

Social Entrepreneurship in the Changing Business Landscapes: A Study on its Conception and Differentiation

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Abstract:

Social entrepreneurship is an evolving domain that plays an important role in societal development. It aims to integrate business strategies with a social mission to address the critical issues prevailing in society. It not only focuses on creating a positive societal impact but also ensures its financial sustainability. Despite its growing relevance, it lacks a universally accepted definition, which leads to ambiguity in its practice. Therefore, the objective of our study is to define the term "social entrepreneurship" based on the existing literature and to explore how it differs from traditional entrepreneurship over the years. The study also identifies the major challenges faced by social entrepreneurs. The methodology adopted is a theoretical analysis of the existing literature in this area. The findings will reveal the unique characteristics of social entrepreneurship, based on which it can be differentiated from traditional entrepreneurship in many aspects. And it will also help us identify the major constraints of these social entrepreneurs.

Keywords — **Social Entrepreneurship, Traditional Entrepreneurship, Challenges, Societal Impact, Financial Sustainability**

I. INTRODUCTION

Entrepreneurship has long been considered a driving force behind economic development, industrial growth, innovation, and employment generation. Classical economists described entrepreneurs as innovators who create economic change through new combinations of resources, products, and processes. Over time, entrepreneurship evolved from being viewed solely as a profit-oriented activity to a broader concept that also includes societal transformation and community development. In the modern era, businesses are increasingly expected to contribute not only to economic growth but also to solving critical social and environmental problems. This shift in expectations has contributed to the

emergence and expansion of the concept of social entrepreneurship.

Social entrepreneurship is a field in which entrepreneurs design their operations to be closely related to the ultimate objective of generating social benefit. Social entrepreneurs, in particular, focus on developing practical solutions to societal challenges by combining innovation with opportunity. By drawing insights from both the business and non-profit sectors, they drive meaningful change across various organizations. Social entrepreneurs are not only visionaries but also action-oriented individuals who prioritize implementing their ideas to create a measurable impact. They introduce ethical and creative solutions that gain widespread support and empower communities to take proactive steps. The concept of social entrepreneurship gained

importance when governments, non-profit organizations and traditional businesses struggled to effectively address persistent social problems such as poverty, unemployment, healthcare inequality, environmental degradation, illiteracy, and social exclusion. Social entrepreneurs emerged as change agents who applied entrepreneurial principles and innovative approaches to solve societal issues while maintaining financial sustainability (Dees, 1998). Unlike traditional entrepreneurs who primarily focus on economic profits, social entrepreneurs prioritize social value creation and community welfare. The rise of globalization, technological advancement, climate change concerns, and widening economic inequality has further increased the relevance of social entrepreneurship across the world.

Social entrepreneurship is often regarded as a hybrid model because it combines elements of business enterprises, non-profit organizations, and public institutions. It seeks to create sustainable solutions for social problems by utilizing entrepreneurial innovation, opportunity recognition, and resource mobilization (Mair & Marti, 2006). However, despite the increasing popularity of the concept, there remains significant disagreement among scholars regarding its exact meaning and scope. Different researchers have defined social entrepreneurship from varying perspectives, resulting in conceptual ambiguity and theoretical fragmentation. One of the primary reasons for the conceptual confusion surrounding social entrepreneurship is its interdisciplinary nature. While some researchers view social entrepreneurship as a subset of entrepreneurship, others regard it as a distinct field with unique characteristics and objectives.

The growing relevance of social entrepreneurship can also be linked to the limitations of traditional capitalist models. Traditional businesses often prioritize shareholder wealth maximization and short-term profitability, sometimes at the cost of environmental sustainability and social equity. In contrast, social enterprises attempt to balance economic viability with societal well-being.

