, 1997; Boutillier, Uzunidis, 1999), coordinate multiple resources in situations of uncertainty (Casson, 1991). Within this crossroads of the collective, a triple logic is supposed for the social entrepreneur: acquisition, integration, adaptation and social positioning (Fischer, 1991)[23].

A social entrepreneur are asked to invest and take advantage of their relational fields since social capital resides in the social interactions of agents, i.e. it is essentially relational, it does not belong to an individual person, but resides within a group. It designates the networks of relationships and the resources mobilized by the ticket of these networks, it allows social entrepreneurs to obtain resources that without it requires more time and more costs to obtain them.

Studies have shown that social capital leads to the professional success of business executives, in particular, through the strengthening of their power and status, from this observation social capital can serve to support social entrepreneurs through social relations networks that constitute a valuable resource for conducting business because they facilitate

economic and social action and allow to widen the field of action, save their means and access resources and exclusive opportunities. In general, the importance of social capital in entrepreneurship or social entrepreneurship has been attributed to the fact that they provide resources and emotional support. In this sense, a positive relationship between social capital and social entrepreneurship is foreseen, which would also allow economic strengthening.

At the collective level, the creation of social capital [24] as a real resource based essentially on the quality of interpersonal relations that contributes to the creation of collective goods, and all members of a community with a common interest can benefit, taking the example of associations working to combat poverty and exclusion are structures that participate in social cohesion by creating the conditions for the emergence of social capital.

A high level of social capital has an effect on entrepreneurial activity. Non-economic factors that explain success are social networks, trust and participation that form "social capital. These direct indicators are essential for social entrepreneurs.

C- Social Networking Infrastructure

The social network combines a set of networks between a set of actors involved in social entrepreneurship. And when it contains multiple connections between members, it is qualified dense. However, the interest of dense networks is often highlighted. They foster the confidence needed to disseminate sensitive information and obtain support (Reagans and McEvily, 2003) [25], accelerate the dissemination of new ideas and facilitate risk-taking (Fleming et al., 2007)[26]. The position of the social entrepreneur within a network of relationships conditions his access to resources and his commitment to exchange partners (Lazega, 2007)[27]. It seems important that the social entrepreneur should occupy a central position in the network (Floyd and Wooldridge, 1999), so that he can have a high proportion of connections with others. If networks are dense, information can flow with extensibility and the idea design will be met, discussed and adapted.

An advantage is given to information that circulates through weak links. The latter even involve more distant actors who will allow access to unique and non-redundant information (Granovetter, 2005) and the transfer of new information (Perry-Smith and Shalley, 2003). For social entrepreneurs who meet frequently with other stakeholders are bound by strong ties, which also play a decisive role, they allow access to strategic information for the company by promoting confidence and motivation to exchange information (Chollet et al., 2012).

Reciprocity and trust, which allows the effectiveness and quality of social relations between social entrepreneurs and other actors to be highlighted, which on the one hand favours lower transaction costs, the dissemination of useful knowledge and information and, subsequently, the capacity for innovation. And on the other hand, cooperation as well as civic engagement and participation.

The network must evolve in time and space for the social entrepreneur to succeed in these actions. However, there is little research with a longitudinal perspective. But at the spatial level, networks that go beyond the limits of the organization are a determining factor for the success of projects. This has already been pointed out by several authors (Starr and MacMillan, 1990; Kanter, 1988)[28]. As much, the networks are diversified professional, personal and inter-organizational (Churchill, 1987; Larson, 1992; Larson, Starr, 1993)[29], also networks of inter-knowledge and solidarity (Caron, 1997)[30], networks of innovation (Gordon, 1989)[31] and networks of matrimonial family alliance[32].

In this perspective, it is networks that promote contact with stakeholders - suppliers, customers, power holders, etc. Networks also facilitate the circulation of resources in terms of

information, skills, support (technical, financial or moral) and capital useful for the strategic development of the social enterprise.

D- Citizen Participation

Social entrepreneurship is organized around a few priority principles: it is an economically viable project, a response to a need, the creation of wealth and jobs, a social goal with participatory governance involving all stakeholders. This last point is indispensable, to call upon the concept of participation, a direct and essential indicator for social entrepreneurs.

Citizen participation is a broad concept that is difficult to define across disciplines. In sociology, research holds it back to the participation of individuals in defining and changing their society through concrete actions and not simply through emotional commitment (Couton and Gaudet, 2008)[33]. It indicates "a radical expression that designates the power of citizens" this definition is classic provided by Arnstein (CES, 2006, p.1).

The different components of society must be closely associated with the definition of wealth, however all implicit or explicit efforts, actions and commitments made by citizens are foundations of citizen participation. This participation initiated by citizens in social entrepreneurship presents an important avenue of research since it concerns the creation of social value.

Following an Arnstein classification, the actual power of citizens is ordered according to eight levels of citizen participation that range from low or no participation to actual participation. Arnstein (1969)[34]. We refer to three levels corresponding to the actual power of citizens to social entrepreneurship. They contain partnership, delegation of power and citizen control, all these factors are the basis for negotiation and exchange with those in power. Because "partnership" allows for a redistribution of power, "delegation of power" ensures that citizens are equipped with sufficient means to exercise real influence and even dominate decision-making power and finally, "citizen control" corresponds to a level of participation where citizens have real control over decisions (the Arnstein scale). All these factors ensure and push participants to work for social work.

Effective citizen participation corresponds to all the actions by which citizens participate in the public space and in society, and this, in our case, citizens who bring initiatives to render service to society and participate in defining the collective with the creation of a company with a social mission, work in a social enterprise, volunteering in a social enterprise, purchasing from a social enterprise or finally opportunities for citizen participation created within social enterprises.

Understands therefore that the foundation of social entrepreneurship is citizen participation and that social entrepreneurs are individuals who respond to social needs with the obligation to involve others in their process and to express their citizenship. As a result, the social entrepreneur is in a partnership situation with the participants by providing resources, and participating in assisting in the conduct of the business, or influencing it as stakeholders. And consequently the progress of the social entrepreneur's activity and his situation will transform from project creator and become partner with several external stakeholders.

CONCLUSION

The purpose of this work was to highlight the role that social capital can play in the development of social entrepreneurship. In this context, we presented a synthesis on the relationship between social entrepreneurship and social capital, which is how social capital

facilitates entrepreneurs' access to information and resources to develop and support their activities.

We have specified that investment in social capital depends first of all on the personality of the social entrepreneur himself, then on his capacity to weave networks with his environment so that he can benefit from any partnership, citizen participation or external support, whether it be volunteers, other companies or public authorities.

As a result, social capital plays a decisive role in social entrepreneurship; its existence cannot produce a significant result without the public authorities deciding to develop and support the sector through solid financing funds without calling on foreign organisations.

After the evaluation of the data drawn on social entrepreneurship in Morocco, we can say that even if the social entrepreneur manages to invest in his social capital and benefit from it, there are still constraints that hinder the proper functioning whether financial, technical or sectoral constraints.

In the case of Morocco, social entrepreneurship remains a little known field. It is therefore necessary to organize corrective actions to face any skills deficit that are in turn negotiators and project pilots, also impose vital strategies that serve to support the sector to recover through the creation of new jobs, new enterprises, increased turnover, increased tax revenues of local communities.

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