In recent years, the importance of social entrepreneurship has increased significantly due to

global crises such as the COVID-19 pandemic, economic recessions, climate-related disasters, and social inequalities. Social enterprises demonstrated resilience and adaptability during these crises by developing innovative community-based solutions and supporting vulnerable populations. This has further strengthened the argument that social entrepreneurship is not merely a charitable activity but an important mechanism for sustainable development.

The present study aims to examine the conception and evolution of social entrepreneurship and distinguish it from traditional entrepreneurship. The study also seeks to identify the major challenges faced by social entrepreneurs in the changing business environment.

II. REVIEW OF LITERATURE

A. *Social Entrepreneurship: Conceptual Framework and Definition*

Social entrepreneurship is developed as a rapidly evolving and interdisciplinary field that integrates entrepreneurial principles with a strong emphasis on social value creation. The development of this concept is largely rooted in the recognition that neither traditional market-based systems nor government interventions alone are sufficient to effectively address persistent global and local challenges such as poverty, inequality, unemployment, social exclusion, and environmental degradation, to name a few. As a result, social entrepreneurship has been increasingly viewed as a balancing mechanism that bridges the gap between economic efficiency and social welfare. One of the earliest and most influential contributions to this field was made by conceptualizing social entrepreneurship as a mission-driven form of entrepreneurial activity that prioritizes social value creation over personal or purely financial gain. Social entrepreneurs function as change agents who actively identify social problems and apply innovative, resource-efficient, and sustainable approaches to generate long-term social transformation (Dees, 1998). His work is significant because it clearly differentiates social entrepreneurship from traditional profit-oriented

entrepreneurship by emphasizing mission and impact perception.

Building upon this foundational understanding, further studies expanded the conceptual boundaries of social entrepreneurship by defining it as a dynamic process rather than a fixed organizational structure. They emphasized that social entrepreneurship involves recognizing opportunities, thinking innovatively, and mobilizing resources to address unmet social needs. Importantly, they highlighted that sustainability is a critical dimension of social entrepreneurship, as solutions must be designed to create enduring social impact rather than short-term relief (Mair & Marti, 2006). Further, social entrepreneurship was positioned within a hybrid value creation framework, arguing that it simultaneously generates both social and economic value (Nicholls, 2006). In the same vein, studies also emphasized that social entrepreneurship contributes to systemic change by challenging traditional institutional structures and introducing innovative models of social and economic interaction.

The dynamic capability perspective contributed significantly to suggesting that social entrepreneurship operates in environments characterized by uncertainty, resource constraints, and institutional complexity. According to their view, social entrepreneurs must continuously innovate, adapt strategically and take calculated risks to maintain as well as scale their social impact. This perspective strengthens the understanding that social entrepreneurship is not a static activity but an evolving process shaped by external environmental pressures (Weerawardena & Mort, 2006). Likewise, others provided a comparative distinction between social and traditional entrepreneurship, noting that while both share characteristics such as innovation, opportunity recognition, and risk-taking, social entrepreneurs are fundamentally driven by the creation of social value rather than wealth maximization. This distinction is important in understanding the motivational and ethical foundation of social entrepreneurship (Saifan, 2012).

Further conceptual refinement proposed a multidimensional framework incorporating social

mission orientation, innovation, resource mobilization, and market-based mechanisms. Their contribution is particularly important because it integrates fragmented earlier perspectives into a more holistic structure, thereby offering a comprehensive understanding of social entrepreneurship as a complex and layered phenomenon (Choi & Majumdar, 2014). In addition, studies also emphasized that the role of social entrepreneurs is identifying systemic market failures and designing scalable, sustainable interventions through collaboration across sectors, including government, private organizations, and civil society (Bornstein & Davis, 2017). It highlights the increasing institutional embeddedness of social entrepreneurship in addressing large-scale social challenges.

More recent scholarly discussions continue to reflect conceptual ambiguity in the field. They argue that despite the global expansion of social entrepreneurship, the field still lacks a unified theoretical foundation, making it difficult to establish clear boundaries and standardized definitions. They stress the need for stronger conceptual clarity and more rigorous theoretical integration (Austin & Wei-Skillern, 2023). Supporting this view, contemporary literature on social innovation suggests that social entrepreneurship is increasingly embedded within broader ecosystems of sustainable development, where cross-sector collaboration and innovation networks play a crucial role in addressing complex societal challenges (George et al., 2016; Bacq & Eddleston, 2018).

B. Social Entrepreneurship and Challenges

Despite its growing importance as a mechanism for addressing societal problems, social entrepreneurship faces several persistent and interrelated challenges that limit its scalability, sustainability, and overall effectiveness. One of the most widely discussed challenges is financial sustainability. Through empirical examination of social enterprises, it is found that access to funding and financial resources remains one of the most significant constraints faced by social entrepreneurs. Studies revealed that social enterprises often

struggle to balance mission-driven goals with the need to generate sufficient revenue, particularly in competitive market environments where financial performance is closely scrutinized. This dual expectation often places social entrepreneurs in a difficult position where they must continuously negotiate between social impact and economic viability (Shaw & Carter, 2007). Further studies contributed to this discussion by introducing the concept of “resource bricolage” in social entrepreneurship. They explained that due to limited access to financial, human, and institutional resources, social entrepreneurs often rely on creative recombination of available resources to sustain operations. While bricolage enables survival in resource-constrained environments, it can also restrict organizational scalability and long-term growth, thereby limiting the broader impact potential of social enterprises (Smith & Stevens, 2010). This highlights a structural limitation within the ecosystem of social entrepreneurship, where resource scarcity becomes a defining operational constraint.

A more theoretical explanation of the core pressure in social entrepreneurship is the dual-value system in which these ventures operate. Social entrepreneurs must simultaneously pursue social impact and economic sustainability, which often leads to strategic ambiguity and decision-making complexity (Santos, 2012). This duality creates inherent trade-offs, as prioritizing financial sustainability may weaken social objectives, while focusing solely on social goals may compromise financial viability. Thus, social entrepreneurship operates within a structurally paradoxical environment that requires continuous balancing of competing objectives.

Adding another dimension to the challenges, studies show demand-side barriers in social entrepreneurship. Their study found that consumers often lack awareness, understanding, or willingness to pay for the embedded social value in products and services offered by social enterprises. This results in limited market demand, weak customer engagement, and difficulties in pricing social products appropriately. Consequently, social enterprises face challenges not only in production

and resource acquisition but also in market acceptance and value communication (Grimes et al., 2017). Recent studies have expanded the discussion to institutional and environmental constraints, highlighted that regulatory barriers, weak policy frameworks, and a lack of institutional support significantly hinder the development of social entrepreneurial ecosystems (Saebi et al., 2019). It is found that in many contexts, social enterprises operate in ambiguous regulatory environments that fail to recognize or adequately support hybrid organizational forms.

Research Gap

Although existing studies have discussed definitions, frameworks, and characteristics of social entrepreneurship, there is still a lack of a clear conceptual study that focuses on explaining how social entrepreneurship fundamentally differs from traditional entrepreneurship over the years. Most studies focus on their definition rather than providing a consolidated comparison over the period of time. Numerous studies are carried out to study the challenges faced by social entrepreneurs in isolation without sufficient integration into a holistic framework that explains how these challenges interact and collectively influence the stability and performance of the social enterprises. This study attempted to combine all the impactful existing literature together and give a holistic view of its development and constraints to date in a single place.

III. OBJECTIVES OF THE STUDY

1. To identify the unique characteristics of social entrepreneurship and explore how it differs from traditional entrepreneurship.
2. To identify the major challenges faced by social entrepreneurs.

IV. SOCIAL ENTREPRENEURSHIP AND TRADITIONAL ENTREPRENEURSHIP

A. Characteristics of Social Entrepreneurship

A review of existing literature reveals several characteristics that are unique to social entrepreneurship.

Table 1: Definitions and Key Characteristics of terms “Social Entrepreneurship” and “Social Entrepreneur”

Sl. No.	Definition	Characteristics	Source
01.	Social entrepreneurship refers to the process of pursuing innovative solutions to social problems through a mission-oriented approach that creates and sustains social value rather than focusing solely on private profit. Social entrepreneurs are considered change agents in the social sector. They do so by: •By being mission-oriented rather than being profit-driven. •By recognizing and working towards the mission achievement.	<ul style="list-style-type: none"> • Change agents • Mission-driven • Social value creation 	Dees, 1998
02.	Social entrepreneurs identify unmet societal needs and creatively mobilize resources to create value, often operating across traditional sector boundaries. Their framework focuses on highlighting the ability to recognize gaps in state welfare systems and drive social change by leveraging community networks rather than focusing solely on profit.	<ul style="list-style-type: none"> • Social value creation • Community development 	Thompson et al., 2000
03.	Social entrepreneurship is a process involving the innovative use and combination of resources to explore and exploit	<ul style="list-style-type: none"> • Innovation • Social Change 	Mair & Marti, 2006

	opportunities that create social change and address societal needs.		
04.	Social entrepreneurship is a multidimensional construct that combines innovation, proactiveness, and risk management to achieve sustainable social value creation in dynamic environments.	<ul style="list-style-type: none"> • Innovation • Proactiveness • Sustainable social value creation 	Weerawardena, & Mort, 2006
05.	Social entrepreneurship integrates economic and social value creation through innovative approaches aimed at addressing systemic social problems and market failures.	<ul style="list-style-type: none"> • Systemic change • Social and economic value creation 	Nicholls, 2006
06.	Social entrepreneurship involves the processes and activities undertaken to discover, define, and exploit opportunities to enhance social wealth. It is fundamentally defined by the creation of new enterprises, whether non-profit, for-profit, or hybrid, that intentionally pursue social and environmental value alongside economic value. Developed a topology consisting of: •Social Bricoleurs •Social Constructionists •Social Engineers •Social Innovators	<ul style="list-style-type: none"> • Innovator • Initiative taker 	Zahra et al., 2009
07.	Social entrepreneurship is a	<ul style="list-style-type: none"> • Multidimensional 	Choi & Majum

	multidimensional concept involving social mission orientation, innovation, market-based approaches, and effective resource mobilization for sustainable impact. Social entrepreneurship is a cluster concept, which consists of: • Social value creation • SE organization • Social entrepreneur • Social innovation • Market orientation	<ul style="list-style-type: none"> Cluster concept Social mission 	dar, 2014
08.	Social entrepreneurship involves identifying failures in existing social systems and developing sustainable and scalable solutions through collaboration and innovation.	<ul style="list-style-type: none"> Collaboration Scalability Sustainability 	Bornstein & Davis, 2017
09.	Social entrepreneurship represents a hybrid organizational activity that combines commercial strategies with social objectives to generate measurable social impact.	<ul style="list-style-type: none"> Hybrid model Social impact Commercial strategy 	Austin & Weiskillern, 2023

Sources: Author's compilation

The literature suggests that social entrepreneurship is best understood as a hybrid, evolving, and multidimensional construct that integrates social mission orientation with entrepreneurial innovation, institutional change, and sustainable value creation.

B. Social Entrepreneurship vs. Traditional Entrepreneurship

Table 2: Difference between “Social Entrepreneurship” and “Traditional Entrepreneurship”

Sl. No	Basis	Social Entrepreneurship	Traditional Entrepreneurship

01.	Meaning	Social entrepreneurship focuses on solving social and community problems through innovative and sustainable business activities.	Traditional entrepreneurship mainly focuses on profit generation, business growth, and wealth creation.
02.	Objective	Social entrepreneurship prioritizes social value creation and societal welfare.	The primary objective of traditional entrepreneurship is profit maximization and shareholder wealth creation.
03.	Value Creation	Social entrepreneurs create both economic and social value by addressing societal problems.	Traditional entrepreneurs create economic value through goods and services that generate financial returns.
04.	Stakeholder Focus	Social enterprises are accountable to multiple stakeholders, including communities, beneficiaries, governments, donors, and investors.	Traditional entrepreneurs primarily focus on customers and shareholders.
05.	Performance Measurement	Social entrepreneurship evaluates success based on social impact, community development, and sustainability.	Traditional entrepreneurship measures success through financial indicators such as profit, revenue growth, and market share.
06.	Resource Mobilization	Social entrepreneurs often combine grants, donations, partnerships, volunteerism, and commercial activities.	Traditional entrepreneurs typically rely on commercial investments and market revenues.
07.	Innovation Focus	Social entrepreneurship emphasizes innovations that solve societal problems.	Traditional entrepreneurship focuses primarily on market-oriented innovations.

08.	Risk and Sustainability	Social entrepreneurs face additional risks associated with balancing social mission and financial sustainability.	Traditional entrepreneurship does involve risk-taking.
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Sources: Author’s compilation

V. CHALLENGES FACED BY SOCIAL ENTREPRENEURSHIP

Despite societal contributions, social entrepreneurs face numerous barriers. Based on the existing literature, the major barriers are listed below:

A. Resource Limitation and Financial Constraints

Traditional investors generally prefer ventures with high financial returns, because philanthropic funding may not provide long-term sustainability. As a result, social entrepreneurs frequently operate under severe budgetary constraints. Inadequate access to capital remains one of the biggest barriers for social enterprises (Shaw & Carter, 2007). They often rely on resource bricolage (Smith & Stevens, 2010), which involves creatively utilizing limited available resources to sustain operations. While this strategy demonstrates resilience and innovation, it also reflects the structural funding limitations within the social entrepreneurship sector. Recent literature further suggests that post-pandemic economic instability and inflation have worsened financial pressures on social enterprises. Rising operational costs, reduced donor funding, and declining consumer purchasing power have negatively affected many mission-driven organizations (Bacq & Lumpkin, 2021).

B. Balancing Social Mission and Commercial Sustainability

Social entrepreneurship involves pursuing a social mission (Dees, 1998) through entrepreneurial methods, but sustaining such initiatives financially remains difficult. Hybrid organizations frequently experience mission drift when commercial priorities begin to overshadow social objectives (Defourny & Nyssens, 2017). Organizations are bound to prioritize profitable activities over socially

impactful initiatives to survive financially. This challenge becomes even more complex in competitive markets where consumers may not always be willing to pay premium prices for socially responsible products and services. Managing conflicting stakeholder expectations is one of the defining difficulties of hybrid organizations (Battilana & Lee, 2014). Social entrepreneurs must satisfy beneficiaries, investors, governments, employees, and customers simultaneously, each having different expectations and priorities.

C. Lack of Institutional and Policy Support

Social enterprises operate without clear legal recognition or dedicated policy frameworks. This creates uncertainty regarding taxation, funding eligibility, governance structures, and regulatory compliance. Institutional voids often restrict the ability of social entrepreneurs to scale their innovations effectively (Mair & Marti, 2006). It is emphasized that the absence of supportive ecosystems and regulatory clarity limits the development of social entrepreneurship as a recognized sector (Nicholls, 2006). Although governments are increasingly acknowledging the importance of social entrepreneurship in achieving sustainable development goals, policy implementation remains inconsistent (Saebi et al., 2019). Many social enterprises continue to operate in fragmented ecosystems without adequate incubation support, training opportunities, or access to institutional networks.

D. Market Access and Competitive Pressures

Social enterprises frequently struggle to communicate their value proposition to customers who may not fully understand or appreciate socially driven business models. Limited consumer awareness regarding ethical and socially responsible products further restricts market opportunities (Grimes et al., 2017). Many social enterprises operate in underserved or low-income markets where purchasing power is limited. Consequently, generating sufficient revenue while maintaining affordability becomes highly challenging. In addition, large corporations

increasingly engage in corporate social responsibility (CSR) initiatives and sustainability branding, creating competitive pressures for smaller social enterprises. Digital transformation can enhance operational efficiency and social outreach (Dwivedi et al., 2023), but unequal access to technology creates barriers for many small social enterprises, particularly in rural and developing regions.

E. Human Resource and Leadership Challenges

Social enterprises often operate with limited budgets, making it difficult to attract and retain skilled employees. Unlike large corporations, they are not able to offer competitive salaries, career growth opportunities, or employee benefits. Social entrepreneurs rely heavily on intrinsic motivation, volunteerism, and mission alignment to build their workforce. However,

maintaining employee commitment over the long term can be difficult, especially when workloads are high and financial rewards are limited (Austin et al., 2006).

Moreover, women social entrepreneurs face additional barriers related to gender stereotypes, restricted access to finance, and limited professional networks. It is always observed that female social entrepreneurs often experience structural discrimination and reduced institutional support despite their increasing contribution to social innovation (Gupta et al., 2020).

F. Measuring Social Impact and Accountability

In traditional businesses where success is primarily measured through financial indicators, social enterprises must evaluate intangible social outcomes such as community empowerment, poverty reduction, education improvement, and environmental sustainability. Studies argued that social impact measurement lacks universally accepted standards, making it difficult for social enterprises to demonstrate effectiveness consistently. Different stakeholders often require different forms of reporting, increasing administrative complexity and resource burden (Nicholls, 2009). Recent studies have emphasized the importance of data analytics, digital reporting

tools, and ESG frameworks in improving social impact measurement (Rawhouser et al., 2019). However, adopting such systems requires technological investment and specialized knowledge that many small social enterprises cannot easily access.

The literature consistently indicates that social entrepreneurship operates in a complex environment shaped by financial constraints, resource limitations, market inefficiencies, institutional barriers, and structural tensions between social and economic objectives. These challenges significantly influence its ability to scale, sustain operations, and generate long-term social impact.

VI. SOCIAL ENTREPRENEURSHIP IN THE CHANGING BUSINESS LANDSCAPE

The modern business environment has undergone a significant transformation due to globalization, technological advancement, environmental concerns, changing consumer preferences, and increasing social inequalities. In this evolving scenario, businesses are no longer evaluated solely based on profitability and market share, they are increasingly expected to contribute toward social welfare, environmental sustainability and inclusive development. As a result, social entrepreneurship has emerged as an important approach that combines entrepreneurial innovation with social value creation. It reflects a shift from the traditional profit-centred business model toward a more purpose-driven and socially responsible model of enterprise.

The changing business landscape has created conditions that strongly support the growth of social entrepreneurship. Major factors contributing to this transformation were as follows:

A. Consumer Awareness and Ethical Consumption

One of the most significant changes in the modern business environment is the growing consumer awareness of ethical and sustainable consumption practices. Earlier, consumers primarily focused on price, quality, and availability while making purchasing decisions. However, in recent years,

societal concerns such as environmental degradation, climate change, labor exploitation, gender inequality, and human rights violations have substantially influenced consumer behaviour. Modern consumers increasingly prefer products and services that are environmentally friendly, socially responsible, and ethically produced. This transition has created favourable conditions for the emergence and growth of social entrepreneurship.

Social entrepreneurs recognize these changing consumer expectations and develop enterprises that address societal and environmental challenges while simultaneously satisfying market demand. Unlike traditional firms that mainly prioritize profit maximization, social enterprises attempt to generate social value through ethical production processes, fair trade practices, community development, and sustainable operations (**Porter & Kramer, 2011**). Social enterprises working in areas such as organic farming, eco-friendly products, women's empowerment, rural development, waste management, and renewable energy have particularly benefited from this shift in consumer preferences (**Nicholls, 2006**).

B. Technological Advancement and Digital Transformation

The rapid growth of digital technologies such as the internet, artificial intelligence, mobile applications, cloud computing, social media, and e-commerce platforms has revolutionized the way businesses operate and interact with society. These technological developments have enabled social entrepreneurs to address social problems more efficiently, reach larger populations, and create scalable social impact. Through digital platforms, social entrepreneurs can connect with underserved communities, provide online education, promote digital healthcare services, facilitate financial inclusion, and improve market access for rural producers (**Zahra et al., 2009**). For example, telemedicine platforms help provide healthcare services in remote areas, while digital learning platforms expand educational opportunities for disadvantaged populations.

C. Globalization and Social Entrepreneurship

While globalization has contributed to economic growth and technological progress, it has also intensified various social and environmental challenges, such as income inequality, labor exploitation, unemployment, the displacement of local industries, and ecological degradation. In response to these challenges, social entrepreneurship has emerged as an important mechanism for promoting inclusive and sustainable development.

Social entrepreneurs operate within this globalized environment by addressing social issues through innovative and sustainable business models. Unlike traditional enterprises that primarily focus on expanding profits in global markets, social enterprises attempt to balance economic activities with social objectives (**Bornstein & Davis, 2010**). They often work toward empowering marginalized communities, supporting local artisans, promoting fair trade practices, and ensuring environmental sustainability.

In addition, globalization has encouraged multinational corporations to adopt socially responsible practices due to increasing public scrutiny and stakeholder expectations. Concepts such as corporate social responsibility, inclusive business, and sustainable development have gained importance in global business strategies.

D. Sustainable Development Goals and Social Entrepreneurship

The SDGs focus on eliminating poverty, reducing inequality, promoting gender equality, ensuring quality education, protecting the environment, and achieving sustainable economic growth. Achieving these goals requires collective efforts from governments, businesses, and individuals. In this context, social entrepreneurship has emerged as an important contributor toward sustainable development. Social entrepreneurs directly address many of the challenges highlighted in the SDGs by developing innovative and sustainable solutions to social and environmental problems. Social enterprises working in healthcare, education, renewable energy, waste management, women's empowerment, and rural development contribute

significantly toward achieving multiple SDGs simultaneously.

The concept of sustainability is central to social entrepreneurship. Social entrepreneurs attempt to create long-term positive impact by balancing economic viability, social inclusion, and environmental responsibility. This approach aligns closely with the principles of sustainable development, which emphasize meeting present needs without compromising the ability of future generations to meet their own needs (Porter & Kramer, 2011).

VII. CONCLUSION

Social entrepreneurship has emerged as a transformative force in the modern business environment by integrating entrepreneurial innovation with social mission and sustainability. The study reveals that social entrepreneurship differs fundamentally from traditional entrepreneurship in terms of objectives, value creation, stakeholder orientation, and performance measurement. While traditional entrepreneurship primarily emphasizes profit maximization and shareholder wealth, social entrepreneurship focuses on creating sustainable social impact and addressing societal challenges. The changing business landscape has further increased the relevance of social entrepreneurship. Social enterprises contribute significantly to sustainable development, inclusive growth, and community resilience.

However, despite their contributions, social entrepreneurs face numerous challenges, including financial constraints, institutional barriers, scalability issues, mission drift, and impact measurement difficulties. Addressing these challenges requires collaborative efforts from governments, investors, educational institutions, and policymakers.

The study concludes that social entrepreneurship represents a sustainable and socially responsible approach to entrepreneurship capable of creating long-term societal transformation. Greater theoretical clarity, supportive ecosystems, technological integration, and policy support are

necessary for strengthening the future of social entrepreneurship.

